



**NEAR EAST UNIVERSITY  
INSTITUTE OF GRADUATE STUDIES  
DEPARTMENT OF BUSINESS  
ADMINISTRATION**

**INFLUENCE OF AUTHENTIC LEADERSHIP ON  
INNOVATIVE BEHAVIOUR: LEADER-  
MEMBER EXCHANGE AND PROACTIVE  
PERSONALITY**

**PhD THESIS**

**Ozlem UZUNSAF**

**Nicosia**

**November 2021**

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**Ozlem UZUNSAF**

**Supervisor**

**Prof. Dr. Serife ZIHNI EYUPOGLU**

**Nicosia**

**November 2021**

## APPROVAL

We certify that we have read the thesis submitted by.....titled  
“.....” and that in our combined opinion, it is fully adequate,  
in scope and quality, as a thesis for the degree of Doctorate of Business Administration.

Examining Committee      Name-Surname      Signature

Head of the Committee:      Prof.Dr. Tülen Saner  
Near East University  
Department of Tourism and Hotel Management

Committee Member:      Asst.Prof.Dr. Ayşe Gözde Koyuncu  
Near East University  
Department of International Business

Committee Member:      Asst.Prof.Dr. Kemal Çek  
Cyprus International University  
Department of Accounting and Finance

Committee Member:      Asst.Prof.Dr. Husam Rjoub  
Cyprus International University  
Department of Accounting and Finance

Supervisor:      Prof.Dr Şerife Zihni Eyüpoğlu  
Near East University  
Department of Business Administration

Approved by the Head of the Department

...../...../20...

Prof.Dr. Şerife Zihni Eyüpoğlu

Title, Name-Surname

Head of Department

Approved by the Institute of Graduate Studies

...../...../20...

Prof. Dr. Kemal Hüsnü Can Başer

Head of the Institute

## DECLARATION

I hereby declare that all information, documents, analysis and results in this thesis have been collected and presented according to the academic rules and ethical guidelines of the Institute of Graduate Studies, Near East University. I also declare that as required by these rules and conduct, I have fully cited and referenced information and data that are not original to this study.

Name and Surname of the Student

Özlem Uzunsaf

...../...../.....

Day/Month/Year

**To my treasures,**

**Irmak and Yağmur.**

## **ABSTRACT**

### **Influence of Authentic Leadership on Innovative Behaviour: Leader-Member Exchange and Proactive Personality**

**Uzunsaf, Ozlem**

**PhD, Department of Business Administration**

**November 2021, .....pages**

Authentic leadership has developed as a positive leadership style and significantly impacts employees' attitudes and behaviours. Yet no empirical studies on authentic leadership style in the banking sector in North Cyprus exist. Therefore, this thesis empirically tests how authentic leadership style and its four dimensions, namely relational transparency, moral perspective, balanced processing, and self-awareness, influence front-line bank employees' innovative behaviour through the mediating mechanism of Leader-member exchange. The thesis also investigates the moderating role of proactive personality relationship between Leader-member exchange and innovative service behaviour.

A quantitative approach was adopted to collect information from the study sample. It consisted of 428 respondents from 14 banks who filled the self-administrated questionnaire in North Cyprus. Confirmatory factor analysis, explanatory factor analysis, correlation design, reliability and structural equation modelling were employed to test the data and conceptual model.

Findings then show that twelve of the hypotheses were supported while five was not supported. As proposed, authentic leadership style and its four dimensions positively influenced innovative service behaviour and leader-member exchange. The findings show that leader-member exchange partially mediates the impact of the only moral perspective dimension of authentic leadership on bank employees' service innovative behaviour. On the other hand, it implies that no statistically significant relationship was found

between authentic leadership style, relational transparency, balanced processing, and self-awareness dimensions of authentic leadership on employees' service innovative behaviour when leader-member exchanges were used as a mediator. In addition, between leader-member exchange and innovative service behaviour, proactive personality is not moderated. Overall, this thesis contributes to the positive leadership literature and a better understanding of authentic leadership in bank organisations.

**Keywords:** authentic leadership, innovative behaviour, Leader-member Exchange, proactive personality, positive organisational behaviour, front-line employees, banking sector, North Cyprus.

## ÖZ

### **Otantik Liderliğin Yenilikçi Davranış Üzerindeki Etkisi: Lider-Üye**

#### **Etkileşimi ve Proaktif Kişilik**

#### **Uzunsaf, Ozlem**

#### **PhD, İşletme Bölümü, Kasım 2021, .....sayfa**

Otantik liderlik pozitif liderlik tarzı olarak gelişmiş ve çalışmaların tutum ve davranışlarını önemli ölçüde etkilemektedir. Buna rağmen Kuzey Kıbrıs'ta bankacılık sektöründe otantik liderlik tarzı üzerine ampirik bir çalışma bulunmamaktadır. Bu nedenle, bu tezin amacı, otantik liderlik stiline ve dört boyutunun (ilişkisel şeffaflık, ahlaki bakış açısı, dengeli işlem ve öz farkındalık) Lider-üye etkileşiminin aracılık mekanizması olarak ön saflardaki banka çalışanlarının yenilikçi davranışlarını nasıl etkilediğini ampirik olarak test etmektir. Tez ayrıca, Lider-üye etkileşimi ve yenilikçi hizmet davranışı arasındaki proaktif kişilik ilişkisinin ılımlayıcı rolünü de araştırmaktadır.

Çalışma örneklerinden bilgi toplamak için nicel bir yaklaşım benimsenmiştir. Bu çalışmanın verileri Kuzey Kıbrıs'ta bulunan 14 bankada çalışan 428 katılımcıdan oluşmaktadır. Verileri ve kavramsal modeli test etmek için doğrulayıcı faktör analizi, açıklayıcı faktör analizi, korelasyon tasarımı, güvenilirlik ve yapısal eşitlik modellemesi kullanılmıştır.

Bulgular daha sonra hipotezlerin onikisinin desteklendiğini, beşinin ise desteklenmediğini göstermektedir. Önerildiği gibi, otantik liderlik tarzı ve dört boyutu, yenilikçi hizmet davranışını ve Lider-üye etkileşimini olumlu yönde etkilemiştir. Bulgular, Lider-üye etkileşiminin, otantik liderliğin tek ahlaki perspektif buyutunun banka çalışanlarının yenilikçi hizmet davranışları üzerindeki etkisine kısmen aracılık ettiğini göstermektedir. Öte yandan, Lider-üye etkileşimi aracı olarak kullanıldığında, otantik liderlik stili, ilişkisel şeffaflık, dengeli işleme ve öz farkındalık boyutları ve çalışanların yenilikçi hizmet davranışları arasında istatistiksel olarak anlamlı bir ilişki bulunmadığını göstermiştir. Ayrıca Lider-üye etkileşimi ve yenilikçi hizmet davranışı arasında proaktif kişiliğin ılımlayıcı rolünün olmadığı



saptanmıřtır. Genel olarak, bu te, pozitif liderlik literatürüne ve banka örgütlerinde otantik liderliđin daha iyi anlaşılmasına katkıda bulunmaktadır.

**Anahtar Kelimeler:** Otantik liderlik, yenilikçi hizmet davranıřı, Lider-üye etkileřimi, proaktif kiřilik, pozitif örgütsel davranıř, ön saflardaki çalışanlar, bankacılık sektörü, Kuzey Kıbrıs.

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## **LIST OF ABBREVIATIONS**



<b>AL:</b>	Authentic Leadership
<b>ALRT:</b>	Relational Transparency
<b>ALS:</b>	Authentic Leadership Scale
<b>ALMP:</b>	Moral Perspective
<b>ALBP:</b>	Balance Processing
<b>ALSA:</b>	Self-awareness
<b>AVE:</b>	Average Variance Extracted
<b>CL:</b>	Charismatic Leadership
<b>CFA:</b>	Confirmatory Factor Analysis
<b>CFI:</b>	Comparative Fit Index
<b>CR:</b>	Composite Reliability
<b>DV:</b>	Dependent Variable
<b>EFA:</b>	Exploratory Factor Analysis
<b>ESIB:</b>	Employees' Service Innovative Behaviour
<b>EL:</b>	Ethical Leadership
<b>FLEs:</b>	Front-line Employees
<b>IFI:</b>	Incremental Fit Index
<b>GFI:</b>	Goodness of Fit Index
<b>H:</b>	Hypothesis
<b>IV:</b>	Independent Variable
<b>KMO:</b>	Kaiser-Meyer-Olkin
<b>LMX:</b>	Leader-member Exchange

<b>NEU:</b>	Near East University
<b>POB:</b>	Positive Organisational Behaviour
<b>POS:</b>	Positive Organisational Psychology
<b>PP:</b>	Proactive Personality
<b>PPS:</b>	Proactive Personality Scale
<b>PL:</b>	Participative Leadership
<b>RMSEA:</b>	Root Mean Square Error of Approximation
<b>RQ:</b>	Research Question
<b>SEM:</b>	Structural Equation Model
<b>SrL:</b>	Servant Leadership
<b>SET:</b>	Social Exchange Theory
<b>SCT:</b>	Social Cognitive Theory
<b>SIB:</b>	Service Innovative Behaviour
<b>SIBS:</b>	Service Innovative Behaviour Scale
<b>SpL:</b>	Spiritual Leadership
<b>SRMR:</b>	Standardised Root Mean Squared Residual
<b>TL:</b>	Transformational Leadership
<b>TLI:</b>	Tucker-Lewis Index

### **STATISTICAL NOTATIONS**

<b><math>\alpha</math>:</b>	Cronbach alpha
<b>r:</b>	Correlation coefficient
<b>n:</b>	Sample
<b>M:</b>	Mean

<b>SD:</b>	Standard Deviation
<b>SE:</b>	Standard Error
<b><math>\chi^2</math>:</b>	Chi-square
<b>df:</b>	Degrees of freedom
<b><math>\beta</math>:</b>	Beta coefficient
<b>%:</b>	per cent
<b>df:</b>	Degrees of freedom
<b>p:</b>	Significance or P-value
<b>R<sup>2</sup>:</b>	Coefficient of Determination
<b>t:</b>	t-score
<b>Q:</b>	Relative Chi Square Index
<b><math>\lambda</math>:</b>	Standard loading

# CHAPTER I

## Introduction

Organisations progressively depend on innovative behaviour to address the complex challenges of the modern business environment (Scott & Bruce, 1994). Innovative behaviour occurs when employees generate, promote, implement novelty and beneficial ideas in the workplace (De Jong & Den Hartog, 2007). Both academicians and practitioners now claim that individual innovation helps obtain organisational performance (Damanpour, 1991) and success (Amabile, 1988; Yuan & Woodman, 2020).

Given the significance of innovative behaviour in the literature number of empirical research has been investigated to specify the antecedents of the innovative behaviour in the workplace, such as proactive personality (Yamak & Eyupoglu, 2021), job characteristics (Oldman & Cummings, 1996), organisational culture (Scott & Bruce, 1994), organisational commitment (Dhar, 2015), decentralisation (Darvishmotevali, 2018), knowledge sharing (Kim & Lee, 2013), leadership style (Schuckert, Kim, Peak, & Lee, 2018) and so on.

Accordingly, leadership style is a significant predictor of innovative behaviour (Choi, Kim, Ullah, & Kang, 2016; Dhar, 2016; Schuckert, Kim, Paek, & Lee, 2018). Katz (1964) noted more than six decades ago that businesses require leaders skilled at inspiring individuals to exhibit positive behaviours to preserve the constancy and efficacy of the firm, mainly when those behaviours are not explicitly defined in the job description. De Jong and Den Hartog (2007) claims that the most commonly studied leadership approaches linked with innovative behaviour are transformational leadership-TL, leader-member exchange-LMX, and participative leadership-PL.

### Statement of the Problem

Last two decades, as a relatively emerging positive leadership style derived from positive psychology principles (Seligman & Csikszentmihalyi, 2000), an increasing number of scholars are addressing the concept of authentic leadership-AL (George, 2003; Shalley & Gilson, 2004; Walumbwa, Avolio, Gardner, Wernsing, & Peter, 2008; Yammarino, Dionne, Schriesheim, & Dansereau, 2008). The recent increases have also influenced this interest in leadership failures and corruptions in the quality of the entire

moral fabric of contemporary leadership to include Enron, Goldman Sachs, Lehman Brothers, Siemens AG and World Com, to name a few (Myer Jr. 2015).

AL has positive effects on employees' behaviours and attitudes where innovative behaviour is one of the positive outcomes in the organisation. Authentic leaders are honest, willing to change, empower employees in decision-making, and foster positive attitudes to help the organization work more effectively (Walumbwa et al., 2008). They focus on positive accomplishments rather than emphasizing mistakes (Petersen & Luthans, 2003) and encourage employee trust; then, it results in advanced emotional safety and unusual ideas suggestions (Avolio, Gardner, Walumbwa, Luthans, & May 2004). Consequently, under the influence of AL, it is expected that employees tend to try innovative behaviour more.

Unfortunately, few empirical studies link AL to employees' innovative behaviour. The majority of previous research (Malik et al., 2016; Rego et al., 2012, 2014) has focused on the impact of AL on creativity which is the first stage of innovative behaviour; nevertheless, there has been less research on how concepts are implemented. According to Mumford (2003), future research should focus on late-cycle competencies such as implementing creative ideas. Furthermore, Neider and Schriesheim (2011) requested an additional study to support the AL measures' structural validity. The current study fills a gap in the literature by connecting the AL theory to front-line employees' (FLEs) service innovative behaviour (SIB) at an individual basis in North Cyprus' banking industry. As a result, this thesis contributes to the literature in five key areas.

Firstly, in this study, AL was used as a component level. Even though AL has been described with its four principal components, broad research has investigated these separate components and their direct effects. Such separation provides for the identification of each sub-dimensions that are most significant in specific cases, as Gardner, Coglisier, Davis, and Dickens (2011), Neider and Schriesheim (2011) and as a short time ago, Banks, McCauley, Gardner, and Guler (2016), suggested for future studies. Also, previous studies have investigated and supported charismatic leadership (Yamak & Eyupoglu, 2018) in North Cyprus. As past research has been indicated, there is some conceptual overlap between charismatic leadership and AL. Thus, it is a valid reason to propose an investigation of AL in North Cyprus.

Second, it has been documented that the service sector's contribution to the world's developed economies has increased in comparison to the production sector, with services accounting for more than 70% of GDP (Attiah, 2019), and there is a strong tendency against the service sector (Thakur & Hale, 2013). There is much empirical research on services innovation (e.g., Dhar, 2016; Kim et al., 2017; Schuckert et al., 2018; Yamak & Eyupoglu, 2021), but just a few studies on North Cyprus' services sector (Baradarani & Kilic, 2018; Yamak & Eyupoglu, 2018; Yamak & Eyupoglu, 2021). Academics claim that service sector innovation does not encourage similar development patterns as production innovation (Barras, 1986; Miles, 1993). Moreover, despite the significance of service innovation in developing economies, scholars have mostly neglected it. As a result, all of the previous statements have opened the way for the current investigation to begin.

Thirdly, the current study's sample contains FLEs from the banking industry. Like in any labour-intensive business, FLEs play a critical role in providing new services to clients in service organisations. They are known as the company's face and work at the heart of the customer-centric service organization (Rothfelder et al., 2013). FLEs regularly understand consumers' wants, identify areas for development, and propose alternate solutions to existing problems throughout time, according to Karlsson and Skalen (2015). Despite that, in the services business, notably in the banking sector, there has been minimal empirical research on the SIB of FLEs (Garg & Dhar, 2017; Yamak & Eyupoglu, 2021). According to Mishkin (2001), banking and financial services are customer-driven sectors that contribute mainly to the services economy while also extremely dynamic (Arasli et al., 2005). In addition, the global banking sector has seen significant regulatory, structural, and technology changes (Angur et al., 1999). In the context of North Cyprus, most of the studies in the banking sector have concentrated on sector development (Safaklı, 2010), employee performance (Safaklı & Kutlay, 2019), customer satisfaction (Huseynova, 2018), job satisfaction (Saner & Eyupoglu, 2015), reasons why banks are underperforming (Temel & Kalmaz, 2018), customer service quality (Araslı, Mehtap-Smadi, & Katırcıoğlu, 2005). Therefore, the banking sector provides an ideal setting for testing SIB. To our knowledge, this study is the first to demonstrate the importance of SIB in hitting a competitive superiority in the banking industry by utilizing FLE views is highlighted.

LMX as a mediator between AL and FLEs SIB is another contribution of this thesis. LMX differs from other leadership approaches in that a leader and a follower negotiate their relationship over time. Based on Social Exchange Theory-SET, LMX examines the nature of the working relationship between an employee and their immediate supervisor. Previous studies have shown that LMX is one of the most influential factors increasing innovative employee behaviour (Dhar, 2016). Being more open to sharing information, expressing personal feelings and opinions and pushing for a transparent decision-making process, authentic leaders can gain the trust and loyalty of their employees. As a result of high moral standards and honesty, they can build long-term relationships. Many studies conducted by LMX have shown the importance of the relationship quality between two people in an organization (Anand et al., 2018) and that there is a positive correlation between the two LMX and SIB (Dhar, 2016). However, studies on this relationship have yielded a contradictory result (Garg & Dhar, 2017), highlighting a research gap. Therefore, this study assumes that LMX, which creates strong exchange relations with followers, promotes SIB among FLEs.

Fifth, the current thesis was written in response to Yamak and Eyupoglu's (2021) recommendation for future research examining the moderating role of PP between LMX and SIB. Since PP has outperformed the Big Five in explaining variance in organisational phenomena, this thesis focuses on PP instead of other personality constructs such as the Big Five personality characteristics studied by other scientists (e.g., Kim, Shin, & Swanger, 2009). Hence, it appears that these results are extended to other aspects of the personality in line with the current literature. A well-known new aspect of personality research is the PP (Major et al. 2006). This thesis, therefore, suggests investigating PP as a moderator between LMX and SIB. This proposition is consistent with Interactionism and SCT, which helps us conceptualise the relationship between personality and work outcome by explaining how the special effects of positive personality traits can evoke specific behaviour (SIB) in a specific relationship (LMX). Interactionism (Bower, 1973) believes that situations are a function of the person as the person's behaviour is a function of the condition, and social cognitive theory-SCT (Bandura, 1986) claims that the person, environment, and behaviour are all continuously shaping one another. SCT is a type of three-way reciprocal causation in which people are both actors and products of their environment. Individuals, in other words, have an impact on and are impacted by the environment in which they interact (Crant &

Bateman, 2000). Drawing on SCT and interactionism theory, this thesis proposes that in the organisation, frontline employees with strong PP traits will have stronger LMX, which will make their SIB than employees with weaker PP traits. An organisation requires an employee who can immediately embrace changes. An employee with PP changes the work environment and encourages positive organisational outcomes, such as innovative behaviour. Thus, anyone with PP is less limited by conditional pressures, and someone who influences environmental shift (Bateman & Crant, 1993) is the ideal fit in today's ever-changing organizational environment. According to Fuller and Marler (2009), PP in the workplace is one of the most critical personality traits that support individuals' in-role and extra-role behaviour. Although studies are investigating the influence of LMX on the innovative behaviour of employees (Dhar, 2016) in literature, the moderating impact of PP is examined and revealed for the first time through the current thesis, which is the novelty in this study.

This thesis assumes that AL, which nourishes strong exchange relationships with followers, encourages SIB among FLEs with a PP who leverages these enlarged social networks to excel at their extra-role behaviour.

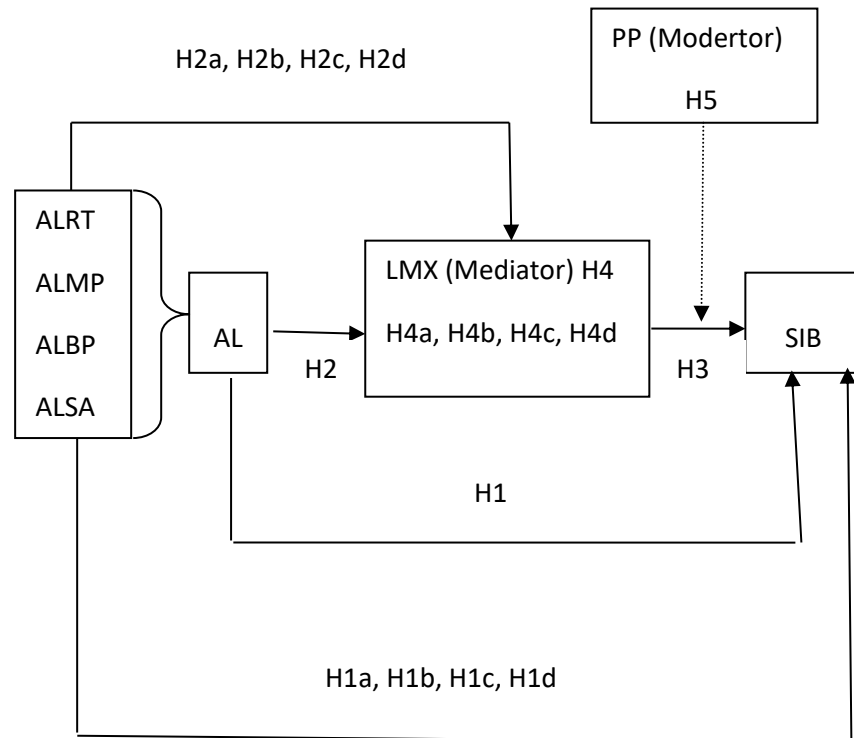
### **Purpose of the Research**

The current study aims to empirically evaluate at the individual level the role of AL and its sub-dimensions in promoting FLEs SIB and mediated via LMX. It also examines the impact of PP as a moderator in determining the relationship strength among LMX and FLEs SIB in the banking industry of North Cyprus. As a result, this work contributes to the current knowledge on AL, LMX, PP, and SIB by explaining and focusing on AL's role in generating FLEs SIB.

Figure 1.1

*The hypothesised model*





## Research Questions and Hypotheses

AL and its sub-dimensions, such as relational transparency-ALRT, moral perspective-ALMP, balanced processing-ALBP, and self-awareness-ALSA, are considered the independent variable-IV (predictor variable) in this study. In contrast, FLEs SIB is the dependent variable-DV (outcome variable), LMX is regarded as the mediator variable (IV), and PP is deemed a moderator variable. Figure 1.1 illustrates the hypothesised model.

The following research questions and hypotheses were proposed based on the previous justification.

**Research Question 1.** What is the relationship between authentic leadership and front-line bank employees service innovative behaviour in North Cyprus?

**Research Question 1a.** What is the relationship between relational transparency and front-line bank employees service innovative behaviour in North Cyprus?

**Research Question 1b.** What is the relationship between internalised moral perspectives on front-line bank employees' service innovative behaviour in North Cyprus?

**Research Question 1c.** What is the relationship between balance processing on front-line bank employees service innovative behaviour in North Cyprus?

**Research Question 1d.** What is the relationship between self-awareness on front-line bank employees service innovative behaviour in North Cyprus?

**Hypothesis 1.** There is a statistically significant influence of authentic leadership on front-line bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 1a.** There is a statistically significant influence of relational transparency on frontline bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 1b.** There is a statistically significant influence of internalised moral perspectives on frontline bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 1c.** There is a statistically significant influence of balance processing on frontline bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 1d.** There is a statistically significant influence of self-awareness on frontline bank employees' service innovative behaviour in North Cyprus.

**Research Question 2.** What is the relationship between authentic leadership and leader-member exchange in the banking sector in North Cyprus?

**Research Question 2a.** What is the relationship between relational transparency and leader-member exchange in the banking sector in North Cyprus?

**Research Question 2b.** What is the relationship between internalised moral perspective and leader-member exchange in the banking sector in North Cyprus?

**Research Question 2c.** What is the relationship between balance processing and leader-member exchange in the banking sector in North Cyprus.?

**Research Question 2d.** What is the relationship between self-awareness and leader-member exchange in the banking sector in North Cyprus?

**Hypothesis 2.** There is a statistically significant influence of authentic leadership on leader-member exchange in the banking sector in North Cyprus.

**Hypothesis 2a.** There is a statistically significant influence of relational transparency on leader-member exchange in the banking sector in North Cyprus.

**Hypothesis 2b.** There is a statistically significant influence of internalised moral perspective on leader-member exchange in the banking sector in North Cyprus.

**Hypothesis 2c.** There is a statistically significant influence of balance processing on leader-member exchange in the banking sector in North Cyprus.

**Hypothesis 2d.** There is a statistically significant influence of self-awareness on leader-member exchange in the banking sector in North Cyprus.

**Research Question 3.** What is the relationship between leader-member exchange and front-line bank employees' service innovative behaviour in North Cyprus?

**Hypothesis 3.** There is a statistically significant influence of leader-member exchange on frontline bank employees' service innovative behaviour in North Cyprus.

**Research Question 4.** Is the relationship between authentic leadership and front-line bank employees' innovative behaviour mediated by the leader-member exchange in North Cyprus?

**Research Question 4a.** Is the relationship between relational transparency and front-line bank employees' innovative behaviour mediated by the leader-member exchange in North Cyprus?

**Research Question 4b.** Is the relation between internalised moral perspective and front-line bank employees' innovative behaviour mediated by the leader-member exchange in North Cyprus?

**Research Question 4c.** Is the relation between balance processing and front-line bank employees' innovative behaviour mediated by the leader-member exchange in North Cyprus?

**Research Question 4d.** Is the relation between self-awareness and front-line bank employees' innovative behaviour mediated by the leader-member exchange in North Cyprus?

**Hypothesis 4.** Leaders-member exchange mediates the relationship between authentic leadership and front-line bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 4a.** Leader-member exchange mediates the relationship between relational transparency and front-line bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 4b.** Leader-member exchange mediates the relationship between internalised moral perspective and front-line bank employees' service innovative behaviour in North Cyprus.

**Hypothesis 4c.** Leader-member exchange mediates the relationship between balance processing and front-line bank employees' innovative service behaviour in North Cyprus.

**Hypothesis 4d.** Leader-member exchange mediates the relationship between self-awareness and frontline bank employees' service innovative behaviour in North Cyprus.

**Research Question 5.** Does proactive personality moderate the relationship between the leader-member exchange and the front-line bank employees' innovative behaviour so that the positive relationship will be stronger for those with more proactive personalities in North Cyprus?

**Hypothesis 5.** Proactive personality moderates the relationship between the leader-member exchange and the front-line bank employees' service innovative behaviour such that the positive relationship will be stronger for those with more PP in North Cyprus.

### **Significance of the Study**

The essence of organisational behaviour research, theory, and practice is to create and maintain the organisation's effectiveness through employee contributions and management systems in the workplace. Numerous studies have examined the direct and indirect influences of AL, SIB, LMX, and PP separately or the combined effect of variables together. However, no empirical research has examined these four essential variables combined, namely AL, SIB, LMX and PP. This study is among the first to investigate these critical variables together to explore the mediating effect of leader-member exchange on the relationship between authentic leadership and SIB and the moderating role of PP between leader-member exchange and SIB in organisations. Thus, this study contributes empirical evidence on these variables, the management literature and the purpose of organisational behaviour research and practice, and to broaden literature regarding its implementations in other organisations.

Despite a proliferation in the study of diverse organisational behaviour variables such as leadership, innovation behaviour, LMX, and PP, no investigation has occurred in the North Cyprus banking sector. Thus, researching in the North Cyprus context is significant because it contributes to the banking sector and organisational behaviour development in North Cyprus. It is also substantial for international organisational behaviour research and practice because it provides a better understanding of management research and practices from a developing country's perspective.

The AL questionnaire developed by Walumbwa et al. (2008) was assessed for reliability and validity in North Cyprus (Tabak et al., 2012). This questionnaire had never been used in the banking industry in North Cyprus before. As a result, our research-validated the AL questionnaire in a foreign country.

### **Limitations**

The current study, like any other, has some limitations. First, the ESIB in the banking industry was investigated. As a result, the findings of this study must be applied to other service industries as well. Second, data collection uses a single-source, single-method approach, elevating common method bias risk. Third, as with all cross-sectional research, a causal relationship between the many factors investigated in this study. As a result, a longitudinal design could be used in the future to investigate a link between AL and ESIB that is mediated by a variety of variables.

### **Definition of Key Terms**

**Authentic Leadership-AL.** It is described as being self-aware, showing openness and clarity regarding which they are, and consistently disclosing and acting by their values, beliefs, motives, and sentiments (Walumbwa et al., 2008).

**Self-awareness-ALSA.** It is characterised by leaders as understanding their motives, believes, desires, strengths and weaknesses and being aware of how their environment, e.g., followers' supervisors, experiences their leadership.

**Balance Processing-ALBP.** is described as objectively taking all relevant information into account before decision-making.

**Relational Transparency-ALRT.** It is described as openly sharing information and articulating true thoughts and feelings.

**Moral Perspective-ALMP.** involves leader behaviour that might be forced through peers, organisational and societal pressure.

**Leader-Member Exchange-LMX.** It describes the quality of the social exchange relationship between a supervisor and subordinate (Gerstner & Day, 1997).

**Service Innovative Behaviour-SIB.** is defined as ‘the production or adoption of valuable ideas and idea implementation and begins with problem recognition and generating ideas or solutions (Scott & Bruce, 1994).

**Proactive Personality-PP.** Bateman and Crant (1993) defined the prototypic PP as relatively unconstrained by situational forces and affected environmental change.

**Social Cognitive Theory-SCT.** It states that learning occurs in a social context with a dynamic and reciprocal interaction of the person, environment, and behaviour (Bandura, 1986).

**Social Exchange Theory-SET.** Social psychology concept concerns social changes as interactive exchanges between people. It views human interactions and exchanges as a kind of results-driven social behaviour.

**Positive organisational behaviour-POB.** It is the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace (Luthans & Church, 2002).

**Positive Organisation Psychology-POP.** It is the scientific study of positive experiences and traits in the workplace and organisations and its application to improve its effectiveness and quality of life (Donaldson, & Ko, 2010).

## **CHAPTER 2**

### **Literature Review**

This chapter presents a literature review on the primary constructs of this research, namely AL, LMX, PP, and SIB and available theoretical and empirical research on the construct reviewed and discussed.

#### **Leadership**

The importance of leaders and leadership dates back to prehistoric times. By 1990, however, the case for the concept of leadership had been made. Scholars have



since revised and reaffirmed the definition of leadership. According to Bass (1990), there are more than 3500 descriptions of leadership. Process, influence, followers and goals are common elements in the definition of leadership (Northouse, 2007). For instance, Newstrom (2007, p. 159) define leadership as 'the process of affecting and assisting others to work enthusiastically toward achieving objectives. In contrast, Newstrom's definition indicates that leadership is the critical factor that helps an individual or group specify its goals and motivates and supports accomplishing the stated purposes. Uhl-Bien (2006, p. 668) considered leadership a social influence process by which emergent coordination and change are constructed and produced.

According to Rost (1991), leadership has transformed from 1990 till 21 century. From the 1900s to the 1920s, centralised power dominated the content of leadership; however, by the twenty-first century, the power of the leader has evolved into a novel form in which morality, values, the need for motivation, the formation of a common goal, and non-coercive attitudes have become primary understanding.

Scholars have also demonstrated how the nature of corporate ethos and the centre of leadership has evolved through time (Manning & Curtis, 2003, p. 9). Until the 1950s, the hierarchy was the prevailing business mentality, and the focus of leadership was on order and control. In short, the nature of business culture (the 1950s, organisation; 1960s, system; 1970s, strategy; 1980s, innovation; 1990s, diversity; and post-2000, community) and focus of leadership (1950s, supervisor; 1960s, administration; 1970s, management; 1980s, entrepreneurship; 1990s, team building; post-2000, relationship management) evolved in time.

To conclude, the broad concept of leadership, understanding of what a leader should do or how a leader should act, and the liability that leaders face have all evolved.

### **Classical Leadership Approaches**

To fully understand the uniqueness of AL theory, it is essential to compare and contrast it from other major leadership approaches. The following highlights trait, behavioural, and contingency approaches.

#### ***Trait Approach of Leadership***

Study on the trait approach of leadership aroused the Great Man theory, which implied that an individual who copied their personalities and behaviours would become a strong leader (Galton, 1969). This school of thought proposed that specific dispositional characteristics such as stable personality traits distinguished leaders from non-leaders (Jago, 1982). In other words, the trait approach focused on the natural features and aspects of great leaders. However, this process was frustrating; furthermore, personalities are challenging to fake, providing little value to practising managers (King, 1990).

It was suggested that this idea was flawed since there was no unified set of characteristics that divided leaders from followers and that someone with leadership characteristics may be a leader in one context but not in another (Kirkpatrick & Locke, 1991). Scholars such as Stogdill (1948, 1974) questioned the validity of the trait theory of leadership. As Thomas (2002) argued, supporters of the trait theory had failed to provide effective leadership in the form of a single trait, a combination of attributes, or a combination of different characteristics. These studies could not provide clear refinements between leaders and non-leaders, so they failed to account for conditional changes in leadership behaviour (Zaccaro, 2007).

### ***Behavioural Approach of Leadership***

Due to the trait approach's poor and unreasonable results, a transition to a behavioural approach to leadership was introduced, which provided a new way of determining and conceptualizing an effective leadership pattern. It placed a greater emphasis on what leaders do on the job rather than what personality traits they are born with (Yukl, 1989). The behaviour of leaders is a subset of human behaviour (Hunt & Larson, 1977). To improve their leadership effectiveness (King, 1990), practising managers quickly adopted the behavioural approach's significant advancement (i.e., Fleishman & Harris, 1962). In recent years, some research has focused on typical leadership behaviours, while others have examined the differences in leadership behaviours between weak and influential leaders (Yukl, 1989).

Many studies conducted to investigate the behavioural approach: the Ohio State and the Michigan study are determined two important leader behaviours, namely initiation structure/task-oriented behaviour (leader stresses on the achievement of tasks) and consideration structure/relationship-oriented (Griffin, Skivington, & Moorheah, 1987). The task-oriented and relationship-oriented behaviour models could not capture successful leadership behaviours in various situations (Yukl, 1999). By combining task-oriented, people-oriented, and change-oriented leadership, Yukl, Gordon, and Taber (2002) created an integrated taxonomy of leadership. Similarly, Gupta and Singh (2013) added three categories to the two model conceptualizations of leadership behaviour: empowering, team-building, and leading by example.

The Managerial Grid developed by Blake and Mouton (1964) were another practical behavioural approach that uses a 9 X 9 grid with equivalent behaviour remarkable along one axis and starting constructed behaviour along with the other. It implies that the most influential leader will be measured nine on both of these behaviours (Blake & Mouton, 1964).

In addition, theories X and Y have attracted a great deal of attention. People are passive according to the theory X, so they must be steered in the direction of the organization's needs (autocratic style), whereas people are intrinsically motivated according to the theory Y, so they require nothing more than good working conditions (participative style) (McGregor, 1966)

Following the behavioural approach, it was realized that leaders do not directly create subordinate behaviour but rather maintain the conditions and stimuli for subordinate behaviour to be associated (Bass, 1981). At the same time, leadership research set itself up again in crisis because of inconsistent behavioural 'styles' of leadership to convenient outcomes. In other words, there was no coherent proof of a universally accepted leadership style across tasks or conditions. These contradictory results suggested that achieving the leaders' behavioural style must be contingent on the situation. As a result, leadership theory in 1960 initiated to focus on leadership contingencies (Day & Antonakis, 2009).

### ***Contingency Approach of Leadership***

The contingency approach demonstrates a significant advance in the evolution of leadership theory. According to Northouse (2007), the most efficient leadership style has three essential factors: leadership, situation, and followership. First, it was acknowledged that oversight was not found in any of the naive, unidimensional models discussed beforehand but instead included factors of them all. Effective leadership was encountered or interconnected on the behaviour, personality, influence, and situation elements. Typically, this approach is a leader-match theory that attempts to match leadership behaviour to the appropriate situation (King, 1990).

The most numerous theories of this approach are the Fiedler's contingency model (1967, 1971), the Path-Goal Theory (House, 1971), and the Normative Theory (Vroom & Yetton, 1973; Vroom & Jago, 1988).

The contingency approach is respected largely by Fiedler (1967, 1971), who proposed that there is no best way to lead; instead, leader style should be selected according to the situation. It emphasises training leaders to modify the conditions to match their style. The leader-member relationships, job structure, and the position power of the leaders establish the efficacy of the type of leadership practised (Day & Antonakis, 2009).

The Path-Goal theory evolved by House (1971) implies that the leaders' job is to use structure, assistance, and rewards to constitute a work environment that enables employees to reach organisational objectives. Creating a target orientation and improving the path towards the goals are two major roles of the Path-Goal Theory to attain them (Newstrom, 2007). In other words, it focuses less on the situation or behaviour of the leader and more on maintaining to facilitate conditions for followers' success (House, 1971).

The Normative Model is another contingency approach to leadership is (Vroom & Yetton, 1973; Vroom & Jago, 1988). It advises that leader decision-making behaviour would be most suitable depending on the condition and the need for decision agreement and quality (Vroom & Yetton, 1973). Leader decision-making model selected among various degrees of leadership styles (from autocratic to participative) (i.e., Vroom & Yetton, 1973; Vroom & Jago, 1988). According to King (1990), this last approach composed significant appeal because it had extensive

practicality to leaders. Consequently, despite leaders' traits and rate of force, leaders could modify their behaviour to increase leader efficacy in different conditions.

Although the contingency approach has been supported and grounded in considerable research (i.e., Vroom & Jago, 1978; Wood, 1994; House, 1971), it has some weaknesses. To begin with, it considers leader consistency and assumes a static process rather than a dynamic process that is constantly evolving (Vroom & Jago, 1995). In the second place, it fails to examine the impact of changing leadership behaviour on follower motivation and happiness. As a third shortcoming, it did not sufficiently clarify what should happen if the leader and the work environment are inconsistent (Vroom & Jago, 1995).

### **Positive Theories of Leadership**

Transformational leadership-TL, servant leadership-SeL, ethical leadership-EL, charismatic leadership-CL, and spiritual leadership-SpP are other positive forms of leadership that contribute to the development of AL (Avolio, 2010). AL is considered a root construct that forms the grounds for what then set up other forms of the preceding documents of leadership (Avolio, 2010, p. 328). The following section will describe the comprehensive overview of the five states of positive leadership theories, which build on the development of AL.

#### ***The Transformational Approach to Leadership***

TL was introduced in 1978 by Burns to describe an alternative style of leadership that offered more flexibility in the relationship and engaged members by fulfilling their higher-order needs (Burns, 1978; Conger & Kanungo, 1994). TL is a positive relational based approach to leadership that encourages members by helping them attain their higher-order needs (Avolio, 2018). Transformational leaders are known for their inspiration and ability to develop an atmosphere where members feel intrinsically motivated to excel beyond their highest potential (Burns, 1978).

When examining the transactional leadership approach, leaders must be proactive instead of reactive in their thought, more radical than traditional; much more innovative and creative; and more open to novel ideas (Bass, 1985). Yukl (1989) implies that leadership practices generate ambitious commitment by subordinates instead of unwilling obedience. TL is also necessary during the

organisational transition by constituting visions of potential opportunities and transfusing employee commitment to change (Tichy & Ulrich, 1989). Transformational leaders strongly influence the amount and level at which organizational learning occurs (Santa, 2015).

The TL theory is also known as relationship theory because of the emotional bond between the leader and a follower. The leadership style inspires members to achieve self-actualization (Maslow, 1943) and work at their highest potential. Stead (1972) believed that TL followed Douglas McGregor's constraint Theory Y, which stated that employees like to work. Theory Y contradicts the Theory X constraint, which says that employees do not want to work (Stead, 1972). Burns (1978) believed that transformational leaders engaged with their followers in a manner that increased both the leader and follower's motivation and morality (Kouzes & Posner, 2002; Rothwell et al., 2016). The engagement resulted in the leader's internal standards being adopted by the followers, which altered the followers' attitudes, beliefs, and goals (Kuhnert & Lewis, 1987). Transformational leaders care about their followers' success and encourage them to be part of the solution (Gandolfi & Stone, 2017). Bass and Avolio (1993) explained that organizational members of transformational leaders are considered trustworthy and make unique contributions, which would indicate that followers find inspiration in their work.

When the following characters can be observed, Bass and Avolio (1994) claim that TL style exists: In the first option, the leader displays vigour, self-assurance, and conviction in their ideas and views. This involves a strong desire for power, self-assurance, and the capacity to inspire confidence in their followers, motivating them to change their behaviour (Bass, 1985). When a leader exhibits condemnation, promotes trust, takes positions on complicated problems, and highlights the importance of the purpose, engagement, and ethical outcomes of actions while simultaneously being considered as a role model by their subordinates, this is referred to be idealized behaviour (influence) (Bass & Avolio, 1995). The third characteristic of transformational leaders is inspirational motivation. It happens when a leader offers a charming picture of the future, has the ability to inspire good attitudes in others, speaks confidently and with passion, and assures stimulation and understanding of what needs to be done (Bass & Avolio, 1995). The fourth is intellectual stimulation. A leader creates an environment where followers are

persuaded to examine their behaviour and ideas and handle practical challenges and interpersonal concerns (Avolio, Waldman, & Yammarino, 1991). Last but not least, the character is an individualized consideration. This trait is displayed by the leader when they recognize followers as individuals; takes into account each follower's individual needs; pays close attention to what each follower is saying; facilitates follower development; suggests, trains, and mentors, rather than treating all followers as if they all have the exact needs and wants (Avolio, Waldman, & Yammarino, 1991).

### ***The Servant Approach of Leadership***

There are many similarities in both the transformational and servant leadership-SrL styles. However, distinguishing between transformational and SrL styles can be challenging (Gandolfi & Stone, 2017). SrL was introduced in 1970 by Robert Greenleaf, who believed the leadership style was about a way of living rather than a way of managing people (Lapointe & Vandenberghe, 2018). Winston and Fields (2015) compared the transformational and SrL styles and concluded that neither was manipulative, coercive, or unethical. The authors said that while TL was focused on the organisation's well-being, servant leaders are focused on the well-being of the members (Winston & Fields, 2015).

Parris and Peachey (2013) believed that the most crucial part of an organization's legacy was the members. With a focus on service to others and understanding that an organization's purpose is to build a better tomorrow, SrL contributes to the self-actualization of members, leading to an increase in morale and organizational performance. According to Schneider and George (2011), SrL is well-suited for nonprofit organizations where volunteers seek increased intrinsic motivation. Servant leaders help their followers succeed by placing the subordinate needs first and showing compassion and concern for the follower's needs (Gotsis & Grimani, 2016). SrL is an inclusive style that promotes diversity, inclusion, and positive psychology while minimizing the effects of discrimination (Gotsis & Grimani, 2016). Servant leaders have high ethical standards, and their display of prosocial behaviours benefit their organization positively (Lapointe & Vandenberghe, 2018). Linuesa-Langreo, Ruiz-Palomino, & Elche-Hortelano (2018) said that many scholars believe leadership behaviour should be focused on ethics and

follower welfare. Servant leaders believe that the role of an organization is to develop members that can positively impact the future success of society (Parris & Peachey, 2013). Caldwell et al. (2012) stated that Mother Teresa's commitment to others and her ministry in the poor communities of India for over 45 years is an example of servant leadership. Servant leaders are moral and highly ethical leaders, and volunteerism is a great place to find this leadership style at work (Schneider & George, 2011). Building a high performing organization requires a model leadership team that demonstrates SrL and models the behaviour inside and outside of the organization. Public agencies may consider the SL style a tactic for combating toxic or destructive leadership by increasing the organization's capabilities to identify constructive and focused leaders on the organization and the members (Hanson & Baker, 2017).

### ***The Ethical Approach of Leadership***

The concept of ethical leadership-EL is new, but a considerable amount of research on the notion exists (Dhar, 2016; Özsungur, 2019; Slatten, Svensson, & Svaeri, 2011). EL is a display of normatively acceptable behaviour via personal acts and interpersonal relationships, according to Brown et al. (2005, p. 120), and the presentation of such conduct to followers through two-way communication, affirmation, and decision-making. Such leaders place a high emphasis on others' human rights and dignity, and they demonstrate a high degree of integrity, which encourages leaders to be honest, which is necessary for followers to adopt the leader's vision. According to Treviño et al. (2003), the essence and dignity of the ethical leader supply a framework for the leader's moral ideas, principles, and decisions. Their values and convictions influence leaders' ethical choices. Therefore, if the leader is honest, they seek to influence subordinates by managing their ethical attitudes and behaviours.

A comprehensive literature review based on the evolving construct of EL was conducted by Brown and Treviño (2006). The researchers contrasted the EL concept with the associated leadership concepts, like SpL, AL, and TL, since they reflect a



shared interest in a leadership spiritual aspect. In their literature review, Brown and Treviño (2006) note that the leader's effectiveness will rely on the expectations of the leader's loyalty, integrity, honesty, confidence, maintenance at work, competence, and reliability.

### ***The Charismatic Approach of Leadership***

The charismatic leader attracts followers by managing their impression. Instead of relying on external power or authority, charismatic leaders charm their followers based on their personality and beauty rather than some external authority. Conger and Kanungo (1998) suggested a more transformative point of view, who identified five charismatic leadership-CL behavioural qualities: vision and expression, environment sensitivity, sentiment to member needs, personal risk-taking, and unusual behaviour efficiency. As Musser (1987) points out, charismatic leaders tend to instil loyalty to ideological objectives and a strong sense of self-worth. The leader's underlying motives and needs will determine which of these two objectives is more important. CL has a dramatic personality. A charismatic leader is a master of body language and a powerful speaker. As a result, they have a keen sense of timing and adapt their actions to suit the situation. They are willing to accept a personal risk and ensure obligation to improve their followers' trust in themselves (Conger & Kanungo, 1998). They will build a distinct identity for their supporters and followers after their leadership has been established.

### ***The Spiritual Approach of Leadership***

The spiritual leadership-SpL symbolises belief in the company's objective, which keeps followers looking forward to the future. The ethos of an entity must be based on altruistic love principles, according to SpL. Spiritual prosperity, which makes you feel understood and appreciated, must be reflected in the attitudes and behaviours of leaders and establish a sense of belonging (Fry, 2003).

SpL has agreed on the values, attitudes and actions required to ensure spiritual well-being and, eventually, good human well-being, psychological well-being, happiness with one's existence, dedication and efficiency of the company (Fry, 2003). SpL seeks to take advantage of both leaders and adherents' basic needs for their spiritual well-being through appeals and membership.

Operationally, SpL requires the beliefs, attitudes, and actions required to empower one and others so that through appeal and membership, they experience spiritual well-being. This involves developing a vision in which leaders and organizations are called to feel that their lives have value, significance and make a difference.

Fry (2003) proposed the concept of SpL, which he considered to be an altering to other constructive leaderships, covering AL. Fry and Whittington (2005) suggested that SpL's goal was to develop value coherence to encourage greater engagement and efficiency for individuals, groups and companies. "SpL is a cycle of innate drive established on vision, altruistic love, and hope, which creates a sense of spiritual survival (pp. 187-188). SpL agrees on the values, attitudes, and behaviours required for spiritual well-being, psychological well-being, life satisfaction, organizational commitment and efficiency, sustainability, and financial performance (Fry, 2003). The goal of SpL is to tap into the fundamental needs of both leaders and followers through calling and membership for spiritual well-being; to build vision and value congruence across the levels of individual, an empowered team, and organization; and, ultimately, to encourage higher levels of organizational dedication and productivity. Operationally, SpL includes the beliefs, attitudes, and actions required to intrinsically empower one's self and others such that by calling and membership, they have a sense of spiritual well-being. This involves the creation of a vision in which leaders and members feel a sense of calling and that their lives have meaning, purpose, and impact; the development of an organizational culture based on altruistic love in which individuals feel a sense of belonging is understood and valued, and have sincere consideration, concern, and gratitude for themselves and others; and the development of a social/organizational culture based on altruistic love in which individuals have a sense of membership, are understood and valued (Fry, 2003).

In summary, as the focus of leadership shifts over time, research has shown that it has influenced and shaped leadership practice and philosophy growth. It took a long time for leadership research to come to fruition. The AL theory emerged as the foundation for all positive and successful leadership types (Kernis, 2003).

### **Authentic Leadership**

Luthans and Avolio (2003) build up the notion of AL as a result of Seligman and Csikszentmihalyi's (2000) study on positive psychology and the POB's propositions. AL was developed in response to leadership failures and ethical corporate meltdowns (such as Enron and WorldCom scandals), which left a negative impression of leadership (Northouse, 2013). As a result of the issues raised, scholars began to question the existing leadership styles, and the need for AL has emerged in society (Northouse, 2013).

At that point, we would discuss why AL is vital for organisations. AL is leading with a true purpose and possesses strong values and honesty. Accordingly, those attributes may create an image of the organisation, the outside society further the improvement of a leader (Avolio and Gardner, 2005).

Gardner and Shermerhorn (2004) point out that positive organisational psychology-POP lets managers pay attention to their subordinates' strengths instead of weaknesses. For example, George (2015) noted the importance of psychological values such as confidence, optimism and resilience for an authentic leader to contribute to an organization.

Authentic leaders focus on developing both their employees and their organization by cultivating a learning culture. The performance of their associates within an organization is improved due to AL (Luthans and Avolio, 2003), and employees' work behaviours are enhanced due to authentic leaders' positive behaviour. Authentic leaders' psychological and social well-being includes all positive characteristics such as self-confidence, positive emotions, and hope for the future.

According to Illies et al. (2005), applying the positive features in leadership areas could result. According to researchers, authentic leaders have concentrated on building followers' strength based on their actual values and beliefs, broadening their consideration, and establishing a positive, engaging organizational structure (Illies et al., 2005).

Furthermore, leaders in today's dynamic organisations face numerous social pressures when making critical decisions. A recent study concluded that the

abstraction of authenticity gains significance because multiple sources can affect these decisions (Novicevic, Harvey, Buckley, & Evans, 2006).

### *Authenticity*

As mentioned in the previous paragraph, AL is regarding leaders' authenticity and leadership style (Northouse, 2013). Therefore, in terms of ultimately figuring out AL, the notion of authenticity must be addressed. "To thine own self be true" (Avolio and Gardner, 2005) or, in other words, "being true to be oneself" (Harter, 2002, p.382) are the definitions of authenticity in Greek philosophy. Authenticity is a nominative and intuitive process, and thus, if an individual puts faith in they are authentic, and that faith would be genuine for that person (Avolio & Gardner, 2005; Harter, 2002).

Authenticity has been taking place in the thoughts of philosophers or artists throughout history. Chinese philosopher Confucius said that superior man is modest in their speech but exceed their actions. A classical Greek philosopher Socrates quotes that know thyself. The tremendous Anatolian mystic, poet, and the father of Mevlevi order Mevlana quote that either exists as you are or be as you look. The famous English playwright, poet, actor and the world the greatest dramatist William Shakespeare quoted that to thine own self to be true (Hamlet, Act 1, Scene 3) and so on.

In psychology, authenticity springs from humanistic branches of the discipline (Novicevic et al., 2006) and has recently become more developed with positive psychology. According to Harter (2002), authenticity is possessing one's personal experiences (such as thoughts, emotions, or beliefs) and actions inconsistently with the true self by behaving and showing what you genuinely think and believe. According to Kernis (2003), authenticities state the unobstructed operations of one's actual or original self in daily attempts. Authenticity is a contrast imitation. It refers to the original, and as Kernis (2003) claims, it is about the sincerity of origins, features, commitments, loyalty, and objectives.

Borrowing from Kernis and Goldman's (2006) review of the historical literature, they conclude that authenticity is documented in various inner and behavioural processes, which clarify how people explore and build an original sense

of self and continue across situations and over time. Besides, Kernis and Goldman (2006, p. 284) advocate that authenticity reflects four primary subjects: authentic threatening of people's self-comprehension, clearance to objectively recognising their ontological truth, activities, and guidance towards interpersonal relationships. Furthermore, awareness, unbiased processing, behaviour, and relational orientation are four key factors that coherence with their conceptualisation of authenticity (Kernis & Goldman, 2006), which in turn, has ensured the theoretical body for some of the theories of AL (Gardner, Avolio, Luthans, May, & Walumbwa, 2005; Illies, Morgeson, & Nahrgang, 2005; Walumbwa, Avolio, Gardner, Wernshing, & Peterson, 2008).

### ***Definition of AL***

There is no single definition of AL accepted by scholars studying about leadership field. Different scholars focused on various aspects of defining AL over time.

AL is defined by Luthans and Avolio (2003, p. 243) as a process that draws on positive psychological capacities, a well-developed organisational setting to nurture more self-awareness, self-regulated positive behaviours in leaders and associates, resulting in positive self-development.

AL is defined by Illies et al. (2005, p. 374) as "a function of self-knowledge, sensitivity to others' orientations, and technical sophistication that leads to the synergy of leadership action." They are self-assured, genuine, reliable, and trustworthy, and they focus on building followers' strengths, broadening their thinking, and creating a positive environment.

AL has been defined as "a pattern of leader behaviour that continues to draw on and promotes both positive psychological capacities and a positive ethical atmosphere, to foster greater self-awareness, an internalized moral perspective, balanced information processing, and relational transparency on the part of leaders working with followers" since its original conception (Walumbwa et al., 2008, p. 94).

### ***Antecedents to AL***

There are two important precedents for the AL (Avolio et al., 2004). Authentic personal histories of individuals are the first factor contributing to AL growth significantly (Luthans & Avolio, 2003; Avolio et al., 2004; Avolio & Gardner, 2005; Gardner et al., 2005; Ilies et al., 2005). Family, community, schooling, jobs, job experience and role models are examples of one's personal history that can serve as a memory of self-knowledge and help develop one's identity and self-hood over time (Hoyle, Kernis, Leary, & Baldwin, 1999). For example, positive role models such as a parent or teacher can influence an individual's moral development and genuine personality development. They can also affect an individual's personal growth and moral development, ability to make ethical decisions, and ability to be trustworthy, optimistic, hopeful, and resilient.

As a result, positive trigger events of the leader serve as a second impetus for AL growth and development. Examples include a major promotion, a career change, a graduate degree, a foreign ex-pat assignment, and a coalition with an influential individual (Avolio, 2005).

### ***Characteristics of AL***

An authentic leader is self-aware and knows their strengths and weaknesses. Kernis (2002, p. 13) describes self-awareness as "knowing one's motives, emotions, desires, as well as cognitions that are self-relevant and trusting in them". By self-awareness, authentic leaders are aware of their strengths, weaknesses, and essence. As individuals become more aware of themselves, they can better understand their unique beliefs, identities, feelings, aspirations, skills, talents, and abilities, according to Avolio and his colleagues (Avolio et al. 2004; Gardner et al. 2005; Walumbwa Avolio Gardner Wernsing Peterson 2006). Self-awareness also ensures that their ideals will be well-understood by the real leaders in society. Self-awareness also provides that their standards will be well-understood by the real leaders in the community. Social actors (organizational leaders, policymakers, and people) take actions, assess individuals and events, and explain their actions and assessments in light of their values. (Schwartz, 1999, p. 24-25). Authentic leaders are true to themselves because they have a profound awareness of their beliefs and true significance. AL is also considered to have established precedence for being conscious of one's values (Bennis, 2003; George, 2003).

Authentic leaders' self-identity, purposes, and motivations are often well-understood, as is their emotional self-awareness. When it comes to emotional intelligence, people are aware of their feelings and triggers and affect others (George, 2000; Salovey & Mayer, 1990; Salovey, Mayer, & Caruso, 2002). AL is likely to be influenced by a high level of emotional intelligence or self-awareness (Avolio, 2005). According to Ashkanasy and Daus (2002) and Ashkanasy and Tse (2000), transformative leaders have high levels of emotional intelligence, which allows them to be aware of their own and others' emotions, motivating them to communicate with followers on an individual basis.

In addition to understanding their own and others' emotions, people with high emotional intelligence understand how emotions affect how information is interpreted and decisions are made. Genuine transformational leaders will recognize their followers' needs and feelings and show individualized concern to meet those needs.

AL's robust internal self-regulation of authentic leaders is also essential. Self-regulatory leaders should: develop internal expectations, analyze the discrepancy between existing standards and actual or potential performance, recognize possible steps to overcome these differences (Gardner et al., 2005; Stajkovic & Luthans, 1998). The ability to self-regulate is essential for authentic leaders. Autonomy, competence, and connectedness are fundamental self-determination conditions (Ryan et al., 2003). In other words, the authentic self emerges when a person "acts freely (autonomously), feels an inner sense of effectiveness (competence), and is loved (felt connected with), rather than conforming to an external standard" (source) (Deci & Ryan, 1995 p. 33). Accordingly, people who identify as a leader will be fulfilled by it to the extent that it: makes them feel connected to other members of a group; generates feelings of effectiveness; and allows them to express their true selves in public (Ryan & Deci, 2003).

### ***Dimensions of AL***

Walumbwa et al. (2008) subsequently developed four underlying sub-dimensional behaviours based on the above concept, namely self-awareness-ALSA, an internalized moral perspective-ALMP, balanced processing-ALBP, and relational transparency-ALRT.

**Self-awareness-ALSA.** "Self-awareness" is the first dimension (know thyself). ALSA refers to a process of identifying one's capacity and shortcomings and how a leader influences others (Walumbwa et al., 2008). According to this description, leaders strive to nurture the authentic development of their followers by modelling these behaviours and encouraging open and genuine relationships with them. Authenticity is expected to impact employees through behaviour modelling, personal identification, emotion replication, self-determination support, and social interactions (Ilies, Morgeson, & Nahrgang, 2005). Furthermore, ALSA is required for the development of other AL components.

When people discover their strengths and weaknesses, according to Kernis (2003), they should be allowed to observe their effects on others during this process. The person expresses core values, identity, feelings, motives, and intensive priorities and targets in this phase of development leaders' choices and decisions would be more constructive and efficient if they were self-aware, knew who they were, and knew what their main goals were (Gardner et al., 2005).

People are more likely to trust leaders with a higher ALSA because they are seen as more credible from a different perspective (Northouse, 2013, p. 264). On the other hand, authentic leaders can openly share their skills, principles, expectations, goals, and limitations and allow others to do the same, resulting in relationships of trust and intimacy. The fact that such expectations contribute to high levels of harmony between either party's qualifications, beliefs, standards, and goals can also help to increase the level of trust and intimacy between the two parties, resulting in stronger interpersonal relationships. It can be predicted that there will be.

According to ALSA, it is one of the foundational elements of AL, and it plays a crucial role in creating a true leader (Walumbwa et al., 2008). Leaders with self-awareness have a higher likelihood of being honest with the people they work with or lead (Tapara, 2011). It is debatable whether or not an individual's level of ALSA can increase and what factors contribute to its progression. Important meetings and events, they say, can help people discover and understand their strengths and limitations (McCall, 1998). Klenke (2007) also points out that a person's position or status can affect their identity. As a result of the changes in place and time, these events are referred to as triggers (Gardner et al., 2005). It is also crucial to determine



the nature (sensational or muted, positive or negative) and timing of trigger events (Avolio, 2005; Luthans & Avolio, 2003). Negative and positive mentoring experiences can produce a fundamental transformation in an individual's self-identity, and all triggers can continue to affect the leader's development (Lord & Brown, 2004; Gardner et al., 2005).

TL and EL, for example, may focus on the moral component and leave ALSA out of their theories (Bass & Steidlmeier, 1999; Brown et al., 2005). It is also more likely that charismatic leaders will motivate their followers to pursue a vision, and if the charismatic leader becomes socialized, ALSA and spiritual emphasis are more likely to be inspired and emerge (Bass & Steidlmeier, 1999). As a result of numerous studies, it has been established that there is a link between ALSA and management success and that SA has a positive effect on promotion to the position of leadership (Bass & Yammarino, 1991; Church, 1997). Church (1997), on the other hand, emphasized the importance of a high degree of SA in leadership.

ALSA is, in the end, one of the most critical characteristics of an authentic leader, which means being true to oneself and others (Ceri-Booms, 2010). Introspection enables them to clarify and agree on their core beliefs, identity traits, feelings, motivations, and goals. They frequently draw followers' attention to their desired selves and prompt them to pose the same question: Who am I? Many push their followers to seek particular opinions to foster personal development and growth.

So that the leader's authenticity spreads throughout the organization through the use of ALSA, leaders can communicate their discovered qualities, ideals, and beliefs to their subordinate leaders. Leaders' positive and negative sides will be discussed, understood, and illustrated transparently when building solid and trusting relationships with their supporters. Researchers have now established that ALSA has a positive impact on the quality and efficacy of organizational performance.

**Internalised Moral Perspective-ALMP.** "Internalized moral perspective" is the second dimension of authentic leadership (do the right thing). ALMP refers to a self-regulatory system governed by internal ethic rules and principles (Northouse, 2013; Walumbwa et al., 2008), and authentic leaders act following them, even when they are under pressure from groups or organizations (Northouse, 2013).

In the words of Avolio et al. (2009), ALMP refers to the self-regulation mechanism in which people follow their moral principles and values while ultimately regulating external influences that affect or influence their behaviour (Northouse, 2013, p.264). As a result, external forces do not affect the individual's behaviour (Tapara, 2011), even when under pressure or stress. Because the leaders' high moral standards should be guided by the legal, logical, and ethical framework, this feature was not presented to corporate leaders dealing with scandals and financial collapses (Luthans & Avolio, 2003). Compared to other models, its moral and ethical concerns distinguish the AL model. Some leaders (such as those with charisma) may, however, put their interests ahead of other people, but an authentic leader who is cognizant of his leadership position will always act in the best interest of others (May et al., 2003; Shamir & Eilam, 2005; Sparrowe, 2005).

An ordinary leader should possess a particular MP, but AL theory raises ethical standards to which true leaders should adhere. Philosophy's branch of ethics deals with questions relating to the individual and the collective (Terry, 1993, p.136). "Leadership" is a subset of power (Burns,1978), but it is also fundamentally ethical, and leaders must act in a way that meets people's needs. However, this ethical approach poses another ethical dilemma and how a leader chooses between the need for a Mercedes and the need for food and household for the other person. Burns' response is consistent with Maslow's human needs hierarchy and highlights that the hierarchical basis of the psychological needs, which means they need protection, love and belonging, recognition and other conditions in the pyramid or ladder, is defined more effectively. The next urgent need, after [one need has] been alleviated.... the priority becomes." Leadership puts individuals at the centre of conditions, but leadership does not bring people to the highest level, and a leader may not be similar to his followers, as Burns implies. A point of ethics or other words, authenticity occurs before ethics, and authentic notion is related to the vision. The fact that unethical behaviour was at an advanced stage of development can thus be a significant and dangerous predictor of the rise in unauthenticity, highlighting the importance of ethics as an implicit acknowledgement that manifests itself in practice (Terry, 1993, p.135). Mr George (2003), for example, made a case for leaders to treat their subordinates ethically when working together to achieve organizational goals by addressing the issue based on terrible experience: even excellent organizations are

sometimes unable to address differences in ethical issues, rather than choosing not to be able to cope with them. As Firestone tires and Ford explorer's common failure caused many deaths, the leaders of either organization tended to blame each other rather than mention the loss of human lives (George, 2003, p.127). Unethical activities are stressed to quickly degrade organizational morale and cohesion, undermining the faith and trust required for teamwork and job completion. According to this dimension and ALMP, the actors use moral and moral principles as a reference point and do not allow external influences to change their opinions (Tapara, 2011). When compared to other leadership styles, authentic leaders possess these attributes and seek to serve the best interests of others (May et al., 2003). Unethical behaviour contributes to a rise in unauthenticity and severs the organizational link and unity.

**Balanced-processing-ALBP.** "Balanced-processing" (being fair-minded) is the third dimension, which indicates that when making decisions, one should consider other people's opinions as well as all-important current data while keeping an objective lens (Walumbwa et al., 2008). ALBP, like the other AL dimensions, can be developed in leaders and is beneficial to the organization because it involves positive leadership behaviours like listening, avoiding favouritism, considering the ideas of others, and being free of bias before deciding (Northouse, 2013).

ALBP is one of the essential variables in developing rich, diverse, and creative solutions. According to Avolio and Wernsing (2008), if leaders are unaware of the implicit prejudice in their meaning-making processes and teams, they will not design their organizations to benefit from the diversity and creative solutions that adaptive conflicts can provide. Rather than dismissing or suppressing opposing viewpoints, authentic leaders strive to use them.

Conflicts in organizations in decision-making should lead, on the one hand, to partial approaches rooting in innate cognitive understanding, assumptions, and bias. Therefore, people should learn about their mental interests and values unbiased to grasp their preconceptions and ultimately learn how to cooperate with individuals with different viewpoints (Avolio & Wending, 2008).

Northouse (2013) says that to define themselves as authentic leaders, leaders with healthy processing are rational, impartial in evaluating other views, and open to

their viewpoints. While meeting opposites can question the leader's inherent role and help strengthen and enhance the decision-making processes from different perspectives (Walumbwa et al., 2008). Gardner et al. (2005) also define equilibrium as the mechanism by which knowledge is gathered, and both positive and negative aspects of the self are known, thus promoting personal growth.

Authentic leaders do not neglect, exaggerate or manipulate external assessments, self-evaluation, and critiques that urge them, however, to establish themselves and to change to a certain degree (Gardner et al., 2005; Kernis, 2003). Nevertheless, Walumbwa et al. (2008) say that leaders can request views that challenge their basic positions but do not tolerate the pictures or the details that impede decision-making.

To sum up, Walumbwa et al. (2008) describe a holistic treatment as the credible third-dimensional leadership of researchers based on leadership studies. This is a kind of course based on a leader's unbiased approach that prevents favouritism in any way (Northouse, 2013). A leader with BP should be ready to confront any unwelcome information or counter-opinion because it should not bias its followers following their beliefs, views, points of view or any other feature.

**Relational Transparency-ALRT.** Relational transparency (being genuine) is the final dimension, which refers to telling the truth about yourself to others (Kernis, 2003) honestly and openly. A person's transparency with others is controlled by self-regulation. To paraphrase Kernis, it occurs when a person makes a conscious effort to share their true feelings, including their emotions and inclinations, with others. In that sense, RT leads to increased follower trust, and authentic leaders make the first step in this direction of reciprocal trust. Additionally, it is posited that it leads to several organisational outcomes such as followers trust in the leader, positive emotions, feelings of stability and predictability (Chan, Hannah, & Gardner, 2005).

In expressing one's authentic self to another, ALRT is transparent and truthful. This attitude of a person's inclination to share their core emotions, motivations, and preferences with others is up to them. To be clear, it can be defined as self-regulatory in an acceptable way (Kernis, 2003). Northouse (2013) describes RT as open contact and creating a real relationship that requires sharing an individual's negative and positive aspects with others. Walumbwa et al. (2008) also

point out that real leaders are more likely to disclose their values, priorities, and flaws openly and honestly. Straightforward performers declare, demonstrate, and commit precisely what they think, have, and want to impress others, but they do not try to alter the genuine self. This attitude promotes a trustworthy and believable relationship between actors in a hierarchical structure by integrating mutual values (Ilies et al., 2005; May et al., 2003; Walumbwa et al., 2008).

A brief implication of the Kernis (2003) study was given by Walumbwa et al. (2005, p.95). It is stressed that ALRT refers to expressing one's true self to others, in other words, freely exchanging awareness and manifestations of one's true thoughts and feelings while presenting oneself to others. They are attempting to eliminate displays of inappropriate emotions. There are three significant leaders' methods that are aligned with ALRT, according to May et al. (2003). First and foremost, relational accountability refers to the decision-making process in which authentic leaders openly communicate their data and reasoning. Secondly, RT is a term that refers to a partnership in which honest leaders share and expect input about their personal information. Thirdly, the approach of true leaders who are transparent and likely to share their feelings is reflected.

Tapara (2011) emphasizes that ALRT is contrary to impression management, manipulating people's perceptions to impress others. Authentic leaders utilize words in a charismatic manner, but their comments reflect their character, attitude, and views, distinguishing AL from transformational and charismatic leaders. They use the words "impression manager" (Gardner & Avolio, 1998), but authentic leaders' authentic approach also leads. Avolio and Gardner (2005) conclude that followers are genuine as the precise attitude of authenticity attracts others. Gardner et al.'s (2005, p. 345) brief statement to comprehend the authenticity of which addresses them: "Authentic interactions characterize honesty, confidence, openness, direction towards worthy aims, and the emphasis on the development of the follower."

As a result, if followers know that their leaders' reactions are positive, they are more likely to connect with and contribute to new, innovative processes (Gumusluoglu & Ilsev, 2009). By fostering a fair and open environment or being a true leader, leaders will inspire and promote followers' creativity and invention (Amabile et al., 2004; Cerne & Skerlavaj, 2013). In short, relationship openness

means being open and truthful to those who can observe their representatives' positive and negative aspects. Therefore, people expect to show more engagement, imagination, and innovativeness by becoming conscious of the organisation's boundaries, values, ideas, opinions, and viewpoints.

### **Differentiating AL from other related Positive Leadership Approaches**

Due to these four unique dimensions mentioned, authentic leadership has been distinguished from other positive leadership styles, namely TL, SeL, EL, SpL, and CL, and to be concerned in helping leaders build relationships and lead with purpose, significance, and values (George, 2003).

As a result, we can wonder if there is a fundamental difference between AL and other management forms. Is AL a subset of TL, SeL, CL, EL, and SpL or the other way around? AL is a "root construct," meaning that it is the root of all different constructive leadership styles (Gardner et al., 2005). As implied by the placement, how does AL differ from other leadership theories? On the one hand, the leadership flow is a critical distinction between AL and most contemporary leadership theories (Owusu-Bempah, Addison, & Fairweather, 2011).

According to Bolden and Kirk (2009), AL views leadership as a bidirectional flow relationship originating from the leader to the follower and rebounding to the leader. In contrast, other current leadership theories interpret leadership as a unidirectional flow from leaders to followers or something accomplished by leaders to followers, introducing followers as supportive recipients. The AL idea, according to Owusu-Bempah, Addison, and Fairweather (2011), is crucial to the interaction between leaders and followers, with the two serving as active participants in the entire leadership process, thereby distinguishing it from other leadership theories.

Authentic leaders' attitudes and actions are motivated by a second significant difference. According to Avolio et al. (2004) and Luthans and Avolio (2003), genuine leaders have ethical motivations, feelings, beliefs, and opinions that guide their actions. On the other hand, other leadership theories are silent on the leader's motivations, thoughts, emotions, and ideas, which drive their actions and power. Leaders can draw on their own experiences to guide their efforts, something CL and TL do not allow (Shamir & Eilam, 2005). Furthermore, unlike a genuine leader who

is honest and based on high moral judgment standards, CL and TL's motivations may not always be ethical but rather for their gain.

According to Owusu-Bempah, Addison, and Fairweather (2011), other current leadership theories emphasise the leader as an individual with distinct qualities, portraying followers as a non-participatory member who solely comes from this particular hero known as a leader. Previous leadership theories, such as Spillane, Bolden, and Kirk's, have been critiqued for their leader-centric approach (2009).

According to Bolden (2007), current leadership theories firmly place leadership responsibility in the leader's hands and portray the follower as relatively passive and obedient, portraying leadership as a top-down technique where followers acquire only from the leader. According to Spillane (2005), specific people play varied roles at various levels, resulting in collective excellence. In short, other leadership theories portray leadership as something achieved by the hero, the leader, while underestimating the involvement of subordinates (Spillane, 2005). This is a clear point of separation and departure from the concept of AL.

### **Authentic Leadership Meta-Analysis**

A three-part study to develop and test a theory-based measure of AL was conducted by Walumbwa, Avolio, Gardner, Wersing, and Peterson (2008) (In this thesis, we used Walumbwa et al.'s (2008) questionnaire). The study used five different samples from the United States, China, and Kenya. The first study included an extensive literature review on the topic of AL, discussions with focus groups composed of 224 full-time employees working in a high-tech manufacturer from the northeastern part of the United States, and 212 full-time employees from a state-owned company located in Beijing. This first study found that ALSA, ALRT, ALMP, and ALBP were not independent and that a single second-order factor explained this dependence. Based on the results, Walumbwa et al. (2008) concluded that it might not be rational to theorize that the measures assessed were entirely separate and distinct constructs.

A second study was conducted, and Walumbwa et al. (2008) administered the ALQ and other surveys to analyze organizational commitment, organizational citizenship behaviour, and satisfaction with the supervisor. The sample consisted of

178 full-time employed graduate students attending a southwestern U.S. university and 236 adults attending evening courses as full-time employees. This study indicated that authentic AL is positively correlated with EL and TL. A third study was conducted by Walumbwa et al. (2008) in which 478 adults from 11 different U.S. multinational companies located in Kenya, Africa, were administered the ALQ. This study aimed to analyze follower job satisfaction and job performance. This study found a positive, significant relationship between AL and individual job satisfaction. Besides, the study also found that ALSA, ALRT, ALMP, and ALBP were positively correlated with job satisfaction.

Banks, McCauley, Gardner, & Culer (2016) conducted a meta-analysis on works on AL. This study aimed to test for redundancy between the theories of AL and TL. The results from the survey indicated a strong relationship between AL and TL, raising concerns that these two constructs are not independently unique. This study also revealed that while TL outperformed AL in predicting follower job satisfaction, follower satisfaction with leader, task performance, and leader effectiveness, AL outperformed TL in the group or organizational performance and organizational citizenship behaviours. The meta-analysis also found strong relationships between leader-member exchange and psychological capital. The authors recommend that future research evaluate authentic leadership at the component level and relate to similar ethical constructs to differentiate it from TL (Banks et al., 2015).

Hoch, Bommer, Delebohn, and Wu (2016) conducted a meta-analysis to compare TL, AL, EL, and SrL. The study examined the incremental contributions of each leadership style made in nine outcomes compared to TL. These nine outcomes were classified as behaviour measures (job performance, overall organizational citizenship behaviour, employee deviance, and employee voice); attitudinal measures (engagement, job satisfaction, organizational commitment, affective commitment, empowerment, psychological capital, and moral identity); and relational perceptions (trust in manager and leader-member exchange). A total of 45 studies were reviewed for AL, with only a small number of samples focused on moral identity, leader-member interaction, and psychological capital. Hoch et al. (2016) caution that the results for AL should be interpreted carefully due to the small sample



sizes and the significant number of unpublished studies (41%) and unpublished samples (44%).

### **Impact of AL on Employees**

Various outcomes of AL's positive influences on followers have been reported in the literature, including creativity, job satisfaction, knowledge sharing, process and product innovation, proactive behaviour, proactive personality (Rego et al., 2012; Cerne, Dimovski, Maric, Penger, & Skerlavuj, 2013; Edu-Valsania, Moriano, & Molero, 2015; Elrehail, Emeagwali, Alsaad, & Alzghoul, 2018; Garg & Dhar, 2017; Yamak & Eyupoglu, 2021).

In research concentrating on the leadership concept and analyzing the function of leaders in companies, the consequences of leadership implementations should also be evaluated. This thesis examines how the AL concept has influenced how those have been modified. The role and matters of leadership in general and in particular have been addressed for other positive leadership models. Eventually, AL has been observed and examined in-depth in its emergence, development and dimensions. This thesis aims to determine AL's growth in the banking sector and its expected organizational advantages. In the following sections, leadership effects in followers and relationships with followers, namely SIB, LMX, and PP, are supervised by referencing leadership studies, the degree of leadership impact on particular dynamics is taken into account, and observations of AL with these variables are taken.

### **AL and Service Innovative Behaviour**

POB and Positive psychology in the workplace focus on employing positive human resource capabilities that are measurable, progressive, and evolvable in today's organisations (Luthans & Church, 2002). According to Luthans (2002), a behaviour must be measured, established, and maintained efficiently to be categorized as POB. As a result, POB focuses on monitoring, improving, and guiding investigation at the individual level (Youssef & Luthans, 2007). It was expected, relying on the POB and previous empirical evidence, that AL boosts SIB in the workplace where employees regard authentic leadership and SIB as positive behaviours. AL is a constructive style of leadership that has the potential to influence

employee SIB. The rationale stated before led to the conclusion that AL's four dimensions could positively impact employee SIB. The reason for this is that authentic leaders provide psychological safety and peace to their subordinates by being open to suggestions, sharing, and contributory of them, all of which are regarded as essential factors in employee voice behaviour. AL, in particular, objectively clarifies facts, organizes solid moral standards, and promotes transparency in dealing with subordinates. Authentic leaders may strengthen their subordinates' trust by having these attributes, creating psychological assistance and safety, so followers will feel open to get risks (Rego et al., 2012). As a result of this commitment, employees are encouraged to discuss unique viewpoints openly and communicate any perspective fearless. Employee voice behaviour, previously shown as arbitrary, is evidence of a catalyst for growth that adds to the voluntary expression of thoughts and suggestions for new behaviours (Van Dyne & LePine, 1998; Walumbwa et al., 2008).

AL has a direct effect on follower SIB, according to Schuckert et al. (2018). AL is having a beneficial impact on members' creativity and innovation in general, according to Cerne, Jaklic, and Skerlavaj (2013). Muceldili et al. (2013) found that authentic leadership evaluates innovativeness directly and indirectly via the mediation act of employees' creativity. Yamak and Eyupoglu (2021) found that AL influence SIB directly and indirectly via the mediation act of PP. Since then, researchers have increasingly focused on the link between AL and innovative behaviour.

### **Innovative Behaviour**

The creativity of the individual is a nuanced concept with innovation behaviour (Li & Hsu, 2016). Each one is linked to several distinct but closely connected industries that generate various but frequently related outcomes. A human creates ideas during the "creativity stage," whereas an individual implements those ideas into better workplace practices, procedures, or products during the "innovation stage." Scott and Bruce (1994, pp. 580-607) define innovation behaviour as "the invention or adaption of useful ideas and idea implementation, which begins with problem recognition and the generation of new ideas or solutions for problems."

As a result, employees' service innovative behaviours are focused on resolving work-connected problems and improving service methods (De Jong & Den Hartog, 2010). Employees who are working in the banks, their job demands to develop the creative idea for facilitating the innovative process, and at the same time maintaining the competitive advantage (Komaladewi, Nanere, Suyana, & Rufaidah, 2012). Today's main issue for banks is meeting consumer expectations while delivering valuable services to keep them loyal and satisfied. In general, individual employee SIB, which refers to extra-role behaviour during service delivery, leads to positive consequences for organisations. As a result, banks can recognize the potential of increasing their employee SIB as a service innovation that aids in improving organizational performance while also providing value to customers (Yamak & Eyupoglu, 2021). Managers must also create a pleasant environment that helps employees form healthy bonds with supervisors, allowing followers to specify clients' priority and sensitive requests and adjust their services imaginatively (Yamak & Eyupoglu, 2021).

The latest innovative behaviour models have attempted to investigate and understand employee SIB by using different constructs in different sectors (Slatten, Svensson, & Svaeri, 2011; Kao, Pai, Lin, & Zhong, 2015; Dhar, 2016; Garg & Dhar, 2017; Kim, Karatepe, & Lee, 2017; Schuckert et al., 2018; Saeed, Afsar, Chema, & Javed, 2019; Yamak & Eyupoglu, 2021).

Schuckert et al. (2018) discovered that both TL and AL increase follower psychological capital while increasing follower SIB in the hotel business. According to one researcher (Garg & Dhar, 2017), LMX favourably promotes employees' SIB via work engagement in the banking sector, and job autonomy is a moderator for supporting this link. In a separate study, Saeed et al. (2019) found that LMX has a beneficial influence on the SIB of employees in the automotive industry, with core self-evaluation, domain knowledge, and creative process participation acting as moderators. In his study, Dhar (2016) discovered that ethical leadership motivates hotel employees to SIB and that this process is mediated by LMX and moderated by job autonomy. In the hotel business, inspiring leadership and a hilarious work environment might begin frontline employees' SIB, but creativity modulates this link, according to Slatten et al. (2011). In addition, Kao et al. (2015) discovered that transformational leadership improves employees' SIB via social-political and

motivational mediated mechanisms in hair salons by favourably influencing employees' perceived organisational climate for innovation. Elrehail et al. (2018) discovered that, whereas transformational leadership and knowledge sharing significantly promote innovativeness in the higher education industry, AL has no support. Yamak and Eyuboglu (2021) found that AL has influenced positively and greatly front-line employees SIB via PP in the banking sector.

### **Research Approaches in Services**

Researchers explored SIB in services using three approaches: assimilation, differentiation/demarcation, and synthesis, as part of their industrial innovation research. The assimilation technique concentrates on the parallels between innovation and production (Drejer, 2004). Researchers utilize this method to analyze SIB in manufacturing services in the context of services; they emphasize technology adoption and intellectual property patents (Chou et al., 2012). Service employees innovate a lot by utilizing innovations from the manufacturing sector (Rodgers, 2007), which, unlike service employees, prioritize internal research and development staff (Drejer, 2004; Miles, 2008). The method included identifying connections between innovative behaviours in the manufacturing and service sectors (Gallouj, 2002), the necessity of supporting leadership (Hon & Leung, 2011; Slatten et al., 2011), and borrowing ideas. SIB is substantially the same (Hu, 2010).

In contrast to the assimilation strategy, the differentiating approach places a more significant emphasis on the uniqueness of services (De Vries, 2006). This strategy is built on the distinct characteristics of employee creativity in services, such as a process-oriented mindset (Orfila-Sintes & Mattsson, 2009). Customer inspiration and stimulation are stressed, as is reliance on personal experience/learning (Cadwallader et al., 2010). The SIB focuses on manufacturing technology, but service employees are becoming more interested in business and organizational innovation (Castro et al., 2011). Patents and proprietary rights transactions spread innovation in the manufacturing industry, whereas information flow or employee turnover do (Amalia & Nugroho, 2011). In another way, SIB is closely linked to the innovators themselves (Amalia & Nugroho, 2011); it is, therefore, critical for service organizations to maintain innovation via retaining personnel (Gallouj & Savona, 2009).

The SIB's commonalities and differences in the service and production sectors are brought together using a synthesis approach (Gallowj & Savona, 2009). Accordingly, SIB could come from both industries. Nature-based systems in the hospitality sector, for example, might influence innovation in other sectors in tourism and business linkages (Hoarau & Kline, 2014; Lopez-Fernandez et al., 2011). According to researchers, the boundaries between services and goods are blurred and linked with innovation (Gallowj & Savona, 2009). SIB offers a wide range of services in this regard, including advances in technology adoption and service processes (Weiermair, 2005). Hertog (2006), for example, offered a four-dimensional SIB model that included novel service concepts, customer interfaces, technological alternatives, and service delivery methods, all of which had consequences in the manufacturing and service industries.

The demarcation and assimilation approaches are dominant in the empirical analysis of the above three methods (Dejer, 2004). This thesis has followed a demarcation approach to study the drivers of innovation behaviour. This choice is based on two main reasons. Firstly, in the so-called services sector, the empirical framework for the current survey is the bank sector. We follow the logic of service research, which is fundamentally distinct from manufacturing in a long tradition of services because banking is characterized as a service business (Parasuraman et al., 1985). The second factor is our commitment to innovation. We are particularly interested in the factors that influence employees' innovation behaviour in that specific function at work, which relates to employees' frontline work. Furthermore, service research has emphasized the general role of front-line service employees in service firms (Lashley, 2008). As a result, it is reasonable to believe that the demarcation technique offers the most significant promise for assisting us in understanding innovative behaviour in frontline services.

### **Leader-member Exchange-LMX**

The concept of LMX, which is essentially called 'vertical dyad linkage', was first introduced by Dansereau, Graen, and Haga (1975) to acknowledge that leaders adopt diverse approaches to build relationships with individual members underpinning their divergent needs, attitudes, and personalities. The focus on the relationship between the leader and the follower within the context of trust, self-

directed, and reciprocating beneficial relationship is mentioned by LMX (Graen & Uhl-Bien, 1995). Unlike the type of effective bilateral partnerships in which attributes affect the outcomes of leaders and followers, the fundamental point of this theory is how leaders expand (Gerstner & Day, 1997). LMX is considered a process of mutual social exchange (Blau, 1964) and a permanent rule-making process (Katz & Khan, 1978). Therefore, both SET and role theory aspects support the literature's LMX theory and research evolution.

Role theory advocates that work is achieved via roles and corresponding behaviours (Graen & Scandura, 1987). Although parts are formally defined in job descriptions, they could evolve informally. Nevertheless, the formal specification of a role does not commit the amount, and the quality of information and resources exchanged (Liden et al., 1997). For modifying the functions, interpersonal exchange relationship among the leader and the follower is one of the critical mechanisms (Graen & Scandura, 1987).

Based on role theory, the spread of LMX takes on three stages. The first one is role-taking, which occurs when the leader is in touch with the role of the subordinates via the posting of tasks (Liden et al., 1997). Throughout this stage, diverse exchanges take place, providing a leader to determine the motivation of the subordinates and the possibility to do the task (Graen & Scandura, 1987). The relationship could develop over time into a high-quality interaction when the subordinate accepts the assignment (role making) (Liden et al., 1997). The second one is role making. It builds on the reciprocation of excellent collaborative resources such as information, the effect on decisions, tasks, and support (Graen & Scandura, 1987). Wayne, Shore, and Liden (1997) claim that subordinates have to demonstrate their qualifications via a series of role-making cases to exceed their work role. The relationship achieves a consistent point when leader and associate improve mutual understanding and go ahead with closely, inserting the role-routinisation phase (Graen & Scandura, 1987). For the structure of the tasks, the dyadic organising processes are a coincidence. Graen and Scandura (1987) support that role-taking may be satisfactory when assignments are well organised to achieve the goals. If the tasks are unorganised, role making and role routinisation will be required to accomplish the tasks (Graen & Scandura, 1987). Simultaneously, being unsuccessful in some

aspects of role routinisation leads to a return to role making (Graen & Scandura, 1987).

According to Dienesch and Liden (1986, p. 625), LMX relationships are based on three different "currencies of exchange" values and may evolve numerous ways. These exchange currencies describe what each individual can contribute to the leader and members' relationship. Assigning responsibilities (labelled contribution), being loyal to one another (labelled loyalty), and simply enjoying one another (labelled affect) are three types of exchange currencies. Moreover, scholars (Dienesch & Liden, 1986) underline that a conversation might be based on any one of them or all of them. Each member's contribution plays a significant role in the amount of quality and quantity of work-oriented activities of each member's contribution plays an essential role in LMX.

Furthermore, loyalty occurs when both the leader and the follower respond positively to a high-quality LMX connection. When a task necessitates independent judgment or liability, the leader prefers to assign it to committed members (Liden & Maslyn, 1998). Another currency of exchange is mutual liking, which plays a critical role in improving the leader and member dyad (Dienesch & Liden, 1986). Professional respect, which regards the perception of the rate to which every member of the dyad has built prestige, within and/or outside the organisation, was contributed by Liden and Maslyn (1998) as a fourth currency. According to a recent study (Burns & Otte, 1999), leader-member exchange theory claims that the strength of the dyadic relationship between leader and member leads to more efficient organizational outcomes than management attributes or behaviours.

LMX theory considers the significance of interaction and intercommunication in leadership (Northouse, 2010). The leader's and each member's exchanges and relationships develop with time, and these mutual effects are classified as a high-leader-member exchange relationship or a low-leader-member exchange interaction. All of the talks mentioned above are satisfied in high-LMX relationships. Low-LMX, on the other hand, is distinguished by "exchanges" depending on job duties.

According to Northouse (2010), the in-group or out-group status is distinctively based on how well subordinate works with their leader and vice versa;

if a subordinate includes them in widening their role accountabilities with their leader; and if a subordinate negotiates to apply actions better than their formal job description (Northouse, 2010).

On the other hand, Out-group followers are described as having a less harmonious relationship with the leader and are more likely to receive less assistance and limited trust from their supervisor during their work contract, along with a modest benefit outside their employment contract. Employees unconcerned about extra accountability are more likely to join the out-group. Out-group members, on the whole, show up to work, do their formal job, and leave.

There are benefits of in-group status such as members getting more information, effectiveness, trust, and interest from the leader, and; members, in turn, are more trustworthy, extremely interrelated, and conversational than those in the out-group (Northouse, 2010).

The latest research models support that high-quality LMXs are related to significant organisational outcomes. Employee satisfaction, more excellent organizational commitment, more desired job assignments, and member performance ratings are all favourably connected with LMX, according to Scandura and Graen (1984). According to other researchers (Wayne & Graen, 1993), the LMX relationship enhanced member participation and extra-role performance. Employees' sensations of energy are favourably associated with perceived high-quality LMX, according to Graen and Uhl-Bien (1995).

Leaders and followers in high-leader-member exchange relationships frequently report higher levels of satisfaction and effectiveness, mutual influence, more open and honest communication, good access to resources, and more extra-role behaviours, according to Gerstner and Day (1997). Low-LMX exchanges, on the other hand, appear to put employees at a disadvantage when it comes to job benefits and professional progression chances, according to Maslyn and Uhl-Bien (2001).

## **AL and LMX**

POB focuses on the application of positive behaviours of employees. The theoretical perspective of the AL is often positive behaviour models for followers to imitate (Gardner et al., 2005). As a result of these high-quality relationships with



their leaders, which are backed by the premises of social exchanges, followers are more likely to share similar beliefs and act more genuinely (Illies et al., 2005). LMX is a leader-follower social exchange relationship that grew out of contact. These social interactions instil a sense of personal responsibility, respect, and trust in the participants (Sparrowe & Liden, 1997). Webs of relationships could help leaders achieve their goals. According to a recent study, AL has a higher chance of improving high-quality LMX, defined by high levels of respect, sound effect, and trust (Illies et al., 2005). As a result, increased authenticity among followers emerges from such reciprocity (Avolio & Gardner, 2005).

Thus, the underlying assumption here is that AL may improve exchange relationships with the followers. According to Illies et al. (2005), sub-dimensions of AL, namely RT, MP, BP, and SA, jointly indicate authentic leaders' coherence, nobleness, and trustworthiness. All those attributes form the core factors of high-quality mutual relationships (Blau, 1964; Illies et al., 2005).

In the first place, authentic leaders are concerned with displaying regard for and confidence in each of their followers by eliciting varied viewpoints from followers. This gesture is likely to be met with respect and trust from the followers (Avolio et al., 2004). Authentic leaders are also fundamental to themselves and have a high level of moral unity. Followers observe these kinds of leaders as fair, ethically worthy, thus improving followers' confidence in the leader's voluntariness to collaborate with them (Gardner et al., 2005). Furthermore, authentic leaders share information with their followers straightforwardly and transparently; they transmit their characteristics, values, desires, and shortcomings to followers and encourage them to do the same, increasing followers' trust and sincerity (Avolio et al., 2004).

Furthermore, relational transparency implies liability in the relationships with followers (Graen & Uhl-Bien, 1995). Such accountability allows a shared sense for ongoing action and each side's duties, resulting in long-term, high-quality trade relationships (Graen & Uhl-Bien, 1995). Overall, real leaders may foster favourable social interactions with their followers.

According to Avolio and Gardner (2005), true leader-follower interactions enhanced truthful and accountable communication through genuinely held shared beliefs, advancement of interest, and fulfilment of shared objectives. Authentic

connections depict leaders, followers, and others (Gardner, Avolio, & Luthans, 2005). Follower and leader self-improvement and understanding of the interconnectedness of their expert affiliation were all considered in the mutually beneficial relationships. According to Avolio and Gardner (2005), the union of this relationship is based on attribution judgements made by followers or leaders about the other's goals, viability, and authenticity, rather than on perceptions of leader or follower activities.

There has been empirical support on AL and its positive relationship to LMX (Hsiung, 2012; Wang et al., 2014). However, it should be clarified whether AL positively influences the LMX relationship in the banking context in North Cyprus. Therefore, this research proposes the following questions and hypotheses based on the existing research outcomes.

### **LMX and SIB**

SET explains relationship generation, nature, and regulations guiding exchanges (Blau, 1986). Those social exchanges are considered voluntary, intentional, and motivated future rewards (Blau, 1986). SET assists in understanding the development of relationships in organisations. Leaders can impact innovation by building a sense of reciprocating among followers, encouraging individual innovative behaviour (Janssen, 2000).

The fundamental premise of leader-member exchange theory is that leaders establish higher quality exchanges with some of their followers (in-group members) while others have a low conversation (out-group members). Each employee of an organisation shares a unique relationship with their immediate supervisor. Individuals with positive working connections with their supervisors are more innovative than those with negative exchange relationships. Previous research has revealed a link between leader-member exchange and innovative behaviour (Scott & Bruce, 1994; Garg and Dhar, 2017). However, Lee (2008) and Tastan and Davoudi (2015) found that LMX did not significantly influence innovative behaviour. Regarding innovation as a social process and the positive influence of social exchanges, this study will examine the impact of LMX as a predictor variable on front-line bank employees SIB based on SET. Therefore, the findings of the study will clarify the inconsistent results.

### **LMX as a Mediator among AL and SIB**

Since authentic relationships foster open and honest communication by focusing on shared values, the more authentic the leaders are, the stronger the LMX relationship. According to the SET, employees with a strong relationship with their supervisors are more productive (Liden et al. 1997). This is due to "norms of reciprocity," which state that when employees are treated well, they develop an emotional bond with their supervisor and feel obligated to him or her (Dhar, 2016). Considering that AL fosters FLEs SIB by assisting in developing high-quality LMX, LMX quality should play a mediating role in the interaction between AL and FLEs SIB.

### **Proactive Personality-PP**

In the last two decades, organisational scholars have contributed significant attention to proactive personality. According to the tradition of social-psychological research, personality and environment interact. In inter-actionism, circumstances are a function of an individual's behaviour (Bower, 1973), and in SCT, the individual, environment, and behaviour are constantly interconnected; the PP concept has its roots (Bandura, 1986). Using SCT, individuals are both players and products of their environment, resulting in triadic reciprocal causation (Bandura, 1986). Specifically, individuals both influence and are influenced by the environment in which they live. SCT ensures that human functioning is affected by interactions and reciprocal relationships between an individual's internal characteristics, behavioural patterns, and surrounding environment (Bandura, 1986).

While other authors have examined Big Five personality factors (e.g. Kim, Shin, and Swanger, 2009), the current study focuses on Proactive Personality (PP) instead of other constructs of personality, such as Big Five personality factors, because PP was shown to outperform the Big Five in describing variability in the organisational event (Crant & Bateman, 2000). The environment in which organizations operate is also constantly changing and unpredictably. Employees and

managers must adopt proactive behaviours to adapt to these ever-changing environments.

In the words of Bateman and Grant (1993), proactivity is defined as looking for opportunities, taking the initiative, and persisting in bringing about meaningful change. On the other hand, proactive individuals do not accept their roles passively but rather challenge the status quo by improving the current situation and creating new ones. A low PP score implies that the person is passive and has difficulty adapting to current events.

Literature supports that PP has been correlated to a variety of positive outcomes such as career success and satisfaction, job satisfaction, organizational commitment, psychological empowerment, perceived autonomy, proactive behaviour, innovative behaviour, creativity, and self-efficiency (Fuller & Marler, 2009; Thomas et al., 2010; Yamak & Eyupoglu, 2021).

### **PP as a Moderator among LMX and SIB**

This thesis focuses on PP instead of other personality constructs such as the Big Five personality characteristics studied by other scientists (e.g., Kim, Shin, & Swanger, 2009). Traditionally, the Big Five model has been tested as a significance of personality in nurturing innovative work behaviour directly (Abdullah et al. 2019; Yesil & Sözbilir, 2013; Patterson et al., 2009; Zuberi & Khattak, 2012) and indirectly (Khan, Mubarak, & Islam, 2020). For instance, one scholar (Chen et al. 2007) claims that agreeableness, extraversion, and openness could beneficially explain an individual's innovative behaviour. Another scholar (Madrid et al., 2014) proposed that only openness was significantly associated with innovative work behaviour but not others. Nevertheless, Borman (2004) recently concluded that the rigid adherence to the big five models is probably not wise for our field.

Consequently, Paunonen & Jackson (2000) recommended that researchers consider additional personality constructs and the big five personality model, which comprises five personality traits (extroversion, openness to experience, agreeableness, neuroticism and conscientiousness) in the workplace. Hence, it appears that these results are extended to other aspects of the personality in line with the current literature. A well-known new aspect of personality researched is the PP

(Major et al. 2006. Proactive employees are more likely to notice opportunities and act on them to make positive and significant improvements (Seibert et al., 1999). PP is a personality attribute that predicts outstanding performance and helpful behaviour (Greguras & Diefendorff, 2010). Employees with a PP are more successful in achieving high levels of job performance due to their enthusiasm for new skills and knowledge (Fuller & Marler, 2009). They are frequently willing to be involved in challenging work that allows them to learn and develop their knowledge. This thesis, therefore, suggests investigating PP as a moderator between LMX and SIB.

Proactive people who improve their work environment are more likely to become profoundly immersed in their work (Bateman and Crant, 1993). As a result, they try to build positive social exchange relationships with their supervisors to learn about new opportunities and challenges. Furthermore, people with PP appear to recognize the importance of cultivating relationships with power over resources (Thompson, 2005 cited in Fuller and Marler, 2009). According to role theory, proactive individuals are more likely to create high-quality connections with their supervisors because of their initiative in the early stages of the relationship.

The extant literature reveals several research studies have investigated the PP concept as a moderator variable. For example, Buil, Martinez and Matue (2019) found that PP strengthens the effect of transformational leadership on organisational identification and work engagement. Likewise, Elsaied (2019) revealed a significant moderated influence of the PP relationship between supportive leadership and employee voice behaviour. Prior research has also supported the moderation role of PP in the relationship between task characteristics and innovative work behaviour. However, Wang and Liang's (2020) study did not support the moderation influence of PP on the relationship between leaders' positive and implicit followership theory and individual willingness to create knowledge.

Moreover, several other studies have investigated the relationship between LMX quality and innovative work behaviour using different moderators (task significance, task feedback, and trust) (Taştan & Davoudi, 2015; Zuberi & Khattak, 2012). In the literature, only Yamak and Eyupoglu's (2021) study tested PP, LMX, and SIB in the same model, but PP was used as a mediator, and the result supported

the mediation relationship between PP and SIB of employees. They claimed further research for clarifying the influence of PP as a moderator between LMX and SIB.

Therefore, based on the background mentioned earlier, a potential moderation influence of PP in the relationship between LMX and frontline employees SIB is worthiest. This proposition is a novelty in this thesis for extending knowledge on the PP construct.

## **CHAPTER III**

### **Methodology**

The methodologies used in the study are identified in this chapter. The chapter discusses the philosophy of the study, the design of the study, the target population and the sample population. This chapter also discusses data collection, research procedures, and data analysis methods.

As Kothari (2004) states, research methodology is a way to discover the solution to the research question. From this respect, the research methodology should be taken into account completely. Investigations start by asking questions; the researcher's curiosity is exploring the truth of those questions. However, truth is not a fact, and it could change depending on individuals or situations. As a result, the primary goal of this thesis is to discuss the AL model, which is the most efficient, effective, reliable, and sustainable model for the banking industry and other organizations. The previous chapter explained why AL emerged as a new positive leadership model and its favourable consequences.

### **Research Philosophy**

Saunders et al. (2016) indicate that research philosophy believes in collecting, analysing, and using data on a phenomenon. The research philosophy is the foundation of the research strategy. Pragmatism, positivism and constructivism are examples of research philosophies. As a world view, pragmatism comes from actions, situations and consequences, and is not committed to any philosophy compared to previous conditions. It promotes the use of available approaches to understanding a problem. The use of mixed research methods is overwhelmingly supported. It also suggests that research questions and objectives are the most critical determinants of the research philosophy research adopts (Saunders & Lewis, 2018).

The philosophical approach to positivism asserts that reality is stable, observable and objectively describable. Positivism also has a deterministic ideal in which effects and results are determined. It relates in particular to observations and

experiments that guide the research process and help identify and evaluate the causes of outcomes. Positivists are mainly concerned about studying observed and measurable variables in controllable conditions and showing the reactions of the variables to their treatment. Therefore, the emphasis is on forecasting the results of the research to control the variables in the future (Saunders et al., 2016; Bryman & Bell, 2015).

Constructivism argues that people try to understand the world and environment they live in and work in. They develop subjective meanings of their meetings to understand certain phenomena. Studying depends on the individual or participant (Creswell, 2014). Constructivism challenges the concept of predetermining things like organization and culture and addressing social issues as external factors (Saunders & Lewis, 2018).

In this study, the philosophy of the positivistic approach was adopted. This related to natural science and observed social reality to produce generalizations like laws (Bryman & Bell, 2015). In addition, positivism makes detailed knowledge and allows the relationship between variables to be causally explained and predicted. Based on the existing theory of AL, the researchers developed hypotheses.

## **Research Design**

A research design is a plan or structure to help a researcher answer a research question. It is also known as a plan for collecting, measuring and analysing the data (Cooper & Schindler, 2014). A research design enables a coherent, logical and acceptable integration of the different components of the study to help ensure that the investigation under review is effectively addressed. Exploratory, descriptive and causal are examples of research designs (Creswell, 2014). Exploratory research design tends to be loose and is often helpful without a clear idea of the problem. It tends to be qualitative rather than quantitative and does not offer conclusive proof in many cases. It is ideal if you do not have much information if you know little about the problem and are meant to discover new connections, patterns, subjects and ideas. It is, therefore, applicable if a researcher wants to clarify a phenomenon (Hair, Money, Samuel & Page, 2007).



Causal research aims to identify relations between causes and effects between variables and determine cause and effect. Causality without examination is hard to prove, and therefore experiments and simulations are carried out. The main objective is to try and explain the interaction of variables. A causal prediction study aims, for example, to determine the effect of an individual variable by manipulating its former and keeping the latter constant (Cooper & Schindler, 2014). It helps identify the causes of the predicted variable and answers questions like why. In most experiments, causal research is recommended and known as experimental designs (Shajahan, 2009).

Descriptive research design aims to produce data describing the research subject's characteristics. The main objective of descriptive research is to demonstrate a precise profile of the studied phenomenon (Shajahan, 2009). Data collection is usually structured with a descriptive research design. Descriptive studies are cross-sectional or longitudinal (Hair et al., 2007). It also illustrates a phenomenon's characteristics by answering when, who, where, how. It aims to determine the occurrence frequency and whether there are two variables. Description research comprises case studies, study and meta-analyses (Sekaran & Bougie, 2016).

Case studies focus on collecting information about a particular object, event or activity such as a specific business unit or organization. It is a thorough study of an entity that is limited. The survey is a means of collecting and explaining information from or about individuals. The survey comprises data collection objectives, study design, survey instrument preparation, administration, data collection process, data analysis and reporting results data (Bryman & Bell, 2015; Hair et al., 2007). Meta-analysis involves quantitative analyses of previous research projects data sets. It is a process of merging, combining and analysing existing data sets. Since the researchers were not involved in the research of the existing data set, they are not guaranteed validity (Quinlan, 2011). Correlation helps predict relationships; for example, the correlation may examine the association between independent and dependent variables. Correlation explores the connection between two or more variables and determines whether a relationship exists between them and to what extent. When an investigation tries to test the relationship between two variables, it is highly recommended to provide a platform for describing their relation (Cooper & Schindler, 2014). This study purposed to identify the influence of AL on

the SIB of frontline employees at the banks of North Cyprus because it was relevant to the study. The descriptive correlation research design has been chosen as it is ideal for revealing accurate physical information. In this study, the association between AL and SIB is helpful to provide insights into the extent and relationship of the variables involved.

### **Sample and Procedure**

The study population covered bank employees from both private and public bank branches in North Cyprus. The samples were chosen via judgment sampling. Cashier, customer service representatives, or credit staff working at the front-line were selected to gather data since they have constant interaction and communication with customers during their working hours. Successful service innovation necessitates direct client contact.

The North Cyprus Central Bank reported 21 banks functioning in the banking industry, employing 3111 people (population of the study), during the research period (October–December 2018). These included one public bank, 15 private banks, and five international banks (Central Bank, 2018 Report).

Different sample size calculating methods and providing tables (Krejcie & Morgan, 1970; Cohen, 1969; Glen, 1992) for justification are existed in the literature. This study calculated the required sample size for researching the hypnotised model by a 95 % confidence interval, +/- 5 margin of error, and 1.96 critical value (Etikan & Babatope, 2019). A typical formula for calculating sample size in survey studies from a finite population is given below.

$$n = \frac{N * X}{X + N - 1}$$

$$X = ( Z_{\alpha / 2} * P (1 - P) ) / MOE^2$$

Where n= Sample size; p= Proportion of sample; MOE= Margin of error; N= Population size. In this study, N = 3111, p = 0.5, MOE = 0.05, and  $z_{\alpha / 2} = 1.96$ . Thus, 342.03 is the minimum required sample size for this study.

We applied to the NEU's ethical committee before beginning the data collecting. We then undertake this research after receiving confirmation. According

to our research design, the study does not break any laws or follow any standard ethical norms. Before distributing questionnaires, we explained the study's ethical implications to each participant and obtained their permission and assent to participate in the study. They were also told that if they felt uncomfortable, they might leave at any time, and their incomplete data would be destroyed and not analyzed.

Before starting the survey, each bank's headquarters was determined, the human resource management of each bank was contacted by telephone, and a formal invitation letter was sent to ask permission and describe the research's purpose. Before being confirmed by the administration, the study was scrutinised for each bank's ethical guidelines. Participants' rights to anonymity, withdrawal at any time, and voluntary participation were highlighted on the research instrument cover page.

The administration of 14 banks agreed to participate in the study. The management recalled respondents who had not turned in their filled questionnaires. With the help of branch executives at each bank, completed questionnaires were delivered to the authors in sealed envelopes.

Each questionnaire received has been given a case number following the data collection process for data management purposes. Data for the consistency, accuracy and completeness of all questionnaires compiled were sorted, edited, and coded. The coded quantitative data were entered into a computer using the statistical software for social sciences for data analysis (SPSS). The information was then analyzed.

The full-time front-line bank employees working at the 14 participating banks received a total of 550 questionnaires (more than 150 branches). By the end of December 2018, 471 completed questionnaires had been given to the participants. Thirty-four questionnaires were deleted due to missing information, leaving 437 questionnaires that were legitimate. After that, nine questionnaires were rejected after an outlier check was performed using Mahalanobis distance (Byrne, 2010). Consequently, the study's final sample consisted of 428 questionnaires. The percentage of those that responded was 77.81 per cent.

## **Measurements**

The current study used a cross-sectional survey methodology and a quantitative research approach. The research instrument was a self-administered questionnaire with five parts: demographic questions, AL scale; LMX scale; proactive personality scale; and service innovative behaviour scale. Because Turkish is the official language in Northern Cyprus, the Turkish versions of the questionnaires were employed in this study. Twenty front-line bank staff from two different banks participated in pilot research. The responses were graded on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) (strongly agree).

**Demographic Variables.** There were 11 demographic questions regarding followers, namely type of bank, nationality, gender, age, monthly income, marital status, education status, experience at the same bank, experience at bank sector, the term of time with the same supervisor, and working section. The aim of including more variables was to avoid unmeasured variables and to improve generalization.

**Authentic Leadership Scale-ALS.** The study employed the ALS to establish how employees felt about their supervisors' AL behaviour. Walumbwa et al. designed the ALS used in this study (2008). Tabak et al. have validated the Turkish version of ALS (2012). Sixteen items on this scale are divided into four subdimensions: ALRT, ALMP, ALBP, and ALSA. “My leader clearly states what they mean” (ALRT), “My leader uses their core beliefs to make decisions” (ALMP), “My leader carefully listens to alternative perspectives before concluding” (ALBP), and “My leader shows that they understand their strengths and weaknesses” (ALSA) were some of the representative items.

**LMX7.** The 7-item scale developed by Graen and Uhl-Bien was used to measure LMX (1995). Compared to other available measures, meta-analytic evidence reveals that LMX7 has robust psychometric qualities and high correlations with findings (Gerstner and Day, 1997). Erdil certified the Turkish version of LMX7 (2016). “How well does your leader recognize your potential?” was one example of a question, and “What are the possibilities that your leader would utilize his or her power to help you solve challenges at work, regardless of how much formal authority your leader has built into his or her position?”

**Proactive Personality Scale-PPS.** The PPS established by Seibert et al. was used in this study (1999). Akin and Arici both approved the Turkish version of PPS (2015). “I excel at identifying opportunities” and “Nothing is more exciting than seeing my ideas turn into reality” were two sample questions from the scale.

**Innovative Behaviour Scale.** Scott and Bruce's service innovative behaviour scale (SIBS) was used in this study (1994). Caliskan and Akkoc validated the Turkish version of SIBS (2012). This is innovative,” and “I champion and promote other people's ideas.”

### **Data Analysis Procedures**

SPSS version 22 and SPSS Analysis of Moment Structure (AMOS) version 24 were used to analyze the data. The variables in the study were analyzed using a variety of statistical analytic approaches. The study used a two-step approach that Andersen and Gerbing (1988) recommended deploying AMOS 24 to evaluate the hypothesized model. Construct validity and reliability were assessed for all of the study instruments. The fit and path coefficients were estimated using structural equation modelling (SEM) (Jöreskog & Sörbom, 1982).

SEM is a statistical technique that rationalizes the relationships between different variables. While the structure of the links is transmitted through a chain of equations, SEM tests this structure. In addition, SEM is parallel to a multiple equation chain regression. However, these equations describe the whole relationships among the constructs. The forms can be unobserved or latent by numerous variables (Hair et al., 2010). SEM should not construct or develop theory, as it enhances confirmatory modelling, but should be tested. Typically, SEM is driven by an assumption and then performs this in a model form, uses a measuring device to operate the constructs of interest and tests the model (Byrne, 2013). It also allows the estimate of several and interrelated relations of dependence in kind to characterize non-observable concepts and consider the measured error in the estimation process (Byrne, 2013).

However, the latter involves property measurement; it refers to the validity and reliability of measuring tools, whilst the structural model involves causality in the relationships between the structures (Joreskog and Sorbom, 1996; Byrne, 2013).

Today, SEM with unobservable variables is a prevailing research model in management disciplines. In addition, management SEM consists of the statistical description and evaluation of data and management and economic theories on the behaviour of consumers or organizations. SEM describes exemplary behaviour and then forecast prospects and performance (Chintagunte et al., 2006; Baumgartner & Homburg 1996).

Two main SEM mechanisms are available. Firstly, agencies that represent a model path are structural models (that links the independent to dependent variables). Secondly, this measuring model allows a researcher to use several variables for a single independent or dependent variable (identify indicators).

Furthermore, the following goodness-of-fit criteria were utilized, as recommended by Kline (2011):  $\chi^2/df$  ratio < 3, CFI > 0.90, TLI > 0.90, RMSEA 0.06, and SRMR 0.08.

SEM analyses were conducted to test the mediating effect of variables. This study employed Baron and Kenny's (1986) four-condition approach for testing the indirect (mediation) effect. The first condition was satisfied if the independent variable was significantly correlated with the dependent variable (path c). The second criteria were met if the independent and mediator variables were significantly associated (path a). The third condition was met if the mediator variable was significantly connected with the dependent variable (path b). The fourth condition was met if the independent variable was significantly correlated with the dependent variable via the mediation variable's effects (patch c'). Partial mediation occurs when the mediator variable is entered if the regression coefficient decreases but remains significant between independent and dependent variables. Full mediation occurs when the independent variable no longer affects the dependent variable after the mediator variable has been controlled, making path c' zero. In other words, when the mediator variable entered into the model, the relationship between the independent variable and dependent variable becomes no significant.

According to Baron and Kenny (1986), a moderator is a qualitative or quantitative variable (such as sex, race, or class) that determines whether a relationship between two independent variables is stronger or weaker. This third variable affects the zero-order relationship between two other variables in a correlational framework. An

independent focal variable and a factor that specifies the appropriate conditions for its operation can be represented by a primary moderator effect in more familiar terms of analysis of variance.

Moderation tests whether a variable, in this study PP, affects the direction strength of the relationship between an independent variable (LMX) and a dependent variable (SIB). In other words, moderation tests for interactions that affect relationships between variables.

The researcher should consider that a new product (LMX interaction PP in this study) will be created when measuring the moderating effect of continuous variables. An additional variable has been added to the moderated and moderator variables, resulting in a new variable. As a result, this variable is inserted into your existing relational data set. However, a significant impact of a novel product may explain the new variable's effect. Consequentially, LMX's influence over SIB's depends on the effect level of the new variable (moderator variable) (Aiken, West and Reno, 1991). As a result, the researcher will use interaction analysis to determine whether or not this relationship has a moderating effect.

Harman's one-factor test (Podsakoff and Organ, 1986) assessed common method bias in the assumed model. The study uses data from a single source for AL, LMX, PP, and ESIB (front line employees). As a result, the common method bias is likely to influence ESIB. Harman's single factor test has been carried out to know the intensity of common technique bias (Podsakoff and Organ, 1986). When one factor explains more than half of the variance in the research variables, this is known as common method variance. The outcomes of this study were represented by four components, one of which suggests that the majority of the variation should be less than 50%.

## **CHAPTER IV**

### **Data Analyses and Results**

SPSS version 22 and SPSS Analysis of Moment Structure (AMOS) version 24 were used to conduct and analyse all statistical procedures in this chapter. As part of the study, various statistical analysis methods are used to analyse the study variables deeply.

### **Sample Demographics**

The data were first analysed using SPSS software to clarify the research respondents' profiles. Table 1 shows these results. The total net number was 428 respondents. Frequency was used for looking at detailed research, including demographic data.

Table 1.

#### *Sample of Demographics*

Characteristics	Categories	Frequency	Per cent (%)
Bank Type	Branch bank	47	11
	Public bank	46	10.70
	Privately owned bank	335	78.30
Nationality	Cypriot	401	93.70
	Turkish	27	6.30
Gender	Female	313	73.10
	Male	115	26.90
Age	17-21 years	7	1.60
	22-24 years	27	6.30
	25-28 years	94	22
	29-35 years	144	33.60
	36-50 years	156	36.40



Income	2001-2500TL	89	20.80
	2501-3500TL	146	34.10
	3501-4500TL	193	45.10
Marital Status	Single	140	32.70
	Married	288	67.30
Education	High school	111	25.90
	University	262	61.20
	Master	53	12.40
	Doctorate	2	0.50
Working at the same bank	1-3 years	174	40.70
	4-7 years	83	19.40
	8-10 years	51	11.90
	More than 10 years	120	28
Experience in the banking industry	1-3 years	121	28.30
	4-7 years	96	22.40
	8-10 years	62	14.50
	More than 10 years	149	34.80
Working with the same manager	Less than 6 months	76	17.80
	6 months-1 years	126	29.40
	2-4 years	129	30.10
	5-7 years	35	8.20
	8 years and more	62	14.50
Department	Cashier's desk	169	39.4
	Loans	124	29
	External transactions	32	7.50
	Others	103	24.10

As can be seen in Table 1, 11

As can be seen in Table 1, 10.70 % (n = 47) of banks were branch banks, 10.70 % (n = 46) public banks, and 78.30 % (n = 335) privately owned banks, which is considered as the majority of banks.

The nationality of respondents was representing 93.70 % (n = 401), Cypriot and 6.30 % (n = 27) Turkish. It shows that Cypriot participants were contained a greater number than Turkish participants.

The 73.10 % (n = 313) participants were female and 26.90 % (n = 115). It shows that the majority of the respondents were female.

The age of respondents is represented of 1.60 % (n = 7) 17-21 years old, 6.30 % (n = 27) 22-24 years old, 22 % (n = 94) 25-28 years old, 33.60 % (n = 144) 29-35 years old, 36.40 % (n = 156) 36-50 years old. It shows that ages between 36-50 were represent more than others.

In the situation of monthly income, 20.80 % (n = 89) had 2001-2500 TL, 34.10 % (n = 146) had 2501-3500 TL, 45.10 % (n = 193) had 3501-4500 TL. It is seen that the majority of the respondents are having monthly income between 3501-4500 TL.

The 32.70 % (n = 140) were single and 67.30 % (n = 288) were married.

In the level of education, 25.90 % (n = 111) had high school degree, 61.20 % (n = 262) had university degree, 12.40 % (n = 53) had master degree, and .50 % (n = 2) had doctorate degree. Accordingly, it can be clearly stated that most of the respondents had a university degree.

In the situation of working at the same bank, 40.70 % (n = 174) had 1-3 years, 19.40 % (n = 83) had 4-7 years, 11.90 % (n = 51) had 8-10 years, 28 % (n = 120) had more than 10 years. The largest number of respondents has worked 1-3 years at the same bank.

In terms of the experience at the banking industry, 28.30 % (n = 121) had 1-3 years, 22.40 % (n = 96) had 4-7 years, 14.50 % (n = 62) had 8-10 years, 34.80 % (n = 149) had more than 10 years. It was seen that the majority of the respondents had experience in the banking industry for more than ten years.

In terms of the working with the same manager, 17.80 % (n = 76) had less than 6 months, 29.40 % (n = 126) had 6 months-1 year, 30.10 % (n = 129) had 2-4 years, 8.20 % (n = 35) had 5-7 years, and 14.50 % (n = 62) had 8 years and more. It can be inferred from study respondents that the less than six months and between 6 months-1 years working with the same managers had the almost same rate.

In the distribution of the respondents' departments, 39.40 % (n = 169) worked at cashier desk, 29 % (n = 124) worked at loans, 7.50 % (n = 32) worked at transactions, and 24.10 % (n = 103) worked at other departments. For this reason, it can be stated that most of the respondents worked at the cashier desk.

### **Factor Analysis**

Factor analysis is divided into two types: exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) (CFA). They are effective statistical procedures, and this analysis could be done by creating measuring tools. Some questions may not measure what we expected them to measure.

**Exploratory Factor Analysis.** An ordinary simplification of interrelated actions could be described as EFA. Traditionally, EFA was used to look at the structure of the underlying factor of a group of variables without imposing a preconceived system on the outcome. As with the previous task, EFA imposes no significant restrictions on data; there are no restrictions on the structure of relationships between observable and latent variables (Albright & Park, 2009).

The 39 items used for the scales on the conceptual constructs were tested using an EFA Principal Component Method by using SPSS version 22 for suitability of the data for factor analysis was assessed. The primary purpose of this method was to reveal the latent variables.

Item loadings of the statement related to the overall AL factor were over .500 (Hair et al., 2014), Kaiser-Meyer-Olkin value was .945, excellent level to explain the factor (Tabachnick & Fidell, 2007), and Bartlett's (1954) test of sphericity reached statistical significance ( $\chi^2 = 3809.667$ ,  $df = 120$ ) at  $p = .000$ , which was acceptable.

Table 2.  
*EFA for AL and its sub-dimensions*

Factor	Item loadings for AL	Item loadings for sub-dimensions	KMO and Bartlett's tests
ALRT1	.591	.721	
ALRT2	.673	.753	
ALRT3	.759	.790	
ALRT4	.688	.798	
ALRT5	.710	.776	
ALRT			.813 (761.354/10), $\rho=.000$
ALMP6	.798	.804	
ALMP7	.673	.810	
ALMP8	.728	.841	
ALMP9	.531	.636	
ALMP			.766 (503.555/6), $\rho=.000$
ALBP10	.607	.715	
ALBP11	.720	.837	
ALBP12	.765	.865	
ALBP			.640 (319.600/3), $\rho=.000$
ALSA13	.780	.828	
ALSA14	.725	.811	
ALSA15	.791	.869	
ALSA16	.692	.761	
ALSA			.801 (681.922/6), $\rho=.000$
AL TOTAL			.945 (3809.667/120), $\rho=.000$

The value of item loadings for ALRT, ALMP, ALBP, and ALSA were greater than .500 (Hair *et al.*, 2014) and Kaiser-Meyer-Olkin value for ALRT, ALMP, ALBP, and ALSA were .813, .766, .640, and .801 respectively, which the values were explains factors well. In addition, Bartlett's (1954) test of sphericity reached statistical

significance for ALRT ( $\chi^2 = 761.354$ ,  $df = 10$ ), ALMP ( $\chi^2 = 503.555$ ,  $df = 6$ ), ALBP ( $\chi^2 = 319.600$ ,  $df = 3$ ), and ALSA ( $\chi^2 = 681.922$ ,  $df = 6$ ) at  $p = .000$  and was thus acceptable (Table 2).

Table 3.

*EFA for LMX*

Factor	Item loading	KMO and Bartlett's tests
LMX1	.640	
LMX2	.848	
LMX3	.793	
LMX4	.804	
LMX5	.787	
LMX6	.748	
LMX7	.838	
		.914 (1584.667/21), $p = .000$

Item loadings of the statement related to LMX factor were over .500 (Hair *et al.*, 2014) and Kaiser-Meyer-Olkin value was .914, excellent level to explain the factor (Tabachnick & Fidell, 2007), and Bartlett's (1954) test of sphericity reached statistical significance ( $\chi^2 = 1584.667$ ,  $df = 21$ ) at  $p = .000$  and was therefore acceptable (Table 3)

Table 4.

*EFA for PP*

Factor	Item loading	KMO and Bartlett's tests
PP1	.672	
PP2	.728	
PP3	.680	
PP4	.691	
PP5	.541	
PP6	.500	
PP7	.605	
PP8	.647	
PP9	.637	
PP10	.614	
		.851 (1304.055/45), $\rho=.000$

Item loadings of the statement related to PP factor were over .500 (Hair *et al.*, 2014) and Kaiser-Meyer-Olkin value was .851, great level to explain the factor (Tabachnick & Fidell, 2007) and Bartlett's (1954) test of sphericity reached statistical significance ( $\chi^2 = 1304.055$ ,  $df = 45$ ) at  $\rho = .000$  and was therefore acceptable (Table 4).

Table 5.

*EFA for SIB*

Factor	Item loading	KMO and Bartlett's tests
SIB1	.801	
SIB2	.807	
SIB3	.721	
SIB4	.791	
SIB5	.767	
SIB6	.774	
		.876 (1140.345/15), $p=.000$

Item loadings of the statement related to SIB factor were over .500 (Hair *et al.*, 2014), and Kaiser-Meyer-Olkin value was .876, great level to explain the factor (Tabachnick & Fidell, 2007) and Bartlett's (1954) test of sphericity reached statistical significance ( $\chi^2 = 1140.345$ ,  $df = 15$ ) at  $p = .000$  and was therefore acceptable (Table 5).

When the KMO values are considered following EFA analysis, it is discovered that only the ALBP of the KMO value is the lowest, .640, indicating that it is at a mediocre level. The KMO value of ALMP is .766, meaning it is a good deal. ALRT, ALSA, PP, and SIB of KMO value were excellent, .813, .801, .851, and .876. KMO levels of overall AL and LMX were at the superb level as .945, and .914 respectively. To obtain reliable factors, these findings reflect a favourable situation. Furthermore, the result of Bartlett's test was significant, and consequently, it proves that the study sample is suitable for the hypotheses analysis.

**Confirmatory Factor Analysis.** CFA is a statistical technique for determining the factor structure of many variables. CFA can test the hypothesis of an association among observable variables and their underlying latent structures. The researcher can also postulate a pattern of association a priori using theory knowledge, empirical study, or both, and then statistically test the hypothesis. As a result, we used AMOS 24 to evaluate CFA to determine the best possible underlying structure for the thesis' conceptual model.

We used a CFA to test the expected higher-order AL structure because the ALQ measures are new. We did this by comparing two competing models. As in the original four-factor higher-order model of AL including ALRT, ALMP, ALBP, and ALSA, observable variables were defined to load on latent variables in the initial model. The four components were put together on the same higher-order latent variable (Second-order factor model). Since fit indices were insufficient, the study used standardised loadings and modification indices to detect misspecification sources (Bagozzi & Baumgartner, 1994). After deliberations, we deleted three items from ALQ according to modification indices and low standardised loadings. As can be seen in Table 6, this model generated the following fit indices: IFI =.976; CFI =.976; RMR =.031; RMSEA =.056;  $\chi^2 = 115,773$ ,  $df = 50$ ,  $p = 0.000$ ,  $Q = 2,315$ ; IFI =.976; CFI =.976; RMR =.031; RMSEA =.056. The second model, which used observed variables to load on four correlated latent variables as a first-order factor model, yielded similar fit indices:  $\chi^2 = 111,981$ ,  $df = 48$ ,  $p = .000$ ,  $Q = 2,333$ , IFI =.977; CFI =.976; RMR =.031; RMSEA =.056. As a result, there is no significant difference in  $\chi^2$  between first and second-order factor models when the degrees of freedom are compared. In light of these findings, the current study used the AL construct and its sub-dimensions as independent variables to examine the impact on employees' SIB (dependent variable).

Table 6.

*CFA for the first-and-second-order factor model of AL*



Factor	First-order model		factor	Second-order factor model	
	$\lambda$	Fit indices		$\lambda$	Fit indices
ALRT1	-				
ALRT2	-				
ALRT3	.735			.759	
ALRT4	.704			.744	
ALRT5	.632			.651	
ALMP6	.791			.821	
ALMP7	.637			.677	
ALMP8	.689			.724	
ALMP9	-				
ALBP10	.659			.708	
ALBP11	.717			.763	
ALBP12	.763			.815	
ALSA13	.759			.780	
ALSA14	.717			.735	
ALSA15	.785			.820	
ALSA16	.647			.659	
$\chi^2$		111.81			115.773
df		48			50
Q		2.333			2.315
RMSEA		.056			.056
CFI		.976			.976
IFI		.977			.976
RMR		.031			.031

After deliberations based on low standardised loadings, we eliminated one item from LMX scale. So, as shown at Table 7, this model generated following fit indices:  $\chi^2 = 23,249$ ,  $df = 8$ ,  $\rho = .000$ ,  $Q = 2,906$ ; IFI= .989; CFI= .989; RMR= .023; RMSEA= .065.

Table 7.  
CFA for LMX

Factor	Factor Loadings	
	$\lambda$	Fit indices
LMX1	-	
LMX2	.817	
LMX3	.756	
LMX4	.728	
LMX5	.745	
LMX6	.728	
LMX7	.810	
$\chi^2$		23.249
Df		8
Q		2.906
RMSEA		.065
GFI		.982
CFI		.989
IFI		.989
RMR		.023

Table 8.

*CFA for PP*

Factor	Factor Loadings	
	$\lambda$	Fit indices
PP1	.696	
PP2	.768	
PP3	.615	
PP4	.638	
PP5	-	
PP6	-	
PP7	-	
PP8	.605	
PP9	-	
PP10	-	
$\chi^2$		32.956
Df		12
Q		2.746
RMSEA		.065
GFI		.979
CFI		.975
IFI		.975
RMR		.022

After removing five items from PP because of their low standardized loadings (Hair et al., 2010), the CFA findings were excellent, and the final results showed a satisfactory index ( $\chi^2 = 32,956$ ;  $df = 12$ ;  $Q = 2.746$ ;  $p = .000$ ;  $IFI = .975$ ;  $CFI = .975$ ;  $RMR = .017$ ;  $RMSEA = .073$ ). As a result, the CFA of proactive personality items revealed that the model fits the data reasonably well (Table 8).

Table 9.  
*CFA for SIB*

Factor	Factor Loadings	
	$\lambda$	Fit indices
SIB1	.752	
SIB2	.842	
SIB3	.624	
SIB4	.775	
SIB5	.735	
SIB6	.681	
$\chi^2$		18.074
Df		7
Q		2.582
RMSEA		.060
GFI		.987
CFI		.990
IFI		.990
RMR		.014

n = 428

The following CFA results were satisfactory:  $\chi^2 = 18.074$ ;  $df = 7$ ;  $Q = 2.582$ ;  $TLI = .987$ ;  $CFI = .990$ ;  $RMR = .014$ ;  $RMSEA = .060$ . As a result, the CFA of SIB elements revealed that the model matches the data quite well (Table 9).

Table 10.

*CFA results for Hypothesised seven-factor model*

Construct	Sub- dimensions	Scale items	$\lambda$	S.E.	t-values
AL					
	ALRT	ALRT1 <sup>a</sup>	-	-	-
		ALRT2 <sup>a</sup>	-	-	-
		ALRT3	.765	.078	14.906***
		ALRT4	.653	.064	12.305***
		ALRT5	.701	.065	12.774***
	ALMP	ALMP6	.801	.079	15.647***
		ALMP7	.695	.064	14.773***
		ALMP8	.747	.055	16.036***
		ALMP9	-	-	-
	ALBP	ALMP10	.584	.050	14.234***
		AL11	.747	.056	15.978***
		AL12	.807	.070	17.093***
	SA	AL13	.786	.068	15.050***
		AL14	.733	.053	16.160***
		AL15	.802	.056	18.274***
		AL16	.650	.065	14.224***
LMX					
		LMX1 <sup>a</sup>	-	-	-
		LMX2	.817	-	-
		LMX3	.697	.048	17.614***
		LMX4	.805	.049	18.574***
		LMX5	.753	.054	17.157***
		LMX6	.731	.052	16.204***
		LMX7	.798	.044	18.472***

Table 10. (Continued)

PP	PP1	.720	.061	14.804***
	PP2	.744	.075	13.559***
	PP3	.660	.079	11.672***
	PP4	.653	.067	11.182***
	PP5 <sup>a</sup>	-	-	-
	PP6 <sup>a</sup>	-	-	-
	PP7 <sup>a</sup>	-	-	-
	PP8	.642	.067	11.182***
	PP9	-	-	-
	PP10	-	-	-
SIB	SIB1	.768	-	-
	SIB2	.767	.054	16.378***
	SIB3	.736	.055	13.140***
	SIB4	.719	.059	15.435***
	SIB5	.731	.062	14.548***
	SIB6	.742	.061	14.705***

The hypothesised seven-factor model was assessed via CFA. It was modified to accommodate the number of factor loadings, cross-loadings, measurement errors, and correlation. As shown in Table 10, each item loaded strongly on its specified factor, and the model fit statistics were very good ( $\chi^2 = 338.155$ ;  $df = 132$ ;  $Q = 2.562$ ;  $p = .000$ ;  $TLI = .949$ ;  $CFI = .948$ ;  $RMR = .034$ ;  $RMSEA = .060$ ).

## Reliability and Validity

Cronbach's alpha and composite reliability (CR) were employed to assess internal consistency. Cronbach's alphas for authentic leadership, relational transparency, moral perspective, balanced processing, self-awareness, LMX, proactive personality, and innovative service behaviour were .917, .753, .799, .734, .825, .899, .813, and .872, respectively, exceeding the threshold value of .70 (Hair et al., 2010). In addition, all CRs for authentic leadership, relational transparency, moral perspective, balanced processing, self-awareness, LMX, proactive personality, and service innovative behaviour were greater than 0.60 (Bagozzi & Yi, 2012), with values of .732, .710, .748, .718, .746, .896, .684 and .730, respectively (Table 11). As a result of these observations, the scales were shown to be quite reliable (Bagozzi & Yi, 2012).

Table 11.

### *Cronbach's Alpha, CR, and AVE results*

Factor	Adjusted no of items	$\alpha$	CR	AVE
AL	13	.917	.732	.536
ALRT	3	.753	.710	.505
ALMP	3	.799	.748	.560
ALBP	3	.734	.718	.516
ALSA	4	.825	.746	.557
LMX	6	.899	.896	.591
PP	5	.813	.684	.469
SIB	6	.872	.730	.534

n = 428;  $\alpha$ : Cronbach's Alpha; CR: composite reliability; AVE: average variance extracted.

The average variance extracted (AVE) by authentic leadership, relational transparency, moral perspective, balanced processing, self-awareness, LMX, proactive personality, and innovative service behaviour were .536, .505, .560, .516, .557, .591, .469, and .534, respectively, as shown in Table 12. Although the AVE by PP was less than .50 (Fornell & Larcker, 1981), the standardized loadings of these variables were more remarkable than .50 (.642–.744) and significant at .001 (Cheung & Wang, 2017). Furthermore, the AVE by PP did not affect the fit figures previously reported. A study

of the scope of service research revealed that numerous constructions' AVEs were less than .50. (e.g., Karatepe et al., 2018). Consequently, the results supported convergent validity in general. Fornell and Larcker (1981) found that the anticipated inter-correlations between all components in each variable were less than the square root of the AVE, implying that discriminative validity was supported. Furthermore, as previously indicated, the study's fundamental model was well fitted to the data. As a result of these findings, the hypothesized model now has discriminative validity.

### **Descriptive and Correlations of Variables**

The univariate normality was evaluated before doing CFA with maximum likelihood prediction to identify the seven-factor measurement model (Kline, 2011). The absolute skewness and kurtosis values were matched with the responses to the observed variable to check the univariate distribution. The skewness values ranged from .466 to 1.079, while the kurtosis values were between .070 and 3.021 because they met Kline's (2011) skewness criteria  $< 8$ ; these findings demonstrated that there was no evidence of univariate normalcy (Table 12).

Table 12.

#### *Skewness and Kurtosis results of seven-factor model*

Factor	Skewness	Kurtosis
AL	.710	.823
ALRT	.830	.714
ALMP	.499	.144
ALBP	.665	.465
ALSA	.586	.323
LMX	.518	.070
PP	.466	.529
SIB	1.079	3.021

n = 428

Table 13 shows the constructs' means, standard deviations, and inter-correlations. According to the findings, all constructs were significantly and positively associated, with normal mean and standard deviation distributions. In other words, the



SIB of authentic leadership, relational transparency, moral perspective, balanced processing, self-awareness, LMX, proactive personality, and front-line bank personnel have shown to be a positive relationship.

As indicated in Table 13, the mean value of AL is 3.88 (SD =.744), indicating that front-line bank employees have a positive attitude toward their supervisors. Mean values for AL sub-dimensions namely ALRT, ALMP, ALBP, and ALSA are 3.88 (SD = .810), 3.78 (SD = .859), 3.89 (SD = .917), and 3.77 (SD = .808). Accordingly, ALBP is the most preferred, whereas ALSA is the lowest score in the ALQ dimension. The LMX possesses a 3.62 (SD = .816) mean value, and it is the lowest mean value among all the variables. SIB has a mean value of 4.00 (SD =.623), indicating that front-line bank personnel are more innovative. The PP of front-line bank employees had the highest mean value (SD =.573) of all the variables, at 4.03 (SD =.573). This rating indicates how proactive bank employees feel and are more averse to a favourable reaction. These figures suggest that bank employees' perceptions of all variables are beneficial.

PP appears to have the highest Pearson's coefficient of correlation on the service innovative behaviour of employees, with  $r = .522$ , which was regarded as significant. With  $r = .155$ , LMX appears to have the lowest meaningful correlation with employee SIB. Employees' SIB has a high correlation with their AL ( $r = .301$ ), and employees' PP has a strong correlation with their AL ( $r = .307$ ), indicating intermediate strength (Cohen, 1988). The dimensions of AL namely ALRT, ALMP, ALBP, and ALSA positively correlated with SIB  $r = .265$ ,  $r = .256$ ,  $r = .286$ ,  $r = .270$  respectively. The results show that LMX has a significant positive, strong correlation with the four dimensions of AL, ALRT, ALMP, ALBP, and ALSA,  $r = .632$ ,  $r = .578$ ,  $r = .589$ , and  $r = .629$ , respectively. LMX has the strongest significant positive correlation with the AL with  $r = .687$  among other variables. LMX has a significant positive correlation on the PP with  $r = .235$ . ALRT, ALMP, ALBP and ALSA have a significant positive correlation on PP  $r = .285$ ,  $r = .259$ ,  $r = .270$ , and  $r = .273$ , respectively. Consequently, correlation results provide initial evidence in support of our hypothesized relationships.

Table 13.

*Means, Standard deviations and correlations of variables*

Details	Mean	S. D.	1	2	3	4	5	6	7	8
1. AL	3.82	.744	-							
2. ALRT	3.88	.810	.903**	-						
3. ALMP	3.78	.859	.877**	.726**	-					
4. ALBP	3.89	.917	.838**	.676**	.657**	-				
5. ALSA	3.77	.808	.915**	.737**	.728**	.740**	-			
6. LMX	3.62	.816	.687**	.632**	.578**	.589**	.629**	-		
7. PP	4.03	.573	.307**	.285**	.259**	.270**	.273**	.235**	-	
8. SIB	4.00	.623	.301**	.265**	.256**	.286**	.270**	.155**	.522	-

Notes: S.D.: standard deviation; (two-tailed), n=428. AL: authentic leadership; RT: relational transparency; MP: moral perspective; BP: balance processing; SA: self-awareness; LMX: leader-member exchange; PP: proactive personality; SIB: service innovative behaviour. \* p<.05, \*\*p<.01.



## Structural Modelling and Hypothesis Testing

The two aspects of SEM are used in this study, as shown in the previous chapter. CFA was used to determine the measurement model's unidimensionality, reliability, and validity, while EFA was used to screen the data. Factor loadings, reliability and validity (convergent and discriminant) are included in this. Using SEM's structural model, the second aspect is the next step. After the structural model, the hypothesized relationships between latent constructs can be tested. Researchers can then test the hypothesized relationships between latent constructs in the proposed model by using this technique (Hair et al., 2010). Chapter Three showed how these constructs interrelate in this model. Since the researcher did not intend to look at any relationships between the mediator (LMX) and the moderator (PP), the analysis has two directions (PP).

### Direct effects of Variables

A path analysis model in AMOS 24 was used to test the hypothesized association between the constructs individually using the maximum likelihood approach. SEM was chosen because it allows simultaneously examining relationships between multiple elements in a hypothesized model (Hair et al., 2010).

**Findings for Hypothesis 1.** There is a statistically significant influence of authentic leadership on front-line bank employees' service innovative behaviour in North Cyprus.

Table 14.

#### *Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H1.AL→SIB	.301	.039	6.530	.000	.091

$\rho < 0.05$

The path from authentic leadership style to innovative service behaviour is positive in line with our hypothesised model ( $\beta = .301$ ,  $t = 6.53$ ). The SIB of the front-line bank employees increases by 30.1 per cent due to the increase of one unit AL. Furthermore, the pathway model was found to be fit ( $R^2 = .091$ ,  $\rho = .000$ ), with authentic leadership explaining .09 per cent of SIB employee variation. As a result, H1 was supported. Table 14 summarizes the results of direct influence.

**Findings for Hypothesis 1a.** There is a statistically significant influence of relational transparency on front-line bank employees' service innovative behaviour in North Cyprus.

Table 15.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H1a. ALRT→SIB	.265	.036	5.686	.000	.070

$\rho < 0.05$

Front-line bank employees' path ratio from ALRT to SIB is positive and significant, as predicted by our estimates ( $\beta = .265$ ,  $t = 5.686$ ). This leads to a one-unit ALRT increase, resulting in a 26 per cent increase in the bank employees' SIB. Furthermore, the pathway model fit ( $R^2 = .070$ ,  $\rho = .000$ ) with authentic leadership explaining .070 per cent of the SIB employee variation. As a result, H1a was supported. Table 15 shows the results of direct influence.

**Findings for Hypothesis 1b.** There is a statistically significant influence of the internalised moral perspective on front-line bank employees' service innovative behaviour in North Cyprus.

Table 16.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H1b. ALMP→SIB	.256	.034	5.463	.000	.065

$\rho < 0.05$

Front-line bank employees' pathway relation from ALRT to SIB is positive and significant, as predicted by our estimates ( $\beta = 0.256$ ,  $t = 5.463$ ). This leads to a one-unit ALMP increase, resulting in a 25% increase in the bank employees' SIB. Furthermore, the pathway model was found to be fit ( $R^2 = .065$ ,  $\rho = .000$ ), with authentic leadership explaining .065 per cent of the SIB employee variation. As a result, H1b was supported. Table 16 shows the results of direct influence.

**Findings for Hypothesis 1c.** There is a statistically significant influence of the balance processing on front-line bank employees' service innovative behaviour in North Cyprus.

Table 17.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H1c. ALBP→SIB	.286	.031	6.174	.000	.082

$\rho < 0.05$

The front-line bank employees path ratio from ALBP to service innovative behaviour is positive, as predicted by our expectations ( $\beta = 0.286$ ,  $t = 6.174$ ). This leads to a one-unit ALBP increase, resulting in a 28% increase in the bank employees' SIB. Furthermore, the pathway model was found to be fit ( $R^2 = .082$ ,  $\rho = .000$ ), with AL explaining .082 per cent of the SIB employee variation. As a result, H1c was supported. Table 17 shows the results of direct influence.

**Findings for Hypothesis 1d.** There is a statistically significant influence of self-awareness on front-line bank employees' service innovative behaviour in North Cyprus.

Table 18.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H1d. ALSA→SIB	.270	.034	5.463	.000	.065

$\rho < 0.05$

Front-line employees' path from ALSA to SIB is positive, as predicted by our estimates ( $\beta = 0.270$ ,  $t = 5.796$ ). The SIB of front-line employees increases by 27 per cent due to the increase of one unit of ALSA. Furthermore, the pathway model was found to be fit ( $R^2 = .073$ ,  $\rho = .000$ ) with AL explaining for.073 per cent of the SIB employee variation. As a result, H1d was supported. Table 18 shows the results of direct influence.

**Findings for Hypothesis 2.** There is a statistically significant influence of authentic leadership on leader-member exchange in the banking sector in North Cyprus.

Table 19.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H2. AL→LMX	.687	.039	19.544	.000	.472

$\rho < 0.05$

By our expectations, the path ratio of AL to LMX is positive and significant ( $\beta = .687$ ,  $t = 19.544$ ). This leads to an increase of one unit AL, resulting in a 68 per cent increase in the innovative service behaviour of the bank employees. Furthermore, the pathway was fit ( $R^2 = .472$ ,  $\rho = .000$ ) with authentic leadership explaining for. Forty-seven per cent of the SIB employee variation. As a result, H2 was supported. Table 19 shows the results of direct influence.

**Findings for Hypothesis 2a.** There is a statistically significant influence of relational transparency on leader-member exchange in the banking sector in North Cyprus.

Table 20.

*Standardized Direct Path Coefficients*

Hypotheses path	B	S.E.	t	$\rho$	R <sup>2</sup>
H2a. ALRT→LMX	.632	.038	16.837	.000	.399

$\rho < 0.05$

By our expectations, the path ratio of AL to LMX is positive and significant ( $\beta = .687$ ,  $t = 19.544$ ). This leads to an increase of one unit AL, resulting in a 68 per cent increase in the innovative service behaviour of the bank employees. Furthermore, the pathway was fit ( $R^2 = .472$ ,  $\rho = .000$ ), with AL explaining forty-seven per cent of the SIB employee variation. As a result, H2 was supported. Table 20 shows the results of direct influence.

**Findings for Hypothesis 2b.** There is a statistically significant influence of the internalised moral perspective on leader-member exchange in the banking sector in North Cyprus.

Table 21.

*Standardized Direct Path Coefficients*

Hypotheses path	B	S.E.	t	$\rho$	R <sup>2</sup>
H2b. ALRT→LMX	.578	.038	14.627	.000	.334

$\rho < 0.05$

As predicted by our estimates, the ALMP to LMX path ratio has a positive and significant relationship ( $\beta = .578$ ,  $t = 16.627$ ). Results lead to a one-unit ALMP increase, resulting in a 57 per cent increase in the innovative service behaviour of the front-line bank employees. Furthermore, the pathway model fit ( $R^2 = .334$ ,  $\rho = .000$ ), with AL explaining for 33 per cent of the total SIB employee variance. As a result, H2b was supported. Table 21 shows the results of direct influence.

**Findings for Hypothesis 2c.** There is a statistically significant influence of the balance processing on leader-member exchange in the banking sector in North Cyprus.

Table 22.

*Standardized Direct Path Coefficients*

Hypotheses path	B	S.E.	t	$\rho$	R <sup>2</sup>
H2c. ALBP→LMX	.589	.035	15.056	.000	.347

$\rho < 0.05$

As predicted by our calculations, the ALBP to LMX path ratio is positive and significant ( $\beta = .589$ ,  $t = 15.056$ ). This results in a one-unit ALBP increase, resulting in a 58 per cent increase in the innovative service behaviour of the bank employees. Furthermore, the pathway model was found to be fit ( $R^2 = .347$ ,  $\rho = .000$ ), with AL explaining 34 per cent of the SIB employee variation. As a result, H2c was supported. Table 22 shows the results of direct influence.



**Findings for Hypothesis 2d.** There is a statistically significant influence of self-awareness on leader-member exchange in the banking sector in North Cyprus.

Table 23.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	$\rho$	R <sup>2</sup>
H2d. ALSA→LMX	.629	.038	16.741	.000	.396

$\rho < 0.05$

As expected, ALSA to LMX path ratio is positive and significant ( $\beta = .629$ ,  $t = 16.741$ ). This resulted in a one-unit increase in ALSA, resulting in a 62 per cent increase in the innovative behaviour of the bank employees. Moreover, the path model was found to be fit ( $R^2 = .396$ ,  $\rho = .000$ ), with AL accounting for 39% of the SIB employee variation. As a result, H2d was supported. Table 23 shows the outcomes of direct influence.

**Findings for Hypothesis 3.** There is a statistically significant influence of leader-member exchange on front-line bank employees' service innovative behaviour in North Cyprus.

Table 24.

*Standardized Direct Path Coefficients*

Hypotheses path	$\beta$	S.E.	t	P	R <sup>2</sup>
H3. LMX→SIB	.155	.036	3.248	.000	.024

$\rho < 0.05$

Front-line bank employees path ratio from LMX to FLEs SIB is positive, as predicted by our calculations ( $\beta = .155$ ,  $t = 3.248$ ). This leads to a one-unit LMX increase, resulting in a 15 per cent rise in the innovative service behaviour of the bank employees. Furthermore, the pathway model was found to be fit ( $R^2 = .024$ ,  $\rho = .000$ ), with AL explaining .024 per cent of the SIB employee variation. As a result, H3 was supported. Table 24 shows the results of direct influence.

**Findings for Hypothesis 4.** Leader-member exchange mediates the relationship between authentic leadership and front-line bank employees' service innovative behaviour in North Cyprus.

Table 25.

*Standardised indirect path coefficients*

Variable	$\beta$	S.E.	t	$\rho$
AL to SIB (path c)	.301	.039	6.530	.000
AL to LMX (path a)	.753	.039	19.544	.000
LMX to SIB (path b)	.075	.048	-1.548	.122
AL to SIB (path c')	.308	.053	5.821	.000

$\rho < 0.05$ , LMX's  $R^2 = .47$ , SIB's  $R^2 = .096$

SEM analyses were conducted to test the mediating effect of LMX on the influence of AL on FLEs SIB. The AL had a significant coefficient with the front-line bank employees SIB ( $\beta = .301$ ,  $t = 6.530$ ,  $\rho = .000$ ) (path c). Similarly, the AL support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .753$ ,  $t = 19.544$ ,  $\rho = .000$ ) (path a). But LMX had not significantly correlated with the SIB ( $\beta = -.075$ ,  $t = -1.548$ ,  $\rho = .122$ ) (path b). In addition, when LMX entered into the model, coefficient of AL increased and the indirect relationship between AL and SIB remains statistically significant ( $\beta = .308$ ,  $t = 5.842$ ,  $\rho = .000$ ) (patch c'). Therefore. H 4 is not supported—the results of SEM, provided in Table 25.

**Findings for Hypothesis 4a.** Leader-member exchange mediates the relationship between relational transparency and front-line bank employees' service innovative behaviour in North Cyprus.

Table 26.

*Standardised indirect path coefficients*

Variable	$\beta$	S.E.	t	$\rho$
ALRT to SIB (path c)	.265	.036	5.686	.000
ALRT to LMX (path a)	.632	.038	16.837	.000
LMX to SIB (path b)	-.020	.046	-.340	.734
ALRT to SIB (path c')	.278	.046	4.623	.000

$\rho < 0.05$ , LMX's  $R^2 = .40$ , SIB's  $R^2 = .071$

SEM analyses were conducted to test the mediating effect of LMX on the influence of ALRT on FLEs SIB. The ALRT had a significant coefficient with the front-line bank employees SIB ( $\beta = .265$ ,  $t = 5.686$ ,  $\rho = .000$ ) (path c). Similarly, the ALRT support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .632$ ,  $t = 16.837$ ,  $\rho = .000$ ) (path a). But LMX had not significantly correlated with the SIB ( $\beta = -.020$ ,  $t = -.340$ ,  $\rho = .734$ ) (path b). In addition, when LMX entered into the model, coefficient of ALRT increased and the indirect relationship between ALRT and SIB remains statistically significant ( $\beta = .278$ ,  $t = 4.623$ ,  $\rho = .000$ ) (patch c'). Therefore, H4a is not supported. The results of SEM, provided in Table 26.

**Findings for Hypothesis 4b.** Leader-member exchange mediates the relationship between internalised moral perspective and front-line bank employees' service innovative behaviour in North Cyprus.

Table 27.

*Standardised indirect path coefficients*

Variable	$\beta$	S.E.	t	P
ALMP to SIB (path c)	.256	.034	5.463	.000
ALMP to LMX (path a)	.578	.038	14.627	.000
LMX to SIB (path b)	.011	.044	.199	.734
ALMP to SIB (path c')	.249	.042	4.344	.000

$\rho < 0.05$ , LMX's  $R^2 = .33$ , SIB's  $R^2 = .065$

SEM analyses were conducted to test the mediating effect of LMX on the influence of ALMP on FLEs SIB. The ALMP had a significant coefficient with the

front-line bank employees SIB ( $\beta = .256, t = 5.463, \rho = .000$ ) (path c). Similarly, the ALMP support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .578, t = 14.627, \rho = .000$ ) (path a). LMX had not significantly correlated with the SIB ( $\beta = .011, t = .199, \rho = .734$ ) (path b). In addition, when LMX entered into the model, coefficient of ALMP reduced and the indirect relationship between ALMP and SIB statistically significant ( $\beta = .249, t = 4.344, \rho = .000$ ) (patch c'). Therefore, H4b is supported. In other words, in this hypothesized (H4b) model, LMX partially mediated the relationship between ALMP and SIB. Results explain .065 % of the variance in SIB. This suggests that ALMP has a direct, significantly positive effect on SIB and that LMX indirectly improves SIB. Furthermore, the H4b results were well-fitting to the data ( $\chi^2/df = 2.01, =.000, TLI = 0.910, CFI = 0.920, RMSEA = 0.056$ ). Table 27 shows the findings of the SEM.

**Findings for Hypothesis 4c.** Leader-member exchange mediates the relationship between balance processing and front-line bank employees' service innovative behaviour in North Cyprus.

Table 28.

*Standardised indirect path coefficients*

Variable	$\beta$	S.E.	t	$\rho$
ALBP to SIB (path c)	.286	.031	6.174	.000
ALBP to LMX (path a)	.589	.035	15.056	.000
LMX to SIB (path b)	-.020	.044	.355	.723
ALBP to SIB (path c')	.298	.039	5.199	.000

$\rho < 0.05$ , LMX's  $R^2 = .35$ , SIB's  $R^2 = .082$

SEM analyses were conducted to test the mediating effect of LMX on the influence of ALBP on FLEs SIB. The ALBP had a significant coefficient with the front-line bank employees SIB ( $\beta = .286, t = 6.174, \rho = .000$ ) (path c). Similarly, the ALBP support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .589, t = 15.056, \rho = .000$ ) (path a). But LMX had not significantly correlated with the SIB ( $\beta = -.020, t = -.355, \rho = .723$ ) (path b). In addition, when LMX entered into the model, coefficient of ALBP increased and the indirect relationship between ALBP and SIB remains statistically significant ( $\beta = .298, t =$

5.199,  $\rho = .000$ ) (patch c'). Therefore. H 4c not supported. The results of SEM, provided in Table 28.

**Findings for Hypothesis 4d.** Leader-member exchange mediates the relationship between self-awareness and front-line bank employees' service innovative behaviour in North Cyprus.

Table 29.

*Standardised indirect path coefficients*

Variable	$\beta$	S.E.	t	$\rho$
ALSA to SIB (path c)	.270	.036	5.796	.000
ALSA to LMX (path a)	.629	.038	16.741	.000
LMX to SIB (path b)	-.024	.046	.406	.685
ALSA to SIB (path c')	.285	.046	4.760	.000

$\rho < 0.05$ , LMX's  $R^2 = .40$ , SIB's  $R^2 = .073$

SEM analyses were conducted to test the mediating effect of LMX on the influence of ALSA on FLEs SIB. The ALSA had a significant coefficient with the front-line bank employees SIB ( $\beta = .270$ ,  $t = 5.796$ ,  $\rho = .000$ ) (path c). Similarly, the ALSA support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .629$ ,  $t = 16.741$ ,  $\rho = .000$ ) (path a). But LMX had not significantly correlated with the SIB ( $\beta = -.024$ ,  $t = -.406$ ,  $\rho = .685$ ) (path b). In addition, when LMX entered into the model, coefficient of ALSA increased and the indirect relationship between ALSA and SIB remains statistically significant ( $\beta = .285$ ,  $t = 4.760$ ,  $\rho = .000$ ) (patch c'). Therefore. H 4d not supported. The results of SEM, provided in Table 29.

**Findings for Hypothesis 5.** Proactive personality moderates the relationship between the leader-member exchange and the front-line bank employee's service innovative behaviour, such that the positive relationship will be stronger for those with more proactive personalities in North Cyprus.

SPSS software was used to create a new variable by multiplying LMX by PP, the moderator variable, and finally combining them in one model with the AMOS software to examine the interaction between LMX, PP, and SIB, the dependent variable.

Table 30

*Moderation analysis*

Hypotheses path	$\beta$	S.E.	t	$\rho$
LMX to SIB	.328	.290	1.128	.259
PP to SIB	.700	.191	3.733	.000
LMX*PP to SIB	.384	.087	1.019	.308

$\rho < 0.05$ ,  $R^2 = .275$

The results presented in Table 30 reveal that the interaction of LMX and PP was not significant ( $\beta = -.384$ ,  $t = -1.019$ ,  $\rho = .308$ ) after controlling for the direct effects of LMX and PP on the dependent variable, SIB. This suggests that PP does not moderate the impact of LMX on SIB (Table 30). Thus, H5 is not supported.

**Summary of the Hypothesis Testing**

All estimated direct relationships were supported by eleven out of eleven predicted. The mediation results of SEM models provide the direction of the parameter counts to keep one out of five predicted indirect relationships. Lastly, the moderation result of the SEM model did not give the support as expected. Hypothesis supported and rejected can be seen in Table 32.

Hypotheses	Relation	Finding
H1	There is a statistically significant influence of authentic leadership on front-line bank employees' innovative behaviour in North Cyprus.	Accepted
H1a	There is a statistically significant influence of relational transparency on front-line bank employees' innovation behaviour in North Cyprus.	Accepted
H1b	There is a statistically significant influence of the internalised moral perspective on front-line employees' innovation behaviour in North Cyprus.	Accepted
H1c	There is a statistically significant influence of the balance processing on front-line bank employees' innovation behaviour in North Cyprus.	Accepted
H1d	There is a statistically significant influence of self-awareness on front-line bank employees' innovation behaviour in North Cyprus.	Accepted
H2	There is a statistically significant influence of authentic leadership on leader-member exchange in the banking sector in North Cyprus.	Accepted
H2a	There is a statistically significant influence of relational transparency on leader-member exchange in the banking sector in North Cyprus.	Accepted
H2b	There is a statistically significant influence of internalised moral perspective on leader-member exchange in the banking sector in North Cyprus.	Accepted
H2c	There is a statistically significant influence of balance processing on leader-member exchange in the banking sector in North Cyprus.	Accepted
H2d	There is a statistically significant impact of self-awareness on leader-member exchange in the banking sector in North Cyprus.	Accepted

H3	There is a statistically significant influence of leader-member exchange on front-line bank employees' innovative behaviour in North Cyprus.	Accepted
H4	Leader-member exchange mediates the relationship between authentic leadership and front-line bank employees' innovative behaviour in North Cyprus.	Rejected
H4a	Leader-member exchange mediates the relationship between relational transparency and front-line employees' innovation behaviour in North Cyprus.	Rejected
H4b	Leader-member exchange mediates the relationship between internalising moral perspective and front-line bank employees' innovative behaviour in North Cyprus.	Accepted
H4c	Leader-member exchange mediates the relationship between balance processing and front-line employees' innovative behaviour in North Cyprus.	Rejected
H4d	Leader-member exchange mediates the relationship between self-awareness and front-line bank employees' innovative behaviour in North Cyprus.	Rejected
H5	Proactive personality moderates the relationship between the leader-member exchange and the front-line bank employee's innovative behaviour, such that the positive relationship will be stronger for those with more proactive personalities in North Cyprus.	Rejected

Table 31 Summary of the Hypothesis Results





## CHAPTER V

### Discussion and Recommendation

#### Discussion

Despite the importance of authentic leadership as a research construct, the relationship between AL and service innovative behaviour has yet to be examined in the banking sector in North Cyprus. Guided by AL literature, this research was performed to investigate at the individual level the role of AL and its sub-dimensions in promoting FLEs SIB and mediated via LMX. Besides, we tested the moderating impact of PP on the relationship strength among LMX and FLEs service innovative behaviour.

First, the data show that front-line bank employee perceptions of AL (as a contextual element) have a positive and significant influence on innovative service behaviour, which is similar to the findings of Yamak and Eyupoglu (2021), Schuckert et al. (2018) and Muceldili et al. (2013) (H1 supported). As a result, the current findings serve as a starting point for discussing the authentic leadership style influence and usefulness, particularly in the banking sector from the front-line employee's perspective. Authentic leadership, for example, may motivate employees to improve performance and work more positively since actions are performed in the best interests of the employees, not simply for the bank. Because AL concretises relational transparency and an internalized moral performance, it will result in positive employee performance, which will benefit the bank; as a result, managers should be interested in their employees and act more ethical toward them. Furthermore, authentic leadership' open participation and tolerance for their subordinates will motivate them to form new perspectives (Avolio et al., 2004). On the other side, authentic leaders enable employees to feel unrestrained by providing psychological safety to produce new workable solutions (Rego et al., 2012).

When we tested the direct influence of AL's four dimensions on innovative behaviour of employees' perspective, it was detected that all of them have positively and significantly related to SIB (H1a, H1b, H1c, and H1d supported). However, the power of each dimension in the estimation of SIB was low, and even the value of adjusted R Square showing the degree of generalisability of this model has a low ratio as .07 (7%), .06 (6%), .08 (8%), and .07 (7%) for ALRT, ALMP, ALBP, ALSA respectively. Apart from this, the beta coefficient of the ALBP variable,  $\beta = .286$ , has the most substantial influence than

other dimensions on SIB (H1c). Accordingly, the ALBP variable plays a more active role than ALRT, ALMP, and ALSA in estimating SIB. The probable explanation of this result is that the leaders' ALBP may provide employees feel that their leaders are more open-minded to different employees' perspectives about the origins of problems and how to solve them. Alternatively, leaders' ALBP and moral guidance may encourage employees' trust and respect, hence helping them feel free to suggest solutions different from their leader and other vigorous employees.

What is more, Rego, Sousa, Marques, and Cunha (2012) found that the ALBP dimension positively influences creativity; as we explained before, creativity is the previous stage of innovation behaviour. In other words, creativity is a part of innovation behaviour (De Jong & Den Hartog 2007). Hence, our study suggests that when analysing and considering all available information before decision-making increases, employees' SIB in the organisation increases. A leader provides employees with a positive working environment to explain their opinions and decisions to spark their SIB. On the other hand, it implies a statistically significant relationship between AL dimensions and employee SIB.

Second, the statistical analysis revealed that AL and the LMX idea have a strong and favourable direct association (H2 supported). In other words, the AL model plays a significant role in how bank leaders interact with their followers. AL may account for 47% of the variation in LMX. The concepts of AL and LMX are closely related, but they are not the same since the ALQ is primarily concerned with the leader's attitude, while LMX is concerned with the relationship between leader and follower. It is also important to note that LMX increases the effectiveness of subordinates by enhancing their ability to innovate (Scott & Bruce, 1994). The quality of LMX results is also reliable (Dienesch & Liden, 1986). A high correlation between AL and LMX was found in the study, which supports Lewis (2011) and Sercan (2016), which found an association between the two concepts. As a result of the AL approach, characteristics such as mutual understanding, respect, unbiased attitude, and sharing become more valuable. A strong and positive influence is exerted by AL traits on the emergence and development of the characteristics, as mentioned earlier.

Furthermore, all AL dimensions have a significant positive direct relationship on LMX (H2a, H2b, H2c, H2d supported). If which AL dimension is the most effective on these relationships is taken a look at, the ALRT variable is the most positive and strongest one affecting the LMX (H2a). ALRT can explain 39 % of the variance in LMX with a .632 beta coefficient. The study findings are inconsistent with Sercan's (2016), which claims the insignificant relationship between ALRT on LMX and requires further clarification. ALSA,

ALBP, and ALMP variables appear in the second, third, and fourth places. According to these results, LMX is more positively supported by the quality of the individuals' ALRT. Authentic leaders openly and transparently share their attributes, values, aspirations, and weaknesses with followers, encouraging them to do the same and building trust and intimacy (Avolio et al., 2004). Furthermore, ALRT means liability in the relationship with followers (Illies et al., 2005). Such liability facilitates a shared understanding of future actions and each sides responsibility. Therefore, leading to the high quality of Exchange relationships over time (Graen & Uhl-Bien, 1995). Taken together, ALRT is likely to develop positive social exchanges with their followers.

Third, the research results show that LMX strongly influences the SIB (H3 supported). This result aligns with Garg and Dhar (2017) in the banking sector. However, the adjusted R square value shows a low value for the degree of generalisability of this relationship. LMX could have affected only 2 % of the variance in SIB. Accordingly, another variable or variable can be more effective in estimating SIB since LMX has a positive but weak relationship with SIB. The possible reason could be asking only front-line bank employees.

Fourth, SEM analyses were conducted to test the mediating effect of variables. Baron and Kenny's (1986) approach was employed. Unexpectedly, the study results were not significant in the mediating role of LMX in the relationship between AL and SIB (H4 rejected). Although AL had a significant coefficient with the front-line bank employees SIB ( $\beta = .301$ ,  $\rho = .000$ ) (path c) and the AL support had a significant path coefficient with the mediator variable, namely LMX ( $\beta = .753$ ,  $\rho = .000$ ) (path a). LMX had not significantly correlated with the SIB ( $\beta = -.075$ ,  $\rho = .122$ ) (path b). In addition, when LMX entered into the model, the coefficient of AL increased, and the indirect relationship between AL and SIB remains statistically significant ( $\beta = .308$ ,  $\rho = .000$ ) (patch c'). Thus, the mediation hypothesis was no longer tested.

Data analysis indicated that all four dimensions have a positive and significant relationship with SIB. However, when we entered LMX into the model for testing the indirect (mediation) relationship between four dimensions of AL and SIB, the result supported only the MP variable (H4b supported). The ALMP had a significant coefficient with the front-line bank employees SIB ( $\beta = .256$ ,  $\rho = .000$ ) (path c). Similarly, the ALMP support had a significant path coefficient with the mediator variable, LMX ( $\beta = .578$ ,  $\rho = .000$ ) (path a). LMX had not significantly correlated with the SIB ( $\beta = .011$ ,  $\rho = .734$ ) (path b). In addition, when LMX entered into the model, the coefficient of ALMP reduced, and

the indirect relationship between ALMP and SIB was statistically significant ( $\beta = .249$ ,  $\rho = .000$ ) (patch c'). Therefore, H4b is supported.

In other words, as expected, LMX partially mediated the relationship between ALMP and service innovative behaviour in this hypothesised model (H4b). Results explain .065 % of the variance in SIB. It indicates that ALMP directly positively impacts SIB and indirectly improves SIB through LMX. However, we did not find evidence in the literature for supporting our findings, and it requires further research. Results make our study first to support the hypothesis that LMX mediate the association between ALMP and SIB. ALMP describes the degree to which the leader sets the high moral standard, ethical conduct, guides actions by internal moral standards and values referred to as a self-regulatory process, honesty and integrity help them develop reciprocal and long-term exchange relationships with front-line employees working in the bank sector. This kind of relationship is consistent with the high-quality LMX relationship. Both leaders and followers transcend their formal role requirements, treating each other as close partners. Afterwards, ALMP can positively affect LMX quality. In a high-quality LMX relationship, front-line employees more trust and understand their supervisors. Furthermore, they can encourage expressing their ideas and positions more openly and freely without misunderstanding. Given that ALMP helps develop high-quality LMX, which encourages front-line employees to express decision making and behaviours, SIB.

The last hypothesis, which indicates that PP is a moderator in the relationship between the LMX and the SIB's FLEs, has been rejected (H5). PP positively influences SIB like Yamak and Eyupoglu (2021) results but does not interact with LMX on SIB. In other words, this suggests that PP does not moderate the effect of LMX on SIB. However, we did not find in the literature supporting our findings, and it requires further research by using different variables or in a different context.

### **Theoretical and Practical Implications**

Firstly, our findings contribute to AL theory by treating authentic leadership as a core construct. According to CFA analysis, the single factor structure of the Turkish model of the AL scale is grounded at an adequate level (Kline, 2011). As a result, this thesis contributes significantly to the process of validating AL within the growing corpus of organizational leadership literature, notably in North Cyprus' banking sector.

Before this study, it was unknown whether and to what extent the AL as a positive leadership style had a significant impact on FLEs SIB in the banking sector in North Cyprus. This is a fundamental problem because front-line bank employees who have direct and face-

to-face contact in the banking sector need to improve existing processes for developing SIB, which is critical for the growth and survival of the organisation. Since it was supposed to be the most appropriate and beneficial model to meet the system's rapidly changing needs and threats, this thesis focuses on the AL model and its application in the banking sector. According to some researchers (Ilies et al., 2005; Avolio & Gardner, 2005), such a dynamic sector can benefit from the application of the four dimensions of AL (ALRT, ALMP, ALBP, and ALSA), which were pioneered in some researches (Walumbwa et al., 2008). While SIB is a critical process for any organisation, particularly the banking sector, it also appears to be an essential leadership responsibility by stimulating the SIB of employees.

The present study adds to the growing data that AL is a reliable and essential estimator of innovative service behaviour in the banking industry. Additionally, banks that want to highlight innovative behaviour may have a better chance of succeeding if they hire authentic leaders and use suitable selection processes. Furthermore, bank management should engage in motivational initiatives similar to authentic leaders to energize employees SIB.

Instead of treating AL as a unidimensional construct, we followed recommendations from Neider and Schriesheim (2011), Gardner et al. (2011) and Banks et al. (2016) to examine AL at the component level. We found that all dimensions of AL positively and significantly influence SIB and LMX. ALBP has a more powerful effect on SIB, and ALRT has a more powerful impact on LMX. Also, LMX mediates the association between (only) ALMP and SIB, which make our study the first to support this result. Those multi-dimensional findings are more nuanced and provide novel insights than overall AL. Therefore, it highlights the need to examine the more systematically effects of AL at the component level.

Moreover, this study shows the importance of AL, which is characterised by ALRT, ALMP, ALBP, and ALSA. The current research demonstrates that AL can enhance employee LMX and support high-quality LMX. It indicates that front-line bank employees who have positive working connections with their supervisors are more likely to reciprocate by demonstrating SIB. In such interactions, employees receive support from their direct supervisors as they confront obstacles in the workplace. As a result, a high-quality LMX encourages front-line bank personnel to strive for customer excellence and innovate their offerings.

Consequently, the current study results offer valuable insights for developing more robust leadership training programs for employees, which are needed in the banking sector

because it is highly labour-intensive. If organisations select their leaders with authentic attributes, they may improve employees' service innovative behaviour, which is necessary for today's uncertain environment. Leaders, for instance, should understand how to share information with followers transparently, allow followers to contribute to decision-making, and encourage them to express their thoughts.

Furthermore, the findings show that front-line employees are a significant source of service innovative behaviour in the banking sector. Due to their close contact with clients, banks should pay special attention to selecting and training, particularly front-line employees. They are the ones who help clients with their difficulties and discover quick solutions that meet their needs. As a result, if banks focused their efforts on front-line employees, they would gain a competitive advantage.

### **Research Limitations and Recommendations**

Although the current study contributes to existing knowledge in several ways, it, like all other studies, has some shortcomings that open up options for future research. First and foremost, this study was limited to the perspectives of FLEs employed in the banking industry in North Cyprus. Future research could broaden the scope of the study by collecting data from other service sectors, such as hotels and different nations. In addition, other respondents, such as supervisors or customers, might provide different results. Second, this study has concentrated on the mediating role of LMX. Future studies could investigate PP, Big five personality traits, job satisfaction, or other variables as a mediator in the relationship between AL and SIB.

The present study extends prior research by contributing to the PP literature by providing the first time investigation of moderating role of PP between LMX and SIB. Unexpectedly statistical results reveal that frontline employees with PP did not interact between the quality of LMX and SIB. Therefore, further research on the moderating influence of the Big Five or other variables on SIB is also possible. Future research may also look into the impact of different leadership styles (such as charismatic leadership and servant leadership) on SIB, with the results potentially being used in the services sector for recruitment. Third, the research was conducted in a cross-sectional approach. Data was collected just once and during the same period. As a result, future studies may employ a longitudinal research design to allow investigators to build a differentiation model through the period and in causative directions.

### **Conclusion**

This study finds evidence for a hypothesised model that ties authentic leadership to service innovative behaviour via banking-sector employees based on AL theory and using SIB as an outcome variable, LMX as a mediator, and PP as a moderator variable.

Findings support that AL has a significant direct influence on SIB, particularly from the frontline bank employees perspective. Authentic leaders motivate employees to improve performance and work more positively since actions are performed in the employees' best interests, not simply for the bank. AL concretises RT and an MP, resulting in positive employee performance, which will benefit the bank; as a result, managers should be interested in their employees and act more ethical toward them. Furthermore, AL open participation and tolerance for their subordinates will motivate them to form new perspectives (Avolio et al., 2004). On the other side, authentic leaders enable employees to feel unrestrained by providing psychological safety to produce new workable solutions (Rego et al., 2012). Thus, AL, as a positive leadership style, boost the SIB of employees in the banking sector.

Similarly, AL's four dimensions have a significant influence on SIB. Within the dimensions, balance processing has the most decisive influence on SIB. One explanation is that BP may encourage employees trust and respect, thus helping them feel free to suggest different solutions.

Moreover, findings support that AL has a substantial direct influence on LMX. Because of AL's characteristics such as mutual understanding, respect, unbiased attitude and sharing become more valuable on creating interaction relationships. When four subdimensions of AL were checked, results supported a strong positive influence on LMX. Relational transparency is the most and the strongest one affecting the LMX. Explanations behind this may be that leaders encourage followers to do the same and build trust and intimacy by openly and transparently sharing values and aspirations weaknesses with followers, which means liability. Afterwards, such liability facilitates shared understanding of future actions and leads to a high-quality exchange relationship over time. What is more, LMX has a positive but weak relationship with SIB. The possible reason could be asking questions only to frontline employees.

SEM analysis was conducted to test variables' mediating effect by following Baron and Kennys (1986) approach. Unexpectedly, the study results were not significant with the mediating role of LMX between AL and SIB. Although AL had a significant direct influence on LMX and SIB when LMX entered the model (between AL and SIB), the coefficient of AL increased, and the indirect relationship between AL and SIB remains



statistically significant. Thus mediation hypotheses were no longer tested. Similarly, data analysis for three subdimensions of AL, namely ALRT, ALBP, and ALSA, have a positive and significant relationship with LMX and SIB. However, when we entered LMX in the model, the ALRT, ALBP, and ALSA coefficients increased, and the indirect relationship between variables remained statistically significant. Therefore mediation analysis is no longer tested. ALMP describes the degree to which the leader sets the high moral standard, ethical conduct, guides actions by internal moral standards and values referred to as a self-regulatory process, honesty and integrity help them develop reciprocal and long-term exchange relationships with front-line employees working in the bank sector. This kind of relationship is consistent with the high-quality LMX relationship. Both leaders and followers transcend their formal role requirements, treating each other as close partners. Afterwards, ALMP can positively affect LMX quality. In a high-quality LMX relationship, front-line employees more trust and understand their supervisors. Furthermore, they can encourage expressing their ideas and positions more openly and freely without misunderstanding. Given that ALMP helps develop high-quality LMX, which encourages front-line employees to express decision making and behaviours, SIB.

Unexpectedly statistical results reveal that frontline employees with PP did not interact between the quality of LMX and SIB. In the literature, there is evidence that PP positively influences individuals' innovative behaviour (Yamak & Eyupoglu, 2021; Seibert et al., 2001). Moreover, LMX directly influences. However, in this thesis, we focused on understanding the boundaries of innovative behaviour by using PP as a moderator. It has been shown that PP might not be the most influential personality trait to use in the banking sector. Other personality traits may be more useful in the banking sector, which needs to clarify further. In the banks, employees may have high LMX relationships, and at the same time, they may have PP highly but not develop reasonable outcomes like SIB. One extreme explanation may be that nepotism is a pretty common behaviour in service businesses (Araslı, Bavik, & Ekiz, 2006), and the banking sector, which heavily depends on human involvement, is no exception. Nepotism often favours relations, affecting behavioural outcomes (Araslı, Bavik, & Ekiz, 2006) and human resource management practices can not work independently (Araslı, Bavik, & Ekiz, 2006). Due to nepotism, employees may not be sufficiently motivated and can not compete to show their natural outcome in SIB study. It may be quite challenging to promote them if they compete with a family member or higher position level. Therefore, it needs to be clarified whether nepotism is one reason in the banking sector that employees are afraid to demonstrate their genuine behaviour or not.

Moreover, more authentic empirical research needs to understand PP's role in the relationship between LMX and SIB in different sectors.

Indeed, in the context of North Cyprus, this study contributes to the validation of the authentic leadership theory and ensures a better understanding of the mechanisms that underlie it. The majority of AL research has been conducted on Western populations and samples. This fact opened the way for the current study, which helps create the AL construct in a variety of cultural settings to improve the generalization of the results of the ALS measure. This fact prompted the current study, which aimed to create the AL construct in various cultural contexts to improve the generalizability of the resulting ALS measurement.

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**APPENDICES**  
**APPENDICES A**  
**Bank List**

**Public Banks**

Kıbrıs Vakıflar Bankası Ltd.

Kıbrıs Türk Kooperatif Merkez Bankası Ltd.

**Private Banks**

Akfinans Bank

Albank Ltd.

Asbank Ltd.

Creditwest Bank Ltd.

Kıbrıs Kapital Bank Ltd.

Kıbrıs Faisal İslam Bankası Ltd.

Kıbrıs İktisat Bankası Ltd.

Limasol Türk Kooperatif Bankası Ltd.

Nova Bank Ltd.

Şekerbank Kıbrıs Ltd.

Türk Bankası Ltd.

Universal Bank Ltd.

Viyabank Ltd.

Yakın Doğu Bank Ltd.



## **International Banks**

Türkiye Halk Bankası A. Ş.

Türkiye Cumhuriyeti Ziraat Bankası

Türk Ekonomi Bankası

Türkiye Garanti Bankası A. Ş.

Türkiye İş Bankası A. Ş.

## **APPENDICES B**

### **Letter to Manager**

.....

İnsan Kaynakları Müdürlüğüne,

.....

Ben, Yakın Doğu Üniversitesi Sosyal Bilimler Enstitüsü İktisadi ve İdari Bilimler Fakültesi İşletme Yönetimi Doktora programı öğrencisiyim. Sn. Prof. Dr. Şerife Zihni Eyüpoğlu danışmanlığında ‘Otantik liderliğin çalışanların yenilikçi iş davranışı üzerindeki etkisi: Lider-Üye etkileşimi ve Proaktif Kişiliğin rolü’ başlıklı tez çalışmasını yürütmekteyim.

Ülkemiz bankacılık sektöründe iyi bir örnek olduğumu düşündüğüm bankanızda çalışan memurlara bir anket dağıtarak topladığım verileri tezimde analiz ederek kullanmak ve ayrıca bir rapor halinde sizlerle paylaşmak istiyorum. Araştırmada kullanılacak olan ölçekler ve araştırmanın sektöre faydası aşağıda özetlediğim gibidir.

Bu çalışmada kullanılması planlanan anketler Walumbwa ve diğerleri (2008)’nin Otantik Liderlik Ölçeği, Bateman ve Crant (1993)’in Proaktif Kişilik Ölçeği, Graen ve Uhl-Bien (1995)’in Lider-Üye Etkileşim Anketi-LMX7, ve Scott ve Bruce (1994)’un Yenilikçi İş Davranış Ölçeğidir. Anketlerin tümü merkez şubeden gönderilmek suretiyle her bir şubedeki çalışan sayısına göre dağıtılarak ve 10 günlük süre içerisinde toplanması planlanmaktadır.

Araştırma sonuçları değerlendirildiğinde yöneticilerin otantik liderlik stillerinin çalışanın yenilikçi davranışa dönüşüp dönüşmediği, çalışanların proaktif kişiliğın yenilikçi davranışa dönüşmesinde lider-üye etkileşim kalitesinin anlamlı bir etkisi olup olmadığını tespit etmek de banka yöneticilerine ve çalışanlarının mevcut durumu hakkında bilgi vermesi ve istenen performansın sergilenmesi için yöneticilerin neler yapması gerektiği hakkında önemli katkı sağlayacağı beklenmektedir.

Bu doğrultuda da işe yeni alınacak olan personelin proaktif kişilik özelliğine sahip olmaları tercih sebebi olabilir. Bunun yansıra yöneticiler, yenilikçi davranışları destekleyen politikalar ve uygulamaları destekleyebilirler. İş görenlerin gereken şartlarda risk alabilmesi, kendini doğru ve açık bir şekilde ifade edebilmesi deęişen iş ve sektör koşullarına hızlı bir şekilde adapte olabilmesi ve yetkinliklerini geliştirebilmesi için meslek içi eğitim fırsatları sağlanabilir.

Proje ile ilgili daha detaylı bilgi almak için benimle e-mail veya telefon aracılığı ile temas kurabilirsiniz. Size uygun bir zamanda yüz yüze de size daha fazla bilgi verebilirim.

Saygılarımla,

Özlem Yamak

E-mail: [ozlem.yamak@neu.edu.tr](mailto:ozlem.yamak@neu.edu.tr)

Cep. Tel.: 05338449948

**NOT:** Bilimsel Araştırmalar Etik Kurul Onay Yazısı ve Anket Formu ektedir.

## APPENDICES C

### The Questionnaire

#### Değerli Katılımcı,

Bu anket; Yakın Doğu Üniversitesi Sosyal Bilimler Enstitüsü, İktisadi ve İdari Bilimler Fakültesi İşletme Programında yürütülmekte olan ‘Otantik Liderlik ve Çalışanların Yenilikçi İş Davranışı üzerindeki etkisi: Lider-Üye Etkileşimi ve Proaktif Kişilik Rolünün değerlendirilmesine’ yönelik bir doktora tez çalışması için bilgi toplama aracı olarak hazırlanmıştır.

Araştırmanın hiçbir şekilde çalışmakta olduğunuz kurum ile ilgili bir bağlantısı bulunmamaktadır. Bu çalışmanın şubenizde gerçekleştirilmesi için gerekli izni Genel Müdür’ünüz ile yaptığımız yazılı ve sözlü temaslarımız sonucunda alınmıştır ve banka şube amirlerinin bilgisi dahilindedir.

Size zarf içerisinde elden verilen anket formlarını eksiksiz olarak doldurmanız tamamlanmış anketinizi yine zarfın içerisine koyarak kapatmanız (veya zımbalamanız) ve amirinize teslim etmeniz, araştırmanın sonunda sağlıklı bir netice almamız için önemlidir. Sorulara vereceğiniz yanıtlar gizli tutulacağından, size uygun cevapları rahatlıkla işaretleyebilirsiniz.

Sizlerin vereceği cevaplar, yalnızca akademik amaçlar için kullanılacağından isim belirtmenize gerek yoktur.

Dođru ve iten cevaplarınız, bu alıřmanın geerliliđini sađlayacaktır. Gsterdiđiniz ilgiden dolayı řimdiden teřekkr eder, saygılarımızı sunarız.

zlem Yamak

Prof. Dr. řerife Zihni Eybođlu

Yakın Dođu Universitesi

Yakın Dođu Universitesi

đretim Grevlisi

İřletme Blm Bařkanı

Tel: 0533 844 9948

Tel:0392 2236464-3103

[ozlem.yamak@neu.edu.tr](mailto:ozlem.yamak@neu.edu.tr)

[serife.eyupoglu@neu.edu.tr](mailto:serife.eyupoglu@neu.edu.tr)

Doktora đrencisi

Tez Danıřmanı

### **Blm 1: Kiřisel Bilgiler**

Ařađıdaki sorular sizi tanımaya ynelik sorulardır. Sadece mevcut durumu yazmanız yeterlidir.

1. alıřtıđımız banka:

A)řube Banka B)Kamu Bankası C)zel Sermayeli Banka

2. Uyruđunuz:

A)KKTC B)TC C)Diđer(Ltfenbelirtiniz):.....

3. Cinsiyetiniz:

A)Kadın B)Erkek

4. Yařınız:

A)17-21 B) 21-24 C) 25-28 D) 29-35 E)36-50 F)50 ve zeri

5. Aylık geliriniz:

A)2000 TL ve altı B)2001-2500 TL C)2501-3500 D)3501-4500

6. Medeni durumunuz:

A)Bekr B)Evli

7. Eđitim durumunuz:

A)Lise mezunu B)Üniversite mezunu C)Yüksek Lisans (Master) D)Doktora

8. Ne kadar süredir aynı işyerinde görev yapmaktasınız?

A) 1-3 yıl B) 4-7 yıl C) 8-10 yıl D) 10 yıldan fazla

9. Ne kadardır bankacılık sektöründe görev yapmaktasınız

A) 1-3 yıl B) 4-7 yıl C) 8-10 yıl D) 10 yıldan fazla

10. Ne kadar süredir aynı amir ile görev yapmaktasınız?

A) 6 aydan az B) 6 ay-1 yıl C) 2 yıl-4 yıl D) 5 yıl-7 yıl E) 8 yıl ve üzeri

11. Çalıştığınız bölüm:

A) Vezne B) Krediler C) Dış işlemler D)Diğer (Lütfen belirtiniz).....

## Bölüm 2: Otantik Liderlik Ölçeği

No	Yönerge: Lütfen aşağıdaki ölçeği kullanarak her ifadenin amirinize ne ölçüde uyduğunu sağda belirtilmiş olan numaralardan birini daire içerisine alarak belirtiniz. <b>'1' Hiçbir Zaman, '2' Nadiren, '3' Ara Sıra, '4' Genellikle, '5' Her Zaman.</b>	Hiçbir Zaman	Nadiren	Ara Sıra	Genellikle	Her Zaman
1	Ne demek istiyorsa onu açıkça söyler.	1	2	3	4	5
2	Hata yaptığında kabul eder.	1	2	3	4	5
3	Herkesin düşündüklerini söylemesini teşvik eder.	1	2	3	4	5
4	İnsanlara acı gerçekleri söyler.	1	2	3	4	5
5	Açığa vurduğu duyguları hissettikleriyle tam olarak aynıdır.	1	2	3	4	5
6	Liderimin inandıklarıyla yaptıkları tutarlıdır.	1	2	3	4	5
7	Kararlarını değer yargılarına göre verir.	1	2		4	5
8	İnsanların da kendi değer yargılarının arkasında durmasını ister.	1	2	3	4	5
9	Ahlaki boyutu yüksek standartlara dayalı zor kararlar verir.	1	2	3	4	5

10	Derinden inandıklarına ters olan görüşlerin belirtilmesini ısrarla ister.	1	2	3	4	5
11	Karar vermeden önce ilgili bilgiyi enine boyuna inceler.	1	2	3	4	5
12	Sonuca varmadan önce değişik görüşleri dikkatle dinler.	1	2	3	4	5
13	Başkalarıyla etkileşimi/iletişimi geliştirmek için geri besleme arayışı içinde olur.	1	2	3	4	5
14	Yeteneklerinin başkaları tarafından nasıl değerlendirildiğini bilir.	1	2	3	4	5
15	Önemli konulardaki tavrını ne zaman yeniden değerlendirmesi gerektiğini bilir.	1	2	3	4	5
16	Özel/şahsi durumlarının insanları nasıl etkilediğini anlar ve bunu onlara belli eder.	1	2	3	4	5

### Bölüm 3: Yenilikçi Davranış Ölçeği

No	Yönerge:Lütfen size en uygun olan cevabı daire içerisine alarak belirtiniz. ‘1’ Kesinlikle Katılmıyorum, ‘2’ Katılmıyorum, ‘3’ Fikrim Yok, ‘4’ Katılıyorum, ‘5’ Kesinlikle Katılıyorum	Kesinlikle Katılmıyorum	Katılmıyorum	Fikrim Yok	Katılıyorum	Kesinlikle Katılıyorum
1	Yeni teknolojiler, süreçler, teknikler araştırırım ve fikirler üretirim.	1	2	3	4	5
2	Yaratıcı fikirler üretirim.	1	2	3	4	5
3	Diğer çalışanların fikirlerini destekler ve cesaretlendiririm.	1	2	3	4	5
4	Yeni fikirler için kaynaklar araştırır ve tahsis ederim.	1	2	3	4	5
5	Yeni fikirlerin uygulanması için planları ve faaliyet takvimlerini geliştiririm.	1	2	3	4	5
6	Yenilikçiyim.	1	2	3	4	5

### Bölüm 4: Amir-Memur Etkileşim Düzeyi Anketi

**Yönerge:**Bu anket `Memurların Bakış Açısından` Amir-Memur Etkileşim Düzeyini ölçmektedir. Lütfen size en uygun olan cevabı daire içerisine alarak belirtiniz.

1. Amirinizle olan çalışma ilişkinizin hangi noktada olduğunu biliyor musunuz?  
...Amirinizin, genelde sizin yapmış olduğunuz işten ne kadar memnun olduğunu biliyor musunuz?

A) Nadiren bilirim B) Bazen bilirim C) Ara sıra bilirim

D) Oldukça sık bilirim E) Çok sık bilirim

2- Amiriniz, işteki problemlerinizi veya ihtiyaçlarınızı ne kadar iyi anlar?

A) Hiç Anlamaz B) Biraz anlar C) kabul edilebilir oranda anlar

D) Coğunlukla anlar E) Tamamıyla anlar

3- Amiriniz, sahip olduğunuz potansiyelin farkında mı?

A) Hiç farkında değil B) Az farkındadır C) Orta düzeyde farkındadır

D)Coğunlukla farkındadır E)Tamamıyla farkındadır

4- Amirinizin, makamındaki resmi otoritesinin büyüklüğüne bakılmaksızın, sizin işinizdeki problemlerinizi çözmek amacıyla gücünü kullanması ihtimali nedir?

A) Hiç B) Az C) Orta D) Yüksek E) Çok yüksek

5- Amirinizin, makamındaki resmi otoritesinin büyüklüğüne bakılmaksızın, kendisini riske atarak sizi düştüğünüz zor durumdan kurtarma ihtimali nedir?

A) Hiç B) Az C) Orta D) Yüksek E) Çok yüksek

6- Amirime yeterince güvenirim. Kendisinin bulunmadığı ortamlarda bile onun almış olduğu kararları savunur ve onaylarım.

A) Tamamen katılmam B) Katılmam C) Fikrim yok

D) Katılırım E) Tamamen katılırım

7- Amirinizle olan çalışma ilişkinizi nasıl değerlendirirsiniz?

- A) Hiç etkin değil      B) Ortadan daha kötü  
C) Orta                  D) Ortadan daha iyi    E) Çok etkin

### Bölüm 5: Proaktif Kişilik Ölçeği

No	Proaktif Kişilik Ölçeği İfadeleri	Keslikle Katılmıyorum	Katılmıyorum	Fikrim Yok	Katılıyorum	Keslikle Katılıyorum
1	Kendi yaşamımı geliştirmek için sürekli yeni yollar araştırırım.	1	2	3	4	5
2	Nerede olursam olayım, yapıcı bir değişim için güçlü bir etkiye sahibim.	1	2	3	4	5
3	Hiçbir şey beni kendi düşüncelerimi gerçeğe dönüştürmekten daha çok heyecanlandıramaz.	1	2	3	4	5
4	Eğer hoşlanmadığım bir şey görürsem, onu düzeltirim.	1	2	3	4	5
5	Ne kadar tuhaf olursa olsun, bir şeye inanırsam onu yaparım.	1	2	3	4	5
6	Diğerlerinin görüşlerine uymasa bile kendi düşüncelerimi savunmayı severim.	1	2	3	4	5



7	Fırsatları saptamada uzmanım.	1	2	3	4	5
8	Her zaman bir şeyin en iyisini yapmanın yollarını ararım.	1	2	3	4	5
9	Eğer bir şeye inanırsam, hiçbir şey onu gerçekleştirmemi engelleyemez.	1	2	3	4	5
10	Olanakları diğer insanlardan daha iyi tespit ederim.	1	2	3	4	5

**Teşekkür Ederiz.**

## **APPENDICES D**

### **Authentic Leadership Questionnaire Research Permission**

## **Authentic Leadership Questionnaire Research Permission**

Bruce J. Avolio, William L. Gardner, and Fred O. Walumbwa

Prepared on August 6, 2018 for:

**Ozlem Yamak**

You completed your evaluation at 5:32 pm EDT on August 06, 2018.



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# **Authentic Leadership Questionnaire Research Permission**

Bruce J. Avolio, William L. Gardner, & Fred O. Walumbwa

**Introduction:** The Authentic Leadership Questionnaire (ALQ) has undergone preliminary validation efforts to demonstrate that it is both reliable and construct valid. Permission to use the ALQ free of charge and for a limited period is provided for research purposes only. This document contains:

***Conditions of Use for the Authentic Leadership Questionnaire*** - Use of the Authentic Leadership Questionnaire is subject to the conditions outlined in this section.

***Abstract of Research Project*** - A brief description of your research project.

***Authentic Leadership Questionnaire*** - The form itself (rater and self) and instructions for calculating scale scores.

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### ***Before conducting your research:***

- 1) You will submit the Research Permission for the Authentic Leadership Questionnaire form.
- 2) While filling out the Research Permission for the Authentic Leadership Questionnaire form you will need to provide additional information and agree to additional conditions if...
  - ... you are planning to administer the ALQ online using a survey company other than Mind Garden.
  - ... you are planning to translate the ALQ.
  - ... you are planning to alter the ALQ.
- 3) You will electronically sign an agreement that you understand and agree to comply with the conditions of use. This agreement is at the end of the Research Permission for the Authentic Leadership Questionnaire form.

*Note: This pdf is documentation that you have successfully fulfilled these three conditions.*

### ***While conducting your research:***

- 1) You will only use the ALQ for non-commercial, unsupported research purposes. Non-commercial research purposes means that you will not now or in the future directly or indirectly use the content for profit-seeking or other financial or commercial motivations but rather will use the content solely to further research that is purely academic or public-good driven. Your license to the content is personal to you and is solely for such non-commercial research purposes.
- 2) You will use the ALQ in its exact form without any changes to the instructions, rating scale/anchors, or order of items. All of the items listed in the survey must be used. (If you have indicated on your Research Permission for the Authentic Leadership Questionnaire form that you plan to alter the ALQ and provided details on the proposed alterations and the rationale behind those alterations, then you may ignore this condition).
- 3) You will use the ALQ for only the specific study that has been requested. Contact Mind Garden if you would like to use the ALQ for a different study.
- 4) You will not provide the ALQ to any other researchers. They must submit their own Research Permission for the Authentic Leadership Questionnaire form for permission.

## Abstract of Research Project

Permission to use the ALQ is for the following research project:

**Project title:**

Effects of Authentic Leadership-AL on employee's service innovation behaviour: Role of Leader-Member Exchange-LMX and Proactive Personality

**Research focus:**

This study assumes that Authentic Leadership in the process of nourishing strong exchange relations with their followers, promotes service innovation behaviour among employees that have a proactive personality that leverage these enlarged social networks to excel at their extra role behaviour.

**Key hypotheses:**

H1-AL is positively influence to LMX quality H2-AL is positively influence to the employee service innovative behaviour-ESIB H3-Follower LMX quality is positively influence to ESIB H4-LMX quality mediates the positive relationship between AL AND ESIB H5-Proactive personality-PP moderates the relationship between the quality of LMX and the ESIB of front-line employees, such that the positive relationship will be stronger for those with more PP.

**Sample characteristics:**

First line employees who are working as a full time. Because they have direct face-to-face or mouth-to-mouth contact with customers and in which participation of customers is critical to successful service innovation.

**Research method:**

Quantitative Approach Data will be collected through questionnaires

**Organizational characteristics:**

Banking sector is one of the most important pillars supporting NC economy. There are currently 21 Banks-including 1 public, 15 private, and 5 foreign banks- in the North Cyprus-NC. This sector suffers from various crises in 2000, 2001, and 2008. Technologically local banks have serious investments to compete with the foreign banks that performing in the same market.

**Organization domain:**

Financial Services

**Country/Countries:**

North Cyprus

**I will be conducting this study in English:**

Yes

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Electronic signature: Ozlem Yamak Date of signature: 07.08.2018

# Authentic Leadership Questionnaire (ALQ Version 1.0 Self)

Bruce J. Avolio, Ph.D.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Organization ID #: \_\_\_\_\_ Person ID #: \_\_\_\_\_

**Instructions:** The following survey items refer to your leadership style, as you perceive it. **Please judge how frequently each statement fits your leadership style using the following scale:**

Not at all      Once in a while      Sometimes      Fairly often      Frequently, if not always

0                      1                      2                      3                      4

## As a leader I...

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. say exactly what I mean  | 0 | 1 | 2 | 3 | 4 |
| 2. admit mistakes when they are made  | 0 | 1 | 2 | 3 | 4 |
| 3. encourage everyone to speak their mind                                     | 0 | 1 | 2 | 3 | 4 |
| 4. tell you the hard truth  | 0 | 1 | 2 | 3 | 4 |
| 5. display emotions exactly in line with feelings                             | 0 | 1 | 2 | 3 | 4 |
| 6. demonstrate beliefs that are consistent with actions                       | 0 | 1 | 2 | 3 | 4 |
| 7. make decisions based on my core values                                     | 0 | 1 | 2 | 3 | 4 |
| 8. ask you to take positions that support your core values                    | 0 | 1 | 2 | 3 | 4 |
| 9. make difficult decisions based on high standards of ethical conduct        | 0 | 1 | 2 | 3 | 4 |
| 10. solicit views that challenge my deeply held positions                     | 0 | 1 | 2 | 3 | 4 |
| 11. analyze relevant data before coming to a decision                         | 0 | 1 | 2 | 3 | 4 |
| 12. listen carefully to different points of view before coming to conclusions | 0 | 1 | 2 | 3 | 4 |
| 13. seek feedback to improve interactions with others                         | 0 | 1 | 2 | 3 | 4 |
| 14. accurately describe how others view my capabilities                       | 0 | 1 | 2 | 3 | 4 |
| 15. know when it is time to reevaluate my position on important issues        | 0 | 1 | 2 | 3 | 4 |
| 16. show I understand how specific actions impact others                      | 0 | 1 | 2 | 3 | 4 |

# Authentic Leadership Questionnaire (ALQ Version 1.0 Rater)

Bruce J. Avolio, Ph.D.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Organization ID #: \_\_\_\_\_ Person ID #: \_\_\_\_\_

**Instructions:** The following survey items refer to your leader's style, as you perceive it. **Judge how frequently each statement fits his or her leadership style using the following scale:**

Not at all      Once in a while    Sometimes    Fairly often    Frequently, if not always

0                      1                      2                      3                      4

**My Leader:**

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1. says exactly what he or she means  | 0 | 1 | 2 | 3 | 4 |
| 2. admits mistakes when they are made   | 0 | 1 | 2 | 3 | 4 |
| 3. encourages everyone to speak their mind                                      | 0 | 1 | 2 | 3 | 4 |
| 4. tells you the hard truth   | 0 | 1 | 2 | 3 | 4 |
| 5. displays emotions exactly in line with feelings                              | 0 | 1 | 2 | 3 | 4 |
| 6. demonstrates beliefs that are consistent with actions                        | 0 | 1 | 2 | 3 | 4 |
| 7. makes decisions based on his or her core values                              | 0 | 1 | 2 | 3 | 4 |
| 8. asks you to take positions that support your core values                     | 0 | 1 | 2 | 3 | 4 |
| 9. makes difficult decisions based on high standards of ethical conduct         | 0 | 1 | 2 | 3 | 4 |
| 10. solicits views that challenge his or her deeply held positions              | 0 | 1 | 2 | 3 | 4 |
| 11. analyzes relevant data before coming to a decision                          | 0 | 1 | 2 | 3 | 4 |
| 12. listens carefully to different points of view before coming to conclusions  | 0 | 1 | 2 | 3 | 4 |
| 13. seeks feedback to improve interactions with others                          | 0 | 1 | 2 | 3 | 4 |
| 14. accurately describes how others view his or her capabilities                | 0 | 1 | 2 | 3 | 4 |
| 15. knows when it is time to reevaluate his or her position on important issues | 0 | 1 | 2 | 3 | 4 |
| 16. shows he or she understands how specific actions impact others              | 0 | 1 | 2 | 3 | 4 |

### **Authentic Leadership Questionnaire Scales:**

Each scale consists of these item numbers. Average the item value to get the raw score for the scale.

Transparency: 1, 2, 3, 4 & 5

Moral/Ethical: 6, 7, 8 & 9

Balanced Processing: 10, 11 & 12

Self-Awareness: 13, 14, 15 & 16





To whom it may concern,

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Instrument: *Authentic Leadership Questionnaire (ALQ)*

Authors: *Bruce J. Avolio, William L. Gardner, and Fred O. Walumbwa*

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Sincerely,

Mind Garden, Inc. [www.mindgarden.com](http://www.mindgarden.com)

ÖZGEÇMİŞ

## 1. KİŞİSEL BİLGİLER

<b>ADI, SOYADI: Özlem Uzunsaf</b> DOĞUM TARİHİ ve YERİ: 31.10.1974, Lefkoşa	
HALEN GÖREVİ: Öğretim Görevlisi YAZIŞMA ADRESİ: Abohorlu 99 Apt. K-3 D-5 Rüzgarlı Sk. K. Kaymaklı, Lefkoşa TELEFON: 0533 844 9948 E-MAIL: <a href="mailto:ozlem.yamak@neu.edu.tr">ozlem.yamak@neu.edu.tr</a>	

## 2. EĞİTİM

YILI	DERECESİ	ÜNİVERSİTE	ÖĞRENİM ALANI

## 3. AKADEMİK DENEYİM

GÖREV DÖNEMİ	ÜNVAN	BÖLÜM	ÜNİVERSİTE
2012-	Öğretim Görevlisi	Turizm ve Otel İşletmeciliği	Yakın Doğu Üniversitesi

## 4. ÇALIŞMA ALANLARI

ÇALIŞMA ALANI	ANAHTAR SÖZCÜKLER

## 5. SON BEŞ YILDAKİ ÖNEMLİ YAYINLAR

Yamak, O., & Eyupoglu, S. Z. (2018). Leadership Styles of Hotel Managers in Northern Cyprus: Which Style is Dominant? *International Journal of Organizational Leadership*, 7(1), 1-11.

Yamak, O., & Eyupoglu, S. Z. (2021). Authentic Leadership and Service Innovative Behavior: Mediating Role of Proactive Personality. *SAGE Open*, 11(1).



## YAKIN DOĐU ÜNİVERSİTESİ

### BİLİMSEL ARAŞTIRMALAR ETİK KURULU

25.09.2018

Sayın Prof. Dr. Şerife Zihni Eyüpođlu

Bilimsel Araştırmalar Etik Kurulu'na yapmış olduğunuz YDÜ/SB/2018/251 proje numaralı ve **“Otantik Liderlik Stilinin Çalışanların Yenilikçi İş Davranışı Üzerindeki Etkisi: Lider-Üye Etkileşimi-LMX ve Proaktif Kişiliğın Rolü”** başlıklı proje önerisi kurulumuzca değerlendirilmiş olup, etik olarak uygun bulunmuştur. Bu yazı ile birlikte, başvuru formunuzda belirttiğıniz bilgilerin dışına çıkmamak suretiyle araştırmaya başlayabilirsiniz.

Doçent Doktor Direnç Kanol

Bilimsel Araştırmalar Etik Kurulu Raportörü

*Direnç Kanol*

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