Employee Perceptions of Authentic Leadership and
Outcomes of Planned Organizational Change

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Dedication

This work is dedicated to my husband

Adam W. Lusin

You have always been my rock and you were my boulder during this process

I could not have done this without you and my love for you is beyond words

and to my parents

Benedict J. Cosenzo

and

Denise M. Cosenzo

You have taught me to work hard and to strive to make my dreams come true

I truly appreciate all that you have done for me

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Abstract

Employee Perceptions of Authentic Leadership and
Outcomes of Planned Organizational Change

This survey research study examined the relationship between employee perceptions of authentic leadership and planned organizational change outcome as well as employee perceptions of authentic leadership and response to planned organizational change. The research questions that guided this study are: *What is the Relationship between Employee Perceptions of Authentic Leadership and Planned Organizational Change Outcome? What is the Relationship between Employee Perceptions of Authentic Leadership and Response to Planned Organizational Change?*

The study population consisted of 200 survey participants who were sought through Amazon Mechanical Turk. Participants were asked to think of one specific organizational change that was experienced, and thinking of this experience, completed a questionnaire consisting of existing and validated scales to measure perceptions of authentic leadership and response to organizational change. Organizational outcome was also measured in addition to organizational change type, organizational commitment, and basic demographics.

This study investigated and found positive and strong correlations between employee perceptions of authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and response (cognitive, emotional, and intentional) to planned organizational change. This study also found positive and moderate correlations between employee perceptions of authentic leadership and organizational change outcome.

Consideration of the benefits of authentic leadership as it relates to change is particularly important to organizations due to the high rate of organizational change failure, which has been found to average around 70% over the past 50 years (Beer & Nohira, 2000; Burnes, 2009; Cope, 2003; Greiner, 1967; Hammer & Champy, 1993; Hughes, 2011; Keller & Aiken, 2009; Kotter, 2008; Maurer, 2010; Rogers et al., 2006; Senturia et al., 2008). The findings of this study provide further evidence for this dire situation where 93% of participants indicated that the planned organizational change effort did not succeed, by not meeting all intended goals.

This study provides empirical evidence for the positive effects of authentic leadership, specifically organizational change success and positive employee response to organizational change. It is possible that if organizations proactively develop and promote authentic leadership prior to or during an organizational change, the change effort may have greater potential for success. These findings will assist leaders and practitioners in adjusting leadership practices in selection and development of authentic leadership to ensure the optimization of leadership behaviors that enhance organizational change outcomes.

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CHAPTER 1: INTRODUCTION

The purpose of this study was to explore the relationship between employee perceptions of authentic leadership and planned organizational change outcome as well as employee perceptions of authentic leadership and response to planned organizational change. Specifically this study investigated if there was a correlation between employee perceptions of authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and planned organizational change outcome. It also investigated if there was a correlation between employee perceptions of authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and response (cognitive, emotional, and intentional) to planned organizational change. This study included a moderating variable of organizational change type (alpha, beta, and gamma). The findings of this study build on current notions of leadership within literature, on authentic leadership theory as well as organizational change theory.

Statement of the Problem

Organizational change often causes great stress within an organization. Research has found that leaders can leverage successful organizational change as competitive advantage. Leaders play a key role during organizational change due to their interpersonal interactions (Drucker, 1999). In addition, leaders are responsible for change strategy, implementation, and monitoring, and therefore directly influence the actions within the organization that enable change (Drucker, 1999; Gilley, 2005, Kanter, Stein, & Jick, 1992). The challenge of leading change is therefore one of the most

essential roles of a leader within the ever-changing organization (Nohira, Joyce, &

Roberson, 2003; Ahn, Adamson, & Dornbusch, 2004).

Long-term studies of organizational change efforts have indicated that change

efforts do not often achieve desired results (Beer, Eisenstat, & Spector, 1990). Studies of

change initiatives indicate failure rates of 33% to as high as 90%t, but over the past 50

years a failure rate of approximately 70% has been prevalent (Beer & Nohira, 2000;

Burnes, 2009; Cope, 2003; Greiner, 1967; Hammer & Champy, 1993; Hughes, 2011;

Keller & Aiken, 2009; Kotter, 2008; Maurer, 2010; Rogers et al., 2006; Senturia et al.,

2008). Research has shown that employees' attitudes toward change are essential

contributors to whether an organization's change effort succeeds or fails (Lines, 2005).

In addition, Gill (2003) suggests that many change efforts fail due to lack of effective

leadership. It has been suggested that these results are specifically due to lack of positive

leadership traits such has honesty and morality (Gill, 2003). Authentic leadership

specifically espouses the traits of honesty through self-awareness and relational

transparency. Authentic leadership promotes morality through internalized moral

perspective.

Authentic leadership is based on an interactive and genuine relationship that

develops between a leader and a follower and consists of four main aspects: self-

awareness, relational transparency, balanced processing, and internalized moral

perspective (Walumbwa, Avolio, et al., 2008). Information supporting the link between

employee attitudes toward change and positive leadership traits, such as those espoused

by authentic leadership, would be particularly beneficial because both have been

separately shown by researchers (Gill, 2003; Lines, 2005) as essential to organizational change success.

However, we do not have adequate information to link authentic leadership to employee response to organizational change because this relationship has not been researched to date. In addition, there is little empirical research on the effects of authentic leadership on organizational success. This study was conducted to provide evidence that a positive relationship exists between authentic leadership and employee response to organizational change. As a result of this evidence, it is possible that if authentic leadership is espoused during an organizational change, change failure could be mitigated.

Purpose and Research Questions

Consideration of the benefits of authentic leadership as it relates to change is of critical and immediate concern to organizations due to the high rate of organizational change failure (Parry & Proctor-Thomas, 2001). If organizations are prepared and promote authentic leadership during an organizational change, the change effort may have greater potential for success. Therefore, the purpose of this study was to explore the relationship between employee perceptions of authentic leadership and organizational change. This study builds on current notions of authentic leadership and planned organizational change. The research questions that guided this study are:

What is the Relationship between Employee Perceptions of Authentic Leadership and Planned Organizational Change Outcome?

What is the Relationship between Employee Perceptions of Authentic Leadership and Response to Planned Organizational Change?

It was first proposed that high levels of perceptions of authentic leadership have a positive correlation to organizational change outcome and that high levels of perception of authentic leadership positively correlate to positive outcomes of organizational change (Hypothesis 1). This study included the moderating variable of type of organizational change which was also measured because people's experiences of organizational change vary and it was proposed that high levels of perception of authentic leadership positively correlate to responses to organizational change increasingly as organizational change type becomes more complex (Hypothesis 2). It was also proposed that high levels of perception of authentic leadership positively correlate to positive response to organizational change when controlling for organizational commitment (Hypothesis 3). The hypotheses are as follows:

Hypothesis 1: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and planned organizational change outcome (organizational change success, overall response to change, cognitive response to change, emotional response to change, and intentional response to change). It is hypothesized that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with stronger authentic leadership.

$H1_{A0}$: There is no positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

H1$_{A1}$: There is a positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and planned organizational change outcome.

H1$_{B0}$: There is no positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{B1}$: There is a positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{C0}$: There is no positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

H1$_{C1}$: There is a positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and planned organizational change outcome.

H1$_{D0}$: There is no positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{D1}$: There is a positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and response (cognitive,

emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{E0}$: There is no positive correlation between employee perceptions of authentic leadership (internalized moral perspective) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

H1$_{E1}$: There is a positive correlation between employee perceptions of authentic leadership (internalized moral perspective) as measured by the ALQ and planned organizational change outcome.

H1$_{F0}$: There is no positive correlation between employee perceptions of authentic leadership (internalized moral perspective) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{F1}$: There is a positive correlation between employee perceptions of authentic leadership (internalized moral perspective) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

H1$_{G0}$: There is no positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

H1$_{G1}$: There is a positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and planned organizational change outcome.

$H1_{H0}$: There is no positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{H1}$: There is a positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{I0}$: There is no positive correlation between employee perceptions of authentic leadership (relational transparency) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

$H1_{I1}$: There is a positive correlation between employee perceptions of authentic leadership (relational transparency) as measured by the ALQ and planned organizational change outcome.

$H1_{J0}$: There is no positive correlation between employee perceptions of authentic leadership (relational transparency) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{J1}$: There is a positive correlation between employee perceptions of authentic leadership (relational transparency) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

Hypothesis 2: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and response to planned organizational change (overall response, cognitive, emotional, and intentional) when moderated by type (alpha, beta, and gamma) of planned organizational change. It is hypothesized that employees respond more positively to planned organizational change with stronger authentic leadership as type of planned organizational change becomes more complex.

$H2_{A0}$: There is no positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale when moderated by type (alpha, beta, and gamma) of planned organizational change.

$H2_{A1}$: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale when moderated by type (alpha, beta, and gamma) of planned organizational change.

Hypothesis 3: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and response to planned organizational change (overall response, cognitive, emotional, and intentional), controlling for organizational commitment. It is hypothesized that employees respond more positively to planned organizational change with stronger authentic leadership when controlling for organizational commitment.

H3$_{A0}$: There is no positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale, controlling for organizational commitment as measured by the Meyer & Allen (1997) Organizational Commitment Questionnaire.

H3$_{A1}$: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale, controlling for organizational commitment as measured by the Meyer & Allen (1997) Organizational Commitment Questionnaire.

Significance of the Study

Significant attention is being directed toward the role that leaders play in follower engagement at work, and it has been suggested that organizational outcomes are greatly enhanced when employees believe that they are supported, recognized, and developed by their leaders (Harter et al, 2002). Authentic leadership espouses these ideas of employee support, recognition, and development. Findings from this study are important to practitioners because results from this study indicate a positive relationship between authentic leadership and organizational change. Investing in authentic leadership development has the potential to enhance organizational change.

Further, given the state of high-profile cases of unethical leadership as well as the instability of organizational outcomes during a change initiative, a study of authentic leadership and response to organizational change is timely and relevant. This study found a positive relationship between authentic leadership and organizational change. Findings from this study can be used as the basis for recommending authentic leadership selection and development within organizations anticipating an organizational change.

The findings of this research help to fill the research gap on the relationship between authentic leadership and organizational change. This research specifically adds to existing authentic leadership research by studying its relationship with organizational change outcome and employee response to change, areas that have not yet been researched to date. Walumbwa and colleagues (2008) specifically cite a need for researchers to examine whether authentic leadership has an impact on the performance of the individual, unit, or overall organization.

Employee reactions to change are often overlooked (Herscovitch & Meyer, 2002) with the common focus of leadership as well as change research on higher level leader-focused, macro, or systems-level approach (Judge, et. al, 1999). Judge, et al., and others (e.g., Aktouf, 1992; Bray, 1994; Wanberg & Banas, 2000) have called for a more person-focused approach to the study of organizational change (Herscovitch & Meyer, 2002) as well as leadership (Hollander, 1992; Hollander & Offermann, 1990; Meindl, 1990; Meindl, 1993). The findings of this study help to fill the research gap in employee response to planned organizational change.

Much of the research on leadership and its impact on followers utilized qualitative measures versus using quantitative designs and therefore conclusions from some of this literature are limited due to the inability to verify and validate the relationships proposed therein (Yukl, 2006). Scholars have called for a renewed focus on conducting quantifiable studies in order to broaden our understanding of the effects of leadership on followers (Day, Zaccaro & Halpin, 2004; Walumbwa et al., 2008). This research helps to fulfill the need for more quantitative studies of authentic leadership and organizational change.

Leaders and practitioners are more informed and able to positively impact employees during an organizational change by proactively embodying the traits of Authentic Leadership based on the evidence from this study. Therefore, if strong authentic leadership behaviors are enacted, organizational change failure may be mitigated or reduced. Authentic leadership traits and behaviors can be propagated and developed through leadership development programs as well as leadership coaching.

Conceptual Framework

Figure 1 depicts the proposed relationship between leadership and planned organizational change. The first relational arrow represents the relationship between leadership and organizational change. Leadership is the party ultimately responsible for change strategy, implementation, and monitoring (Drucker, 1999; Gilley, 2005, Kanter, Stein, & Jick, 1992). The challenge of organizational change is therefore one of the most essential roles of a leader within the ever-changing organization (Nohira, Joyce, & Roberson, 2003; Ahn, Adamson, & Dornbusch, 2004).

The first question mark and second relational arrow in Figure 1 represents the first research question. The first research question centers around the relationship between employee perceptions of authentic leadership and planned organizational change outcome: *What is the Relationship between Employee Perceptions of Authentic Leadership and Planned Organizational Change Outcome?* It is proposed that in the presence of positive leadership, planned organizational change is more likely to be successful.

The second research question centers around the relationship between employee perceptions of authentic leadership and response to planned organizational change: *What is the Relationship between Employee Perceptions of Authentic Leadership and Response to Planned Organizational Change?* When positive leadership is espoused, employees are more prone to perceive their environment as supportive, and are therefore more likely to reciprocate support to the organization (Bandura, 1986). It can therefore be proposed that in the presence of positive leadership, employees respond positively to planned organizational change.

The second question mark in Figure 1 represents the additional hypotheses. It is hypothesized that when a planned organizational change is implemented by an authentic leader, who positively espouses the traits of self-awareness, balanced processing, relational transparency, and internalized moral perspective (independent variables), employees respond to that change positively on three levels: cognitive, emotional, and intentional (dependent variables).

The first bottom box represents the moderating variable of type of organizational change which was measured because people's experiences of organizational change vary. This moderating variable affects the relationship between the independent and dependent variables. Organizational change type has been operationalized by Golembiewski and colleagues (1976) as alpha: the lowest level change affecting only tasks, beta: a moderate change affecting people and tasks, and gamma change: the most significant change that entails organizational transformation. The second bottom box represents organizational commitment which also has the potential to affect the relationship between the independent and dependent variables and was controlled for.

Figure 1. Conceptual Framework
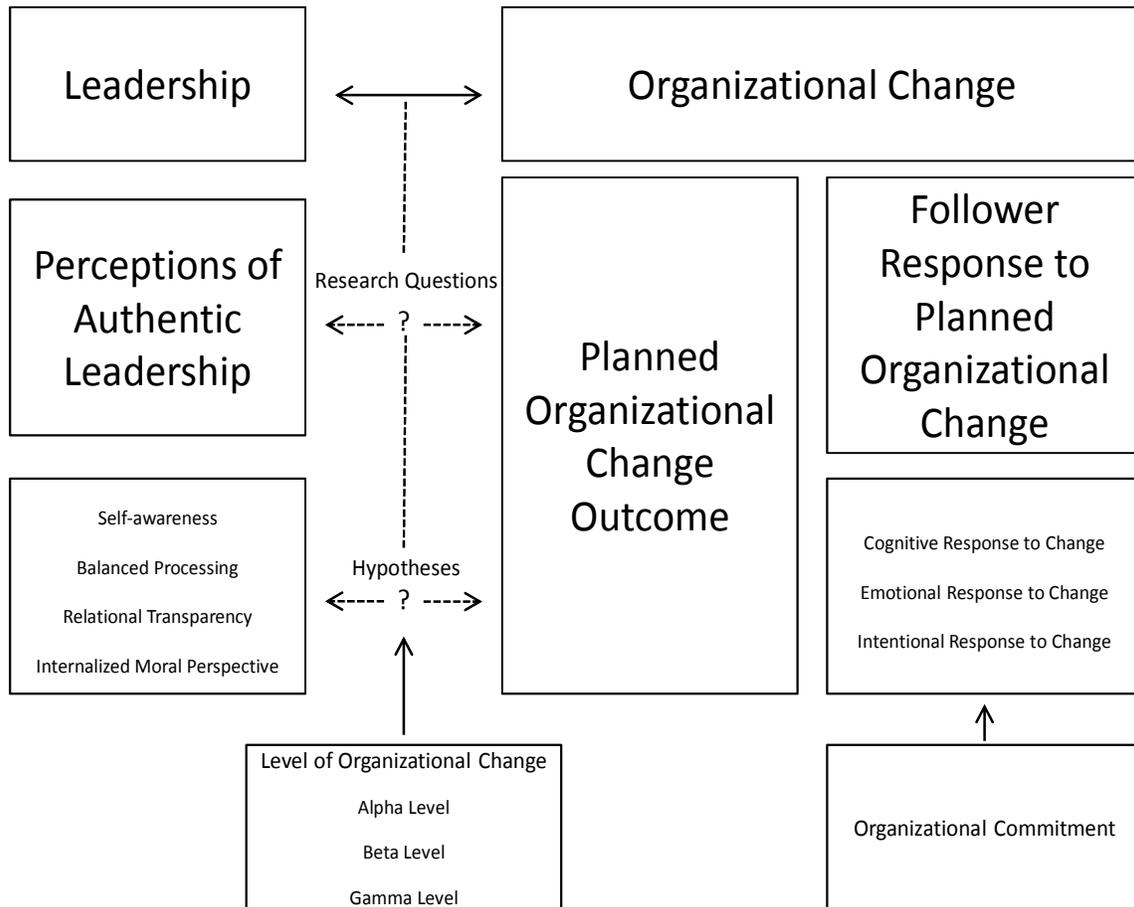
Figure 1. Positive perceptions of authentic leadership lead to positive planned organizational change outcomes such as organizational change success and positive follower response.

Authentic Leadership

Luthans and Avolio have defined authentic leadership as a process that "results in both greater self-awareness and self-regulated positive behaviors on the part of leaders and associates, fostering positive self-development" (2003: 243). Authentic leaders are "deeply aware of how they think and behave and are perceived by others as being aware

of their own and others' values/moral perspectives, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and of high moral character" (Avolio, Luthans et al., 2004, p. 7).

Walumbwa, Avolio, et al. (2008), asserts that authentic leadership consists of four contructs: self-awareness, relational transparency, balanced processing, and internalized moral perspective. Authentic leadership is developed and nurtured within interactive and genuine relationships that develop between a leader and a follower.

Planned Organizational Change

Planned organizational change is an intentional choice to modify an organization's system (Burke, 2002). Leaders, practitioners, as well as scholars often find that the accomplishments of various organizational change efforts are often found to be a linchpin of organizational success or failure (Drucker, 1999). This criticality has stimulated further research into change practices, methodologies, and results (Drucker, 1999).

Response toward organizational change is defined as an employee's overall evaluative judgment of a change initiative implemented by his or her organization, and this organizational change can be viewed as being either positive or negative by the employee (Lines, 2005). Employee response to organizational change is an essential contributor to whether an organization's change effort succeeds or fails (Lines, 2005). When an employee possess a strong, negative response to change, he or she is more likely to oppose the change initiative. In turn, when an employee possess a strong, positive response to change, he or she is more likely to support and facilitate the change initiative (Lines, 2005).

Piderit (2000) and Oreg (2006) identify cognitive, emotional, and behavioral dimensions of response to change. Lines (2005) cites a wide variety of responses to change as behaviors, all of which can range between strong or weak. Thus response to change is viewed as multi-dimensional, which not only involves how organizational members behave (intentional) in response to change (behavior), but how they think about the change (cognitive), and how they feel about the change (emotional).

Summary of Methodology

Survey participants were sought from Amazon Mechanical Turk, an online crowdsourcing and survey tool. This population was selected due to the diversity in participants' background and ease of access for solicitation. Participants were required to have at least five years of full-time work experience and have personally experienced an organizational change within the past five years. These requirements ensure that respondents were able to relate and appropriately respond to the questionnaire due to their previous work experience. In addition, the diversity of the participant work backgrounds adds to the generalizability of this study.

Participants were asked to think of one specific organizational change that he or she experienced, and thinking of this experience, completed a questionnaire consisting of two existing and validated surveys. The first survey, Authentic Leadership Questionnaire (ALQ), measured perceptions of authentic leadership and consists of 16 items on a 4-point scale. This survey specifically measured authentic leadership via four constructs: self-awareness (.92 reliability), balanced processing (.81 reliability), relational transparency (.87 reliability), and internalized moral perspective (.76 reliability). The second survey, Piderit's Reaction to Change Scale (1999), measured response to

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organizational change and consists of 31 items on a 7-point scale. This survey specifically measured response to organizational change via three constructs: cognitive (.83 reliability), emotional (.87 reliability), and intentional (.84 reliability). Demographic questions to identify personal attributes were included in the survey which included: gender, age, ethnicity, education, job title, length of full-time work experience, organizational industry, and organizational level.

Because people's experiences of organizational change vary, type of organizational change was measured as a moderating variable. Type of organizational change has been operationalized by Golembiewski and colleagues (1976) as alpha (lowest level change affecting only tasks), beta (moderate change affecting people and tasks), and gamma change (most significant change that entails organizational transformation).

The individual attribute of organizational commitment has been found to be an important consideration due to its potential impact on response to planned organizational change and it is therefore a supplementary item that was measured. Organizational commitment has been defined as "the extent to which a person identifies with and works toward organization-related goals and values" (Herscovitch & Meyer, 2002, p. 475). Organizational commitment was measured using Meyer and Allen's (1997) three-component model which is comprised of affective (emotional attachment and identification), continuance (awareness of costs of leaving the organization), and normative (feelings of obligation) commitment.

A Power Analysis was performed to determine appropriate sample size and this study targeted a sample size of 200 respondents (Alreck & Settle, 2003). Correlation and regression analyses were performed using SPSS 18.0 to measure the relationships

between the independent variables (authentic leadership: self-awareness, balanced processing, relational transparency, and internalized moral perspective) and dependent variables (planned organizational change outcome and response to planned organizational change: cognitive, emotional, and intentional). SPSS 18.0 was also used to run descriptive statistics of the survey responses such as range, mean, median, mode, and standard deviation.

Assumptions and Limitations

This study is limited by the survey method and data analysis techniques. The survey questions only allow for responses on a set response scale and do not allow for additional input by the participant. An additional limitation is the potential for single source bias, a form of common method bias, which arises from overlapping variability due to the data being collected from a single source.

A major assumption in this study is that respondents were able to recall a specific organizational change that they experienced and accurately respond to the questionnaire. Also, it was assumed that participants truthfully responded to the survey, recalling a specific organizational change experience, and refrained from personal bias.

This study also has limitations based on the context of the authentic leader and organizational change experienced by the individual. Measuring the type of change the respondent experienced allowed for control of this moderating variable.

Definitions of Key Terms

Alpha Change: Change that targets or affects only the tasks or activities of an organization is the lowest level change and has the least impact on the organization. Task

efficiency is improved, but neither the people nor roles they assume are affected (Golembiewski et al, 1976).

*Authentic Leadership***:** "A process that draws from both positive psychological capacities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviors on the part of leaders and associates, fostering positive self-development" (Luthans & Avolio, 2003: 243). Authentic Leaders are "deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values, moral perspective, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and high on moral character" (Avolio, Luthans, & Walumbwa, 2004).   There are four aspects to authentic leadership: self-awareness, relational transparency, balanced processing, and internalized moral perspective (Walumbwa, Avolio, et al., 2008).

*Balanced Processing***:** Objective analysis of all relevant data prior to making a decision (Walumbwa, et. al., 2008).

*Beta Change***:** Change that targets or affects both the people and the tasks they perform within an organization. This is of greater impact to the organization than alpha level change. This change is significant because it affects people within the organization, but it does not represent the highest level change (Golembiewski et al, 1976).

*Cognitive Response to Organizational Change***:** A cognitive response to a change is what one thinks or believes about a change (Piderit, 2000).

*Emotional Response to Organizational Change***:** An emotional response is how one feels about a change (Piderit, 2000).

*Gamma Change***: Gamma** change that transforms the organization into a new entity. This type of change affects the people, the tasks, and the organizational and management structure. Gamma change is the highest, most significant level of organizational change (Golembiewski et al, 1976).

*Internalized Moral Perspective***:** A form of self-regulation that as a result of being aware of the impact of one's behavior on others, behavior is morally guided through equitable and fair decision-making. (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008).

*Intentional Response to Organizational Change***:** An intentional response to a change is what one plans on doing or behaving as a result of a change (Piderit, 2000).

*Planned Organizational Change***:** Planned organizational change is a deliberate choice to modify an organization's system (Burke, 2002).

*Relational Transparency***:** Presentation of one's authentic self as opposed to a fake or distorted self to others (Kernis, 2003).

Response to Organizational Change: An employee's overall evaluative judgment of a change initiative implemented by his or her organization which can be either positive or negative (Lines, 2005) as well as cognitive, emotional, and intentional (Piderit, 2000).

*Self-awareness***:** Understanding and acceptance of one's own motives, emotions, desires, and self-relevant cognitions (Lagan, 2007).

CHAPTER 2: REVIEW OF THE LITERATURE

Introduction

This study builds on current notions of leadership within literature on authentic leadership theory as well as planned organizational change. This literature review generally overviews organizational change theory and then delves into responses to planned organizational change. Next, this literature review overviews leadership and more specifically outlines authentic leadership theory. A discussion of the relationships between authentic leadership and response to organizational change provides support for the proposed hypotheses.

This literature review utilized ProQuest/ABI Inform, Business Source Premier, Web of Social Science Citation Index, and Google Scholar databases and focused on the following key search terms: "leadership", "authentic leadership", "organizational change", and "response to change." Search results included published books, theoretical articles, dissertations, and empirical research findings. In addition a library catalog search was used to find relevant books. Seminal theories and models of organizational change were used as well as past and present empirical studies. Authentic leadership was also researched using seminal theories and models as well as recent empirical studies and dissertations.

This review focused on literature primarily from the last 20 years, from the 1990s to present, as this has been a time of major focus for organizational change and authentic leadership respectively. The literature was initiated in January 2010 and was continuously updated as the research proposal was written and revised until January 2014.

<center>**Organizational Change**</center>

This section describes organizational change beginning with organizational change theory. A discussion of organizational change effort failure follows. An overview of how individuals respond to organizational change concludes the section. How individuals respond to organizational change is a critical piece to solving the problem of organizational change failure.

Planned organizational change is defined as a deliberate choice to modify an organization's system (Burke, 2002). Emphasis on change has increased as it has been realized to be a critical driver of organizational survival (Drucker, 1999). Present-day organizations are faced with an accelerated pace of change. Market competition, advances in technology, and the global marketplace are all factors in today's organizational landscape. This hyper-competitive marketplace is evident in the constant fluctuations in the Fortune 500 list over its recorded history. The global marketplace has seen the dramatic emergence of new organizations like Google and conversely seen the struggles of iconic organizations like General Motors and their failure to respond to the changing market. History has shown that companies that succeed in this fluctuating environment have shown great ability in responding rapidly to change. Further investigations of change practices, methodologies, and results have been fueled by this criticality (Drucker, 1999). A review of organizational change theory and research is covered in the following section.

Lewin

Lewin's (1947) model of organizational change was one of the first centering around organizational change specifically. Kurt Lewin proposed a "force field" analysis

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model to understand organizational change. In force field analysis Lewin proposes that an organization is typically in a state of equilibrium. Two forces maintain organizational stability: driving forces and restraining forces.

The elements of the organization which support a desired organizational change are the driving forces. The restraining forces keep the organization at equilibrium. If the two forces are equal, the organization remains fixed. When one of these two forces becomes stronger than the other, called disequilibrium, change occurs. The organization reverts to a new state of equilibrium once the change occurs (Lewin, 1947).

Episodic and Continuous Change

Organizational change has been described by Weick & Quinn (1999) as either episodic or continuous. The leader plays a different role in each of these two change models. Episodic change is discontinuous and intentional, whereas continuous change consists of small, yet intentional, adjustments.

Episodic change occurs when organizations are moving away from their equilibrium during a period of divergence (Weick & Quinn, 1999). This type of change can be characterized as discontinuous, infrequent, and intentional (McCarthy, 2008). The organizational divergence is often a result of a growing misalignment between internal structure and perceived environmental impacts (Weick & Quinn, 1999). This type of change is labeled episodic because it tends to occur in distinct episodes or periods which are caused by external triggers such as economic downturns or internal factors such as an organizational merger (Weick & Quinn, 1999).

A dominant assumption in episodic change is that leaders create the conditions for change (Rowland & Higgs, 2008). These conditions are created through plans and projects and can also include environmental or cultural impacts.

Continuous change is organizational change that is evolving and ongoing (McCarthy, 2008). Weick and Quinn (1999) describe change as being grounded in continuously updating work processes. The main aspect of continuous change is the notion that continuous adjustments, whether small or large, created simultaneously across the organization, slowly build and create substantial change (Weick & Quinn, 1999). When leaders evolve an organization into something that can hold the balance between stability and change, the organization can thrive 'on the edge of chaos', where the organization continuously evolves, by learning and adapting (Rowland & Higgs, 2008).

Rowland and Higgs (2008) view the difference between episodic and continuous change as the difference between how change gets managed and how change actually happens within organizations. They contend that organizations manage change in a programmatic, linear manner. Leaders lay out public project plans, try to predict organizational outcomes, they appoint working groups, and launch coordinated initiatives. On the other hand, organizational change can also happen more unpredictably, often behind the scenes and from random incidents and unplanned events. This more chaotic form of change requires leaders to be more attentive in determining what is happening within the organization and taking any opportunities to positively and proactively change the course of events, rather than planning efforts for the future (Rowland & Higgs, 2008).

Organizational Change Failure

Despite the knowledge about and attention given to organizational change, many change efforts often fail (Erwin & Garman, 2010). A survey of 1,536 executives involved in a wide variety of change initiatives found that only 38% thought these initiatives were successful. Success was defined as meeting the goals of the change initiative. In addition only 30% of surveyed executives thought that they contributed to the sustained improvement of their organizations (Isern and Pung, 2007). Resistance to change, which is a negative response to change, is often cited as a reason for problems with implementation of change and the failure of change initiatives (Erwin & Garman, 2010). Prochaska et al. (2001) cite a Deloitte and Touche survey of 400 organizations which indicated that resistance to change was the top reason for organizational change initiative failures. In addition, Bovey and Hede (2001) cited numerous organizational studies which indicate resistance to change as the most common problem faced by leadership in implementing change.

Organizational change and resulting resistance to change has been studied by researchers for many years. Efforts during the 1990s were mainly focused on the organizational and systemic levels of analyses (Erwin & Garman, 2010). Using systemic-level organizational factors such as mission and strategy, policy and procedures, and organizational structures that often influence organizational change, Burke and Litwin (1992) have encouraged greater attention in regard to individual behaviors, needs, values, and motivation in understanding and influencing the success of organizational change efforts in their causal model of organizational performance and change.

Organizational change strains not only the organization as a whole but also the individuals within the organization (Vakola & Nikolaou, 2005). Research has shown (Reichers, Wanous, & Austin, 1997; Rush, Schoel, & Barnard, 1995; Schweiger & DeNisi, 1991) that if an organization is to successfully implement change, a change strategy must be developed that takes the employees' psychological processes into account. Failure of a leader to take this into account may cause the change initiative to fail. Implementing a change initiative without taking employee's psychological processes into account can result in employees experiences such as stress and cynicism, both of which have the potential to reduce organizational commitment, job satisfaction, trust in the organization, and motivation (Reichers, Wanous, & Austin, 1997; Rush, Schoel, & Barnard, 1995; Schweiger & DeNisi, 1991).

Rowland and Higgs (2008) believe that if leaders can master the management of purposeful change efforts and simultaneously tap into the natural inertia of organizational change many change efforts would not "fail." There is too often an over-emphasis on the more formal, often forced, programmatic approach to change at the expense of the less planned, and natural approach.

Rowland and Higgs (2008) also hypothesized that the main reason why so many big change efforts fail is because they have overly adopted a top-down and one-look approach. Leadership should instead work with the change in order to make conscious and thoughtful decisions. This also leads to personal insights about themselves and their own leadership which enabled them to implement change in a different way, as they engaged the rest of their leadership community in the change effort.

A review of studies from the 1990s by Armenakis and Bedain (1999) focused on the individual reactions to organizational change and how organizational change is interpreted and reacted to by members of the organization. Receptivity, resistance, commitment, and other personal reactions were found to be important aspects to consider when implementing organizational change. Armenakis and Bedain (1999) note that organizations are open systems and, therefore, are deeply dependent on human direction for organizational change to succeed. They also highlight several areas in which greater attention was needed in the study of organizational change: content, context (environmental factors affecting the organization), and process (how the change occurred over time). Response to organizational change can be included in areas for future research, and is thus a topic of this study.

Response to Organizational Change

Research has shown that the success of a change effort may be determined by the individuals' response to the change (Lines, 2005). Organizational change can be distressing for organizational members. Responses to change can vary from eagerness to resentment, relief to panic, and anywhere in between. Members of the same organization, who are responding to the same change effort, have the possibility react in different ways. An organization exists due to the functioning of all its members and an organization can only change as members' behavior changes (Goodman, 1982). Consequently, significant insights into the macro-level organizational change dilemma should be studied at the micro-level of the individual.

The notion of "resistance to change" has often been attributed to Kurt Lewin (1951). Lewin developed his concept based on the individual "as a complex energy field

in which all behavior could be conceived of as a change in some state of a field"
(Marrow, 1969, p. 30). This concept represents equilibrium between the forces
preventing and allowing change. Lewin believed that either the strengthening of the
driving forces or the weakening of the barriers to change is necessary to produce the
unfreezing that allows change (Dent & Goldberg, 1999).

Response to organizational change is defined as an employee's overall evaluative
judgment of a change initiative implemented by his or her organization (Lines, 2005).
Employees' attitudes toward change are essential contributors to whether an
organization's change effort succeeds or fails (Lines, 2005). When an employee possess
a strong, negative attitude toward change, he or she is more likely to oppose the change
initiative. In turn, when an employee possess a strong, positive attitude toward change,
he or she is more likely to support and facilitate the change initiative (Lines, 2005).
When responding to employee resistance to change, managers should not emphasize
overcoming the resistance to change, which may lead to failure. Managers should instead
promote employee support and enthusiasm for the proposed change initiative (Piderit,
2000).

Ranges of Response to Change

Bovey and Hede (2001) found that response to change behaviors included
supportive versus resistant (accepting or not accepting), active versus passive (responsive
or unresponsive), and overt versus covert (explicit or implicit). These responses paint the
picture for the types of behavioral responses to be anticipated during a change effort. To
build upon this, another study by Lines (2005) found a wide variety of response to change
behaviors which can range between strong or weak.

Ambivalence to Change

Piderit (2000) captured the complexity of resistance to change, or a negative response to change, by proposing that individuals operate in all of these dimensions simultaneously. Piderit (2000) reported that people can even be ambivalent about the change in each of the behavioral, cognitive, and affective areas. For example, an individual may be both optimistic about the outcomes presented by change and fearful about not being able to perform the new work functions required by the change. Also at the same time, the individual may be agreeing to the change on paper in a survey for example, while not making an outward effort in supporting the changes necessary to accomplish the endeavor.

Cognitive, Affective, and Behavioral Response to Change

Response to change is viewed as multi-dimensional, which not only involves how organizational members behave in response to change (behavior), how they think about the change (cognitive), and how they feel about the change (affect) (Piderit, 2000; Oreg, 2006). In order to measure and describe a robust picture of employee response to organizational change, all three perspectives must be included: behavior, cognitive, and affect.

The behavioral dimension of response to change entails how an individual reacts to the change. For example, a person can embrace, complain, or sabotage a change effort (Erwin & Garman, 2010). The cognitive dimension entails how an individual thinks or conceptualizes a change (Erwin & Garman, 2010). For example, a person contemplates the value of the change, the benefits of the change, and the consequences of the change. The affective dimension of individual reactions entails how a person feels about the

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change. For example, a person can experience emotional responses such as happiness, anger, anxiousness, fear, and hesitation (Erwin & Garman, 2010).

Cognitive Response to Change

An individual's response to change is shaped by cognitive evaluations based on the individual's assessment of how circumstances will affect him or herself. Schemas are created in the mind as knowledge shortcuts. As a concept is encountered repeatedly, the schema is triggered and used to understand and make decisions about the information at hand (George and Jones, 2001). People utilize schemas when faced with change and they are critical to organizing and assimilating data in order to develop an attitude toward change (Lau & Woodman, 1995). Individuals most often change mind-sets if the change is clear and found to be agreeable enough to try to change (Lawson & Price, 2003).

The foundation to cognitive response to change is the evaluation of the need of the change, the success probability, and the consequences for the individual. For an individual to change, he or she must believe that something is wrong and requires the change. In addition, the perceived benefits must outweigh the costs in order for an individual to be driven to change (Armenakis & Harris, 2002).

Resistance to change is often found to be typical due to the change process itself, which requires an individual to go from something known to something unknown (Bovey & Hede, 2001). Other most noted motives for resistance to change has been cited as associating change with the loss of power or control, traditions, routines, and relationships (Isabella, 1990; Kanter, 1995; Cox, 1997).

Affective Response to Change

Research has linked employee resistance to emotions. Foundational organizational change in strategy, personnel, branding, or other major organizational issues have been found to cause strong emotions (Bartunek, 1984). Emotional response to change has been compared in organizational change literature to responses to traumatic change such as grief and death (Perlman and Takacs, 1990). Perlman and Takacs (1990) in particular cited the similarity between the stages that an individual goes through in dealing with death, as described by Kubler-Ross (1969), and the stages that individuals go through when they experience organizational change (Vakola, Tsaousis, & Nikolaou, 2003). Like the stages that Kubler-Ross (1969) identified, Perlman and Takacs (1990) purport that during an organizational change emotions can range between denial, anger, bargaining, chaos, depression, resignation, openness, readiness, and re-emergence.

Coch and French (1948) cited an undesirable emotional response to change, aggression, which they believed to be caused by frustration in employees. Deep rooted values and loyalty have also been cited as factors in employee resistance (Strebel, 1996). Eriksson (2004) described the role that emotions played in past change initiatives. These past change initiatives left residual emotions, which were often expressed as general fatigue and weariness (Eriksson, 2004).

Behavioral Response to Change

Response to change has been most commonly associated with counterproductive behaviors Portraying resistance in terms of behavior has therefore been the commonplace in initial studies of response to change (Waddell & Sohal, 1998). Research has found negative symptoms of resistance to include hostility, sloppy effort, fawning, and

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submissiveness (Zander, 1950), denial (Scott & Jaffe, 1988), workplace deviance (Robinson & Bennett, 1995), defiance (Ashforth & Mael, 1998), and turnover (Probst, 2003).

Specific behaviors have been easily identified in empirical studies, but frequently lack notions of causation. Watson (1982) theorizes that managers often perceive resistance as negative because they believe that employees who resist are acting disobedient. Bryant (2006) found that this perceived resistance is often met with disdain by management. Additional research has shown that "resistant" behavior can be motivated by an individual's belief that they are acting in the best interest of the organization. Voicing one's dissatisfaction with change has been considered by Hirschman (1970) and other researchers (Farrell, 1983; Van Dyne & LePine, 1998) as a constructive response that intends to send a clear message from employees to upper management that problems exist and need to be addressed. Similarly, research around obedience to authority links resistance to an individual's desire to act in accordance with morals and ethics (Modigliani & Rochat, 1995).

There is a strong case that resistance should not be viewed negatively and can instead play a useful role in an organizational change effort (Waddell & Sohal, 1998) thus more appropriately termed as response to organizational change. Non-acceptance can ensure that the changes are most appropriate, well planned, and are likely to achieve the intended effects (Waddell & Sohal, 1998).

Personality Characteristics and Response to Change

Individual personality differences can also influence response to organizational change (Erwin & Garman, 2010). Oreg (2003) examined personality characteristics that

linked with individuals with a resistance to change. Oreg conducted seven self-report survey studies that involved students, faculty, and staff at Cornell University. He developed a scale to measure dispositional tendencies to resist organizational change. An inclination to seek routines, a short-term focus, and an inflexible point-of-view were all found to be factors which influence a predisposition towards resistance.

Wanberg and Banas (2000) examined the effects of personal resilience on an individual's self-reported openness to organizational change, and the relationship to outcomes such as job satisfaction, intention to quit, work-related irritation, and organizational turnover. Personal resilience was defined as a combination of self-esteem, optimism, and perceived control. 130 members of two professional associations working in 85 different housing authorities during a major reorganization of the US Department of Housing and Urban Development were surveyed. Results of the survey indicated that personal resilience is a predictor of an employees' willingness to accept change albeit if the individual agrees with the organizational change or not.

Judge et al. (1999) examined self-concept and risk tolerance in relation to coping with organizational change. They surveyed 514 managers in six organizations, located in four different countries and five industries, experiencing recent changes to include major reorganization initiatives, changes in leadership, downsizing, mergers and acquisitions, and business divestments. Self-concept included of internal locus of control, positive affectivity, self-esteem, and self-efficacy. Risk tolerance included higher openness to experience, lower risk aversion, and higher tolerance for ambiguity. The researchers found that self-concept and risk tolerance were related to an individual's job satisfaction,

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success in coping with organizational change, organizational commitment, and career success including both monetary as well as job performance.

Bovey and Hede (2001) examined individual's self-reported adaptive and maladaptive defense mechanisms and their relationship to an employee's intention to resist organizational changes. Bovey and Hede surveyed 615 employees of nine Australian organizations (both governmental and private sector) who were involved in organizational changes such as restructuring of departments, systems, processes or procedures. The findings highlighted that individual's with higher tendencies to blame others, remain passive, to avoid life's difficulties, and to lack control of their own destinies were significantly more likely to resist change.

Giangreco and Peccei (2005) surveyed 359 mid-level managers from an Italian electric company to examine the influence of individuals' perceptions of the benefits of change on attitudes towards change as wells as their level of resistance to change. The study reported that the extent the individual will personally gain or lose as a result of the change as well as perceptions of the actual content and outcomes of a change initiative are both strong predictors of attitudes towards change and the level of resistance to the change. In addition to this Oreg's (2006) survey of 177 defense firm employees, examined resistance based upon individuals' concerns about the impact of the change on their job security, intrinsic rewards, and how personal power and prestige were affected. This study reported that concerns around job security were strongly related to emotional responses, changes in intrinsic rewards were related to both emotional and cognitive responses, and power and prestige threats were significantly related to cognitive reactions.

Research has found a multitude of personal characteristics that impact resistance to change. Individuals with an inclination to seek routines, a short-term focus, an inflexible point-of-view (Oreg, 2003), who remain passive, avoid conflict, and feel powerless over their own futures were significantly more likely to resist change (Bovey & Hede, 2001). Personal resilience (Wanberg & Banas, 2000), self-concept, risk tolerance (Judge et al., 1999), feeling of gain or loss (Giangreco & Peccei, 2005), and feeling of job security (Oreg, 2006) were also related to response to change.

Communication and Response to Change

Wanberg and Banas (2000) studied individuals experiencing change in the public housing industry. They found a positive relationship between employees who reported receiving information about change and their openness to change. Lewis (2006) also examined the influence of the communication of a change endeavor on perceived resistance. Lewis' study involved undergraduate students who reported working for organizations recently involved in the implementation of some new type of communication or information technology. This study reported that the higher the perceived quality of change initiative information, the less the perceived resistance to change.

Larson and Tompkins (2005) studied communication and actions of management on a change initiative and the relationship to employee resistance to change. This qualitative study included document analysis, observations, and interviews of 48 employees and managers of an aerospace company. The researchers identified that certain messages conveyed by management were perceived as inconsistent with the organizational change initiative. The researchers felt that the contradictions created from

the disconnect between what management said and what they did created a perception of ambivalence about the change initiative management. This resulted in opportunities and justification by employees to resist.

In summary, research has shown that the perception of quality communication efforts lead to greater acceptance of change (Wanberg & Banas, 2000). Negative response to change occurred due to a disconnect between what management said and what management did (Larson & Tompkins, 2005). This disconnect created an impression that management didn't care about the change initiative and in turn caused employees to justify their resistance to change (Larson & Tompkins, 2005).

Participation and Response to Change

Giangreco and Peccei (2005) examined middle managers in an Italian electric company. Employee perceptions of their participation in the development and implementation of the change initiative was found to be associated with more positive attitudes towards the change and reduced resistance to change. Lines (2004) found similar results in a self-report survey study of 138 managers of a telecommunication company involved in a major organizational change. Lines found strong relationships between employee perceptions of their participation in the change effort and individual and organizational goal achievement as well as organizational commitment and reduced resistance.

Msweli-Mbanga and Potwana (2006) studied access to participation, willingness to participate, and resistance to change using self-report surveys of 363 employees from three state-owned South African organizations. They found a positive relationship

between access to participation and willingness to participate as well as a negative

relationship between willingness to participate and resistance to change.

Measurement of Response to Change

With an extensive review of literature and research only one valid survey tool was

found to holistically measure response to organizational change: Piderit's response to

organizational change questionnaire. Piderit (1999) was unable to find appropriate and

valid measures of cognitive, emotional or behavioral dimensions of response to

organizational change. Therefore, Piderit constructed a questionnaire with three 7-point

scales: cognitive, affective, and intentional. Piderit's questionnaire measures each

response to change attribute individually on a separate continuum, which allows for

analysis by each dimension. Validity of questionnaire items was examined using a panel

of six judges, who rated the constructs reflection of the theoretical definitions. Ease of

survey administration was examined by pre-testing a small sample of employees from a

different organization. Reliability of measures was also tested by pre-testing a small

sample of the focal organization who had implemented the organizational change earlier

than other parts of the organization. In this pretest, each scale in the survey was

examined, scale reliabilities were conducted, and factor analyses were calculated. This

questionnaire was first used to assess employee attitudes toward newly created job

openings within a single organization in a study by Piderit were over 500 employees were

surveyed. In addition, Szabla (2007) used Piderit's response to organizational change

survey to study how employee perceptions of leadership strategies influence responses to

organizational change. The survey examined perceptions of 241 employees who were

part of an organization implementing a new electronic performance management system.

Summary

Research has shown that change efforts often fail by not reaching all intended goals (Erwin & Garman, 2010). Resistance to change is often the most common problem faced by leadership in implementing change (Bovey & Hede, 2001; Erwin & Garman, 2010). This resistance, or response to change, is viewed as multi-dimensional, which not only involves how organizational members behave in response to change (behavior), how they think about the change (cognitive), and how they feel about the change (affect) (Piderit, 2000; Oreg, 2006).

In total, research has noted the importance of considering employees and their response to organizational change into the equation. Not doing so may contribute to the failure of the change initiative (Reichers, Wanous, & Austin, 1997; Rush, Schoel, & Barnard, 1995; Schweiger & DeNisi, 1991). Therefore, it is wise for every leader to take their employees into account in order to ensure organizational change success. Rowland and Higgs (2008), in particular, assert that if leaders work with the change by making conscious and thoughtful decisions through personal insight and active engagement, instead of taking a top-down approach, less change efforts would fail.

Leadership

The purpose of this section is to define authentic leadership beginning with a discussion of leadership theories. Leadership theories covered include: trait, situational, ethical, transformational, and authentic. A thorough examination of authentic leadership concludes which covers the four main aspects, self-awareness, relational transparency, balanced processing, and internalized moral perspective, as well as authentic action and authentic leadership development.

The attempt to understand leaders and leadership has led to the development of many different approaches and definitions. Upward of 130 definitions of leadership exist (Khanin, 2007) and it has been noted that no one exact definition of leadership exists (Hughes, Ginnett, & Curphy, 2005). Burns (1978) stated that leadership is a reciprocal process of collaboration and learning between leaders and followers for mutual enrichment. According to Learning (1998), leadership is the ability to motivate and gain the respect of others in order to achieve a shared set of organizational goals.

Leadership is defined by Northouse (2001) as "(1) a process of getting things done through others based on an interactive relationship – what it is and (2) mutual goals are achieved by influence and emotions – how it is exercised (pp. 2-5)." Vroom and Jago (2007) define leadership as, "A process of motivating people to work together collaboratively to accomplish great things" (p. 18). Leadership is further defined by Yukl and Van Fleet (1992) as "A process that includes influencing the task objectives and strategies of an organization, influencing people in the organization to implement the strategies and achieve the objectives, influencing the group maintenance and identification, and influencing the culture of the organization"(p. 149). For the purpose of this research, leadership is defined using Northouse (2001) as a reciprocal relationship which exists in order to accomplish common goals.

The multiple definitions of leadership point to the different understanding of leadership by various scholars. In order to lead effectively, leaders need to understand the basic concepts of leadership. This process begins with the understanding of leadership theories that particularly describe the qualities, behaviors, and actions that define an effective leader. A review of leadership theories is discussed in the following section.

Leadership Theories

Organizations first began with people coming together as groups for mutual survival or for need fulfillment (Wren, 2005). The study of leadership has advanced over time, through the industrial revolution to the present postmodern period, following the evolution of organizations in the modern world. Leadership studies in the past focused on power and control. The current understanding of leadership now focuses on the relationship between leaders and followers for mutual benefits (Harrison, 1999). Over time, a large number of research and writing have been focused on the subject of leadership with multiple and diverse approaches.

Leadership theories have been based on leadership traits, the influence of the situation on leadership behavior, contingency theory, and expectancy theory (Leonard, 2003). Through the study of leadership characteristics, leadership theory has advanced from trait theory, to situational theories, and to ethical and transformational theory (Yukl, 2006). Traits, situational, ethical, and transformational leadership theories are examined in the following sections to describe the evolving nature of leadership and relevance to the study.

Traits

Although it has been previously noted that numerous definitions of leadership exist, there is a consensus that the study of leadership began with classification of leadership traits, qualities, and behaviors that identify an exceptional leader (Fuqua & Newman, 2004). The earliest theory of leadership is trait theory, or great-man theory, which espouses that people are born leaders and are comparably different from followers based

on specific and identifiable traits and abilities (Northouse, 2001; Hughes et al., 2005; Wren, 2005).

Carlyle (1840), a noted historian and philosopher during the 19th century, is recognized as a main author of the great man theory. As discussed in Carlyle's lecture, The Hero as King, the history of the world was based on the life history of great men. Another early proponent of the theory that leaders are born not made, Galton (1869) noted the relationship between heredity and capability. Subsequent research was attempted to define the specific abilities and traits that distinguished leaders from followers but did not succeed at finding convincing support (Hughes et al., 2005; Leonard, 2003). As noted by Leonard (2003) there is not enough evidence to prove that there is a greater potential for leadership capability solely due to personal traits.

Situational

As the focus of the trait approach was on the personal attributes of the leader, the focus of the situational approach was on the behavior of the leader and the organization within various situations. Much research focused on explaining how situational variables defined the relative effectiveness of leadership. Researchers and theorists in this area include, Hersey and Blanchard's situational model, Fielder's contingency model, and House and Mitchell's path-goal theory (Northouse, 2001). Researchers (Rubenstein, 2005) proposed that leadership was a dynamic process between leaders, followers, and situations. Situational leadership entails that a leader adapts his or her style was adapted to the preparedness of the followers as related to the situation (Northouse, 2001).

According to Fiedler's (1976) contingency theory, leadership situations could be distributed into three categories: leader-member relations, task structure, and position

power. The foundation of contingency leadership theory centers around the situation and its profound effect on the leader. Leadership style is modified to be successful for a particular situation (Fiedler, 1976).

House and Mitchell's path-goal theory proposed that the essence of leadership was to ensure satisfaction and performance among the followers. Under the path-goal theory model, four leadership behaviors of leadership were identified as suitable for different situations: directive leadership, supportive leadership, participative leadership, and achievement-oriented leadership. Path-goal theory proposed that effective leaders were accountable for the removal of obstacles to goal achievement, providing training and resources for goal attainment, direction of activities towards goal attainment, and rewarding for goal attainment (Northouse, 2001).

Ethical Leadership

Ethical leadership is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown et al, 2005: 120). From this view it is clear that ethical leaders are seen as making principled decisions based on altruism, caring about people as well as society (Brown & Treviño, 2006). There are two key aspects of ethical leadership: the moral person and the moral manager. The *moral person* component of ethical leadership depicts the leader as being open, honest, fair, and having integrity. Behaviors are displayed that indicate that the leader actively seeks to do the right thing both personally and professionally (Treviño, 2000). The *moral manager* component of ethical leadership depicts the leader as "intentionally role modeling ethical behavior" as part of their

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leadership agenda by both communicating and acting by a set of ethics and values (Brown & Treviño, 2006: 597). Ethical leaders are unwavering in their behaviors despite pressure or uncertainty (Brown et al., 2005).

The overlap between ethical leadership literature and authentic leadership literature has been cited my numerous scholars particularly those found within the authentic leadership arena (Brown et al., 2005; Brown & Treviño, 2006; Walumbwa et al., 2008). Both theories describe leaders as being moral, exhibiting openness, honesty, and integrity, and with an ultimate focus on doing the right thing. Both ethical and authentic leadership share a focal point on ethical role modeling (Gardner, Avolio, Luthans, et al., 2005). Despite this, authentic leadership encompasses more than being ethical. It requires additional focus on self-awareness, relational transparency, and balanced processing as well (Walumbwa et. al., 2008).

Transformational Leadership

Burn (1978) defines transformational leadership as "recognizes and exploits an existing need or demand of a potential follower" and "looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower" (p. 4). Transformational leadership consists of: attributed charisma, idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1998; Avolio, 1999; Yukl, 2006).

Burns (1978) identified transformational leadership as a process where one or more people engage with others and leaders and followers are therefore transformed to higher levels of motivation and morality. Thus transforming leadership is ethical and moral,

through which the integrity of the organization as well as the leader is maintained and enhanced.

Bass (1985) agreed with Burns and identified transformational leadership as a process by which followers trust, admire, and respect their leader, and are consequently motivated to do more than they were originally expected to do. However unlike Burns, Bass purported that transformational leadership depends on the leader's vision and personal motivation and may lead followers in either a positive and ethical or negative and unethical direction.

Bass and Steidlmeier (1999) argue that to be truly transformational, leadership must be grounded in moral foundations. According to Bass and Steidlmeier (1999) the four components of transformational leadership (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) are contrasted with their counterfeits in dissembling *pseudo*-transformational leadership on the basis of (1) the moral character of the leaders and their concerns for self and others; (2) the ethical values embedded in the leaders' vision, articulation, and program, which followers can embrace or reject; and (3) the morality of the processes of social ethical choices and action in which the leaders and followers engage and collectively pursue (Bass & Steidlmeier, 1999). As in Bass' 1985 work, Bass and Steidlmeier (1999) reject the notion that transformational leadership may lead to unethical direction. They suggest that there is authentic transformational leadership, which is positive and ethical, and pseudo-transformational leadership, which is negative and unethical.

Yukl (2006), building on Bass and Steidlmeier (1999), adds a fifth transformational characteristic: attributed charisma. Yukl (2006) describes attributed charisma as the

impact of leadership and the reflection of followers' ascriptions thus inferred by Walumbwa and colleagues (2008) as not reflecting direct leadership behavior.

Transformational leaders with idealized influence strive to meet their own set of values and principles while often placing the needs of their followers over their own needs. This idealized influence sets the scene for ethical leaders to be role models for their followers (Avolio, 1999). Inspirational motivation entails inspiring followers through meaning, understanding, and challenging work. Transformational leaders who provide intellectual stimulation motivate followers to question assumptions, rethink problems, and approach situations in innovative ways (Yukl, 2006). Individualized consideration involves leaders paying attention to their followers' need for development and achievement by mentoring, fostering learning opportunities, and creating an encouraging climate for personal growth (Yukl, 2006).

Scholars have cited the conceptual overlap between authentic and transformational leadership. Although authentic leadership is related to the aspects of transformational leadership, Walumbwa and colleagues (2008) contend that the proposed dimensions of authentic leadership are not explicitly included within transformational leadership. A key distinction between the two theories is that authentic leadership is anchored by a sense of self-awareness. Authentic leaders know where they stand on their values, beliefs, and important issues and they are open and transparent with those they lead. With that strong foundation, they display internalized self-regulation by maintaining their personal course through difficult challenges (Ilies et al., 2005). Therefore authentic leaders serve themselves as well as their followers by behaving by consistent core values (George, 2003). It is not contended that transformational leaders may also have a deep sense of

ethical values. Avolio (1999) described transformational leaders as being counted on to do the right thing and to maintain high standards of ethical behavior. Thus, it appears there is meaningful but only partial theoretical overlap between authentic leadership and transformational leadership.

Authentic leadership is informed by most previously defined theories of leadership. Several of theories are antecedents to authentic leadership, to include ethical leadership as well as transformational leadership. It is important to note that despite this overlap, Walumbwa et al. (2008) specifically demonstrate a separation between authentic leadership, ethical leadership, and transformational leadership through empirical findings.

Table 1 compares authentic leadership, ethical leadership, and transformational leadership theories. Areas of intersection between these theories are highlighted within the table.

Table 1

Comparisons of Authentic Leadership Theory, Ethical Leadership Theory, and

Transformational Leadership Theory (Walumbwa et. al., 2008)

Theoretical Components	Authentic Leadership	Transformational Leadership	Ethical Leadership
Authentic leadership			
Leader self-awareness	√	√	
Relational transparency	√	*	
Internalized moral perspective	√	√	√
Balanced processing	√	*	
Ethical leadership			
Moral person	√	√	√
Moral manager	*	*	√
Transformational leadership			
Idealized influence	*	√	√
Inspirational motivation		√	
Intellectual stimulation		√	
Individualized consideration		√	*

*Note. √ = key component; * = minor component*

Authentic Leadership

A theory of authentic leadership has emerged and been developed over the past 10

years from the areas of the leadership, ethics, positive organizational behavior, and

organizational scholarship literatures (Avolio et al., 2004; Cameron, Dutton, & Quinn,

2003; Cooper & Nelson, 2006; Luthans, 2002; Luthans & Avolio, 2003). The growing

interest in authentic leadership theory may be due to the general belief that there has been

a decrease in ethical leadership in our ever-changing society. Examples of unethical

leadership run the gamut of Enron, Worldcom, and Martha Stewart. Scholars argue that

existing leadership frameworks are not sufficient for developing leaders of the future and

authentic leadership has the potential to fill this void (Avolio & Gardner, 2005; Avolio,

Gardner, Walumbwa, Luthans, & May, 2004; Avolio, Luthans, & Walumbwa, 2004;

Gardner, Avolio, Luthans, May, & Walumbwa, 2005; Luthans & Avolio, 2003; May,

Chan, Hodges, & Avolio, 2003).

Luthans and Avolio (2003) describe authentic leadership as a process that draws

from both positive psychological capacities in an organizational context, which results in

both greater self-awareness and self-regulated positive behavior on the part of leaders and

employees, fostering positive self-development. Authentic leaders are confident,

hopeful, optimistic, resilient, transparent, moral/ethical, future-oriented, and give priority

to developing employees to be leaders (Luthans & Avolio, 2003).

To positive psychologists, authenticity involves both being accountable for one's

inner thoughts, beliefs, and emotions, as well as acting consistently with one's true self.

This means that an authentic leader says what he or she thinks and feels, and behaves

accordingly. In this way, authentic leaders are transparent and consistently reflect their

espoused values in their actions. 'Authentic Leadership Theory' describes effective

leaders as being deeply aware of how they think and behave and are perceived by others

as being aware of their own and others' values/moral perspectives, knowledge, and

strengths; aware of the context in which they operate (Avolio, et. al 2004).

Leadership research has channeled positive psychology (Seligman and

Csikszentmihalyi, 2000; Sheldon and King, 2001) to focus on what leaders are doing

right instead of wrong. Positive leadership research emphasizes the building of

leadership strengths instead of trying to fix weaknesses. Luthans (2002a, b, 2003) has

taken this positive approach and related it to the field of organizational studies. Avolio and colleagues (Avolio and Gardner, 2005; Avolio et al., 2004; Luthans and Avolio, 2003) have also applied positive psychology to leadership, which they termed "authentic leadership." The basis of authentic leadership theory is best put by Shakespeare (1603), "to thine own self be true."

Authenticity can be defined as "owning one's personal experiences, be they thoughts, emotions, needs, preferences, or beliefs, processes captured by the injunction to know oneself" (S. Harter, 2002: 382). Authentic leaders are described as being "deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values/moral perspectives, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and of high moral character" (Avolio, Luthans et al., 2004, p. 7). This conceptualization is a multi-dimensional construct, containing trait, behavioral, and contextual elements from diverse domains. This conceptualization is also multi-level, with levels of analysis at the individual, group, and organizational levels (Avolio, Luthans et al., 2004).

A review of the authentic leadership literature indicates that the definition of authentic leadership has several overlapping dimensions. Luthans and Avolio have defined authentic leadership "as a process that draws from both positive psychological capacities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviors on the part of leaders and associates, fostering positive self-development" (2003: 243). Nevertheless, some scholars (e.g., Cooper et al., 2005; Shamir & Eilam, 2005; Sparrowe, 2005) have raised concerns about

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defining authentic leadership as encompassing these positive psychological capacities such as confidence, hope, optimism, and resilience.

Ilies et al. (2005) proposed a more focused four-component model of authentic leadership based on Michael Kernis's (2003) conception of authenticity that includes self-awareness, unbiased processing, authentic behavior/acting, and authentic relational orientation. Using Kernis's (2003) conceptualization and the Ilies et al. four-component model among others, Gardner, Avolio, Luthans, May, and Walumbwa (2005) integrated prevailing authentic leadership views and definitions and proposed a self-based model of authentic leader and follower development. The Gardner, Avolio, Luthans, et al. (2005) authentic leadership model centers on the critical components of self-awareness and self-regulation. Gardner, Avolio, Luthans, et al. (2005) distinguished several key features related to the authentic self-regulation processes, which includes internalized regulation, balanced processing of information, relational transparency, and authentic behavior.

Kernis (2003) advanced a developmental model through extensive literature review and research that asserts that authenticity produces favorable levels of self-esteem. Through this enhanced self-esteem, individuals come to an awareness and accept themselves, to include both their strengths as well as weaknesses. Through authenticity they exhibit high levels of stable self-esteem, instead of a more fragile ego. Through this stable self-esteem leaders are more comfortable creating open, transparent, and secure relationships with others. They were also found to act in a way that reflects consistency between their values, beliefs, and behaviors.

Ryan and Deci (2003) espouse that authentic leadership exists through enacting internalized self-regulation processes where behavior is guided by internal values instead

of extrinsic motivators, rewards, and threats. Both Deci & Ryan (2000) and Kernis & Goldman (2005) provide empirical evidence of the benefits that accrue in terms of physical and psychological welfare in individuals who display high levels of authenticity.

Walumbwa and colleagues (2008) modified Luthans and Avolio's (2003) definition of authentic leadership to create a refined definition to reflect the underlying dimensions of the construct posited by Gardner, Avolio, Luthans, et al. (2005) and Ilies et al. (2005). They specifically define authentic leadership as "a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development." Through this definition, Walumbwa and colleagues (2008) states that positive psychological capacity and a positive ethical climate are not inherent to authentic leadership although they both have a reciprocal relationship with the development of authentic leadership.

Agreeing with Walumbwa, Avolio, et al. (2008), this paper asserts that authentic leadership consists of four aspects: self-awareness, relational transparency, balanced processing, and internalized moral perspective. Authentic leadership is based on an interactive and genuine relationship that develops between a leader and a follower.

Self-Awareness

Authentic leadership theory portrays effective leaders as being "deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values/moral perspectives, knowledge, and strengths; aware of the context in

which they operate" (Avolio, Luthans, & Walumbwa, 2004, p. 4). One gains self-awareness by testing personal beliefs and self-schema.

Self-awareness is the "awareness and acceptance of one's own motives, feelings, desires, and self-relevant cognitions" (Lagan, 2007). Self-awareness refers to the demonstration of an understanding of how one creates meaning of the world and how that meaning making impacts the way one views himself or herself over time. It also refers to an understanding of one's strengths and weaknesses and the multifaceted nature of the self. This includes gaining insight into the self through exposure to others, through feedback, and by being cognizant of one's impact on others (Kernis, 2003).

Hannah (2005) defines self-awareness as an attention state where the individual directs his or her conscious attention to some aspect of self, thus becoming self-aware. George (2003) describes authentic leadership as "being yourself" and suggests that to accomplish this feat, leaders must understand their passions and underlying motivations (p. 11). In addition, Kouzes & Posner (2002) suggest that reaching an authentic state requires finding one's voice by clarifying one's own personal values. Luthans and Avolio (2003) suggest an individual can only embrace one's uniqueness and be true to one's self if self-awareness and self-regulation is attained. Self-awareness is linked to self-reflection, by introspection. Through introspection, authentic leaders gain clarity in respect to their core values, identity, emotions, motives, and goals.

Relational Transparency

Relational transparency refers to presenting one's authentic self (as opposed to a fake or distorted self) to others. This allows the leader to freely convey their true feelings, opinions, and emotions in an exchange with followers (Kernis, 2003). Kernis (2003)

proposes that such behavior promotes trust through disclosures that involve openly

sharing information and expressions of one's true thoughts and feelings while trying to

minimize displays of inappropriate emotions.

Relational transparency allows followers to better predict leaders' thoughts and

actions (Kernis, 2003). Gardner, Avolio, and Walumbwa (2005) propose that followers

prefer this transparency in their relationship with their leader which in turn leads to

feelings of predictability and stability. By being better informed about one's leader, and

through the relationship of trust that is created, followers exhibit higher commitment to

the organization (Kernis, 2003).

Balanced Processing

Balanced processing "refers to leaders who show that they objectively analyze all

relevant data before coming to a decision" (Walumbwa, et. al., 2008, p. 95). Such leaders

also solicit views that challenge their deeply held positions (Gardner, Avolio, Luthans, et

al., 2005). Kernis (2003) refers to balanced processing as "the processing of self-relevant

information" which "involves not denying, distorting, exaggerating or ignoring private

knowledge, internal experiences, and externally based evaluative information" (p. 14).

This impartial processing is key to an authentic leader's integrity and character which

ultimately affects decisions and behavior (Ilies et. al., 2005). Ilies and colleagues (2005)

suggest that an authentic leader's balanced processing also has implications for

followers' workplace wellness as well as followers' sense of supportiveness.

Gardner and colleagues (2005) explain the positive impacts of balanced processing

in authentic leaders, where they act with "confidence, hope, optimism, and resiliency"

and in turn inspire their employees to act similarly (p. 248). Through their outward

unbiased processing, not only are leaders helping themselves, but they are in turn modeling and inspiring behavior in their followers, which can lead to higher levels of follower performance (Gardner et al., 2005).

Internalized Moral Perspective

Authentic leaders are aware of the impact of their behaviors on others due to their internalized moral perspective. An internalized moral perspective is a form of self-regulation, where behavior is purposefully adjusted, which results in an equitable and fair decision-making process that is expressed through morally guided behavior (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008). This integrated form of self-regulation is guided by internal values and morals which are derived from oneself, groups, organizations, as well as societal pressures (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008).

May et al. (2003) propose that an internalized moral perspective allows authentic leaders to recognize and evaluate ethical issues, view their role as including an ethical responsibility to their stakeholders, as well as use past experiences to deal with moral work issues. It is through this moral lens that authentic leaders recognize moral dilemmas, assess the options, and take authentic action (May et al., 2003).

Authentic Action

Authenticity involves acting in accordance with one's beliefs (Harter, 2002). It can be said that one's degree of authentic leadership is based on whether a leader's actions support one's true self versus actions based on gaining the approval of others (Luthans & Avolio, 2003; Gardner et al., 2005).

Erickson (1995) asserts that leaders are best described as existing on a continuum of authenticity instead of being judged as authentic or inauthentic. The more that someone acts in accord with his or her true self, the greater the degree of authenticity. The authentic leader is expected to act as a model of transparency for followers by behaving in accordance with his or her values as well as encouraging others in the organization to do so as well.

Actions of authentic leaders must be aligned with his or her espoused values in order for followers to perceive that behavior as genuine. It is also proposed that leaders who are more open and who personally disclose more are expected to encourage higher levels of trust in their followers (Gardner et al., 2005). Therefore, it is important for the authentic leader to act as a role model, acting in accordance with his or her values, and followers will in turn gain a higher level of trust in the leader.

Authentic Leadership Development

The unbiased collection and interpretation of self-related information through the process of self-awareness causes one to self-correct. This self-correction is internally driven by the leader's core self, not through external forces or expectations. The leader does not ignore or exaggerate self-evaluations or other knowledge that might enhance self-development (Luthans and Avolio, 2003).

Leaders are able to promote self-development from self-awareness and self-regulation. Development is not only limited to the leader alone. Authentic leadership can also promote the development of one's followers. Authentic leadership has been conceptualized by Avolio and Luthans (2006; Luthans and Avolio, 2003) as the intersection of positive psychology, transformational leadership (Avolio, 1999, 2002) and

ethical development (May et al., 2003). Authentic leadership as builds on transformational (Avolio, 1999, 2002), and ethical/moral (Bass and Steidlmeier, 1999) leadership approaches to respond to today's challenging and changing environment.

Authentic leaders genuinely desire to serve others through their leadership, are motivated by the empowerment of the people they lead in order to make a difference, and are as guided by the qualities of the heart, passion, and compassion as they are by qualities of the mind according to George (2003). Luthans and Avolio (2003) note that authentic leaders recognize and value individual differences and are able to motivate through the identification of follower's talents and help them build those talents into strengths. The ultimate goal of authentic leadership is to train and develop their followers into fellow leaders who will in turn create positive work environments and conduct business in an ethical and responsible manner (Lagan, 2007).

Avolio and Gardner (2005) specifically propose that authentic leadership can stand up to the unique challenges facing leaders today through development. Authentic leadership is presented as creating the conditions for higher trust, by helping organizational members to be more positive and to build on their strengths. An Authentic leader believes that every individual in the organization has something to contribute, and helps those individuals build and leverage those capabilities. Block (1993) suggests that authentic leadership is a balance between leader dominance and employee compliance. By leveraging their strengths, employees find meaning and a connection at work, as a result of the supportive work environment created by authentic leadership (Avolio and Gardner, 2005). This ultimately adds value by improving the overall performance of the organization over time.

The moral and ethical dimension provided by authentic leadership is a necessary and vital component in the contemporary realms of leadership and management. Its incorporation into the systems level perspective of Complexity Leadership Theory holds great promise for the current leadership situation in the evolving organizational climate.

Rather than developing through honest values and convictions, leaders may be developing unauthentically, where they exhibit socially desirable behaviors only to appear authentic. This is often hard to determine but is often found when there is an eventual mismatch between leader values and behavior. Leithwood and Steinbach (1995) posit that self-awareness, coupled with awareness of other's value orientations, is a characteristic of strong leaders. Yukl (2006) questions the ethical implication of using values information which can be seen as having a "darker," or negative ramification of leadership behaviors. Changing one's action as a result of this knowledge can be viewed as manipulation, particularly when it is motivated by self-interest. Using ethics is not always being ethical. As a result of this, there is a strong need to look more carefully at the ethical implications of using values information.

Overall, the authentic leader demonstrates the genuinely desire to understand his or her own leadership in order to serve others more effectively (George, 2003). They encourage collaboration with followers by leveraging diverse viewpoints. The authentic leader acts in accordance with deep personal values and convictions which builds credibility, respect, and trust of followers.

Authentic Leadership Measurement

With an extensive review of literature and research only one valid and widely-used survey tool was found to measure employee perceptions of authentic leadership: the

Authentic Leadership Questionnaire. Walumbwa et al. (2008) documented an extensive effort that validated the items created for the authentic leadership questionnaire (ALQ). Initial questionnaire items were created based on an extensive review of the literature on authentic leadership theory and development, dissertations on authentic leadership, and discussions with a leadership research group which consisted of graduate students and faculty focusing on what compromises authentic leadership and its development.

Initially five initial domains of items were created for authentic leadership: self-awareness, relational transparency, balanced information processing, internalized regulation, and positive moral perspective. A second group of doctoral students responded to what they felt authentic leadership consisted of and responses were analyzed for content. The five domains were reduced to four by combining internalized regulation and positive moral perspective into the current term of internalized moral perspective (Walumbwa et al., 2008). A review of transformational and ethical leadership literature and research resulted in sixteen survey items to measure authentic leadership: self-awareness (4 items), relational transparency (5-items), internalized moral perspective (4-items), and balanced processing (3-items). Finally, a confirmatory factor analysis was performed using two independent samples from the United States and the People's Republic of China. Analyses were performed with the AMOS maximum likelihood procedure. The results of both samples indicated that a second-order factor model is the best-fitting model.

Organizational Change and Leadership

Research has found that leaders play an important role in successful organizational change (Drucker, 1999). Leaders' impact on the organizational environment as well as

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interpersonal interactions ultimately effect the success of many organizational endeavors (Drucker, 1999).

Oreg's (2006) study examined the association between resistance and trust in management in a survey of defense firm employees. Trust in management consisted of followers' confidence levels in the ability of management to direct effective change as well as feelings of management accountability where the leader is always acting in the best interest of organization and its members. Oreg found that a lack of trust in management had a significant relationship with all types of resistance, cognitive, affective, and behavioral, and particularly with employee's cognitive responses to the change initiative. The study also found that a lack of trust in management was strongly related to reports of emotional responses of anger, frustration, and anxiety, as well as behavioral in actionable opposition to the change initiative, negative evaluations of the value of the change, and questioning management's ability to make informed decisions (Oreg, 2006).

Szabla (2007) studied how employees' perceptions of leadership strategies influence individuals' responses to organizational change. The survey examined 241 union employees of a Midwest county government implementing an electronic performance management system. Szabla's survey looked at three employee responses to change: what individuals thought about the change, how they felt about the change, and how they intended to behave in response to the change. Szabla reported that respondents who felt that leaders were experts focusing on facts and logic (rational-empirical group) believed the change would improve their job satisfaction and operations, felt optimism and enthusiasm about the change, and intended to support the change. Respondents who

felt that leaders were collaborative and involved individuals in decisions (normative-reeducative group) held the most positive beliefs, expressed the most positive emotions, and had the highest intentions to support the change. Respondents who felt that change was justified only by leadership who used their position power to lead the change (power-coercive group) had both positive and negative beliefs indicating they believed the change would improve the organizational operations but would not satisfy their job-specific needs. Members of this power-coercive group reported emotional responses of anger and frustration, but indicated they would support the change despite this (Szabla, 2007).

Van Dam and colleagues (2008) used a survey study of 235 employees of a large housing corporation in The Netherlands involved in a merger, to examine the role of leader-member exchange relationships, perceived development climate which included supervisor support and opportunities for personal development, and various change process characteristics such as information provided about the change, participation in the change process, and trust in management, and the relationship to resistance to change. The study also analyzed the relationship between two individual-level characteristics, openness to job changes and organizational tenure, and resistance to change. The researchers found that employees who believed they had high-quality relationships with their supervisor and that the organization had a strong development culture responded that they had received more information about and more opportunities for participation in the change process, felt greater trust in management, and reported less resistance to change. Individual characteristics were also found to influence resistance to change,

where openness to change perceived the organizational change in favorable terms and those with more tenure were more resistant to change (Van Dam et al., 2008).

In summary, followers with positive experiences with management reported favorable responses to change. Followers with trust in management, confidence in the ability of management to direct effective change, feelings of management accountability (Oreg, 2006), feelings of collaboration (Szabla, 2007) and involvement in decision making (Szabla, 2007; Van Dam et al., 2008), as well as high quality relationships with management (Van Dam et al., 2008) responded positively to change. The aforementioned leadership aspects have strong ties to authentic leadership, which espouses trust, empowerment, and high quality relationships.

Response to Organizational Change and Authentic Leadership

As previously stated, the purpose of this study is to explore the relationship between authentic leadership and follower response to organizational change. This section summaries the research within these areas. Research has shown that leadership in general plays an important part in the success of an organizational change (Drucker, 1999), but has also shown that specific leadership traits and behaviors have a strong relationship to positive response to organizational change, such as trust empowerment, and quality relationships. These specific traits in turn relate to authentic leadership thus tying together positive employee response to change and the aspects of authentic leadership.

Theory suggests that authentic leadership should be positively related to job satisfaction and job performance although direct empirical evidence of this relationship is thus far absent (Gardner, Avolio, Luthans, et al., 2005). Research has shown that leaders

who have a positive influence on followers' behaviors and provide support for followers' self-determination are more effective at fostering intrinsic worker motivation (Deci, Connell, & Ryan, 1989; Ilies et al., 2005), which should result in higher follower performance and job satisfaction (Walumbwa et al., 2008). Gardner, Avolio, Luthans, et al. (2005) used self-determination theory (Ryan & Deci, 2001, 2003) to theorize that positive modeling by authentic leaders would create greater internalized regulation processes among their followers, which leads to greater levels of follower performance, well-being, and engagement (Deci et al., 1989).

George (2003) suggested that one way authentic leaders motivate employees is with a sense of purpose to deliver superior products in the long term. Authentic leaders focus on empowering their followers and creating high-quality employee relationships based on social exchange principles rather than economic exchange (Ilies et al., 2005). From this social exchange perspective (Blau, 1964), followers of authentic leaders respond by putting forth extra effort into their work in order to reciprocate the greatly valued relationships with their leader.

Authentic leaders effectively convey their authentic self, values, and vision to followers (Ilies et al., 2005). By setting an example of high standards of morality and integrity, authentic leaders often evoke a deeper sense of personal commitment within followers which increases followers' self-awareness about what can be accomplished with an increased effort (Walumbwa et al., 2008).

After experiencing authentic leadership over time, followers begin to internalize many of the leader's values and beliefs, including self-discovery (Walumbwa et al., 2008). Self-discovery facilitates effective decision-making about work and subsequently

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impacting individual performance. Also, by creating and supporting transparent relationships, a more rapid and accurate transfer of information can be expected which facilitates more effective follower performance (Walumbwa et al., 2008).

Organizational Change and Authentic Leadership Key Findings

Authentic leadership scholars believe that the recent increase in corporate scandals and management mishaps indicate that a new perspective of leadership is necessary. In addition to the need for more moral and ethical leadership, present-day's complex and ever-changing organizational context provides successful leaders the opportunity to leverage organizational change as competitive advantage.

Dirks and Ferrin (2002) found that leadership as well as trust in leadership has been found to be significantly related to attitudinal and behavioral outcomes. These discoveries lend some credence to suggestions made by scholars and practitioners that authentic leadership is related to central workplace behaviors and attitudes. In order to address these leadership and organizational issues and opportunities, this study sought to measure and rigorously research authentic leadership and planned organizational change.

Proponents of authentic leadership have taken a very normative approach in previous research, placing a strong emphasis on the creation of interventions to facilitate the development of authenticity. It may be premature to focus on designing interventions to develop authentic leaders before taking further steps in measuring and rigorously researching this construct (Luthans & Avolio, 2003) and therefore this study specifically measured the relationship between authentic leadership and planned organizational change.

Summary

Authentic Leadership Theory describes leadership with "both greater self-awareness and self-regulated positive behaviors, fostering positive self-development" (Luthans & Avolio, 2003: 243). Parry and Proctor-Thomas (2002) propose that Authentic Leadership helps create positive organizational outcomes. Parry and Proctor-Thomas (2002) contend that authentically lead organizations are more effective and have positive outcomes such as strengthened organizational culture, lower levels of staff turnover, and increased employee effort.

Authentic leadership has been found to be necessary, particularly in the wake of frequent corporate scandals and corrupt leadership conduct (Fox, 1995; Kouzes and Posner, 1993; Miller, 1996). These events have caused increased levels of suspicion, mistrust, and public dissatisfaction with leadership (Storr, 2004). Avolio et al. (2004) proposes "the unique stressors facing organizations throughout society today call for a new leadership approach aimed at restoring basic confidence, hope, optimism, resiliency, and meaningfulness" (p. 3).

In addition to the public, researchers and other scholars have noted an increasing mismatch between managers' words and actions (Terry, 1993). The antithesis of this mismatch is authentic leadership. Authentic leaders are found to be trustworthy and credible and they are able to use their words to influence the actions of their subordinate (Avolio et al., 2004). In order to implement and cope with organizational and societal change, Authentic Leaders are able to use their most powerful resources: their personal credibility, and the trust and commitment of their subordinates (Avolio et al., 2004).

Authentic leadership traits and behaviors such as trust and honest communication have been found to relate to success with organizational challenges (Kasper-Fuehrer & Ashkanasy, 2001). Research indicated that how the leader acts and communicates to followers during challenging periods creates a foundation of trust in the leader (Kasper-Fuehrer & Ashkanasy, 2001). Therefore, the way in which change is communicated and conducted directly effects the followers' trust in their respective leaders (Korsgaard, Brodt, & Whitener, 2002; Tourish, Paulsen, Hobman, & Bordia, 2004). In order for a leader to be successful in any challenging situation it is a necessity to have sufficient communication as well as follower trust (Norman, 2006).

There is growing evidence that an authentic approach to leading is desirable and effective for achieving positive and enduring organizational outcomes (George et al., 2007; George, 2003). Individual benefits of authenticity, as shown by mounting study evidence, include greater levels of self-esteem, higher levels of psychological well-being, and increased performance (Kernis, 2003). When organizational leaders understand and act upon their beliefs, values, and strengths, while helping others to do the same, will ultimately positively impact follower performance (Ryan & Deci, 2001).

Gardner et al. (2005) recommend that when considering authentic leadership, the role of the follower is equally important to understanding the leadership process as is the leader. Supporting this, Tate (2008) states that, "By actively involving and developing followers, authentic leaders should increase follower job commitment, performance, and trust in leadership" (p.18). Also, Walumbwa et al. (2008) contends that authentic leadership at the individual level impacts follower Organizational Citizenship Behaviors

(OCBs), follower-commitment, follower satisfaction with the leader, and follower performance.

Given the exponential rate of change in the global marketplace, providing authentic leadership is not just good practice; it is critical to the success of organizations (McCarthy, 2008). The problem solving locus of responsibility when an organization faces an impending change must shift to its people, not just the leader but the followers as well (McCarthy, 2008). In order to accomplish this, everyone within the organization, at all levels, must be engaged. Authentic leadership is centered on empowering the organization's workforce to become prepared, motivated, and focused for change (McCarthy, 2008).

CHAPTER 3: RESEARCH METHODS

Overview of Methodology

A large number of authentic leadership studies take a normative approach and place a strong emphasis on the design of interventions to facilitate the development of authenticity in leaders (Luthans & Avolio, 2003). Leading authentic leadership theorists suggest it is most prudent to take further steps in measuring and rigorously researching this construct before developing interventions to develop authentic leaders (Luthans & Avolio, 2003). Following this advice from authentic leadership scholars, this study examined the relationship between authentic leadership and planned organizational change.

A non-experimental correlational research design was used to examine the covariation between employee perceptions of authentic leadership and planned organizational change. This can also be considered observational research since the independent variable was not manipulated by the researcher. Data was collected through a retrospective questionnaire where participants were asked to recall a specific planned organizational change that he or she experienced within the past five years. It was proposed that the higher levels of authentic leadership positively relate to organizational change success, positive responses to organizational change, that the high levels of perceived authentic leadership positively relate to positive cognitive responses to organizational change, that the high levels of perceived authentic leadership positively relate to positive emotional responses to organizational change, and that the high levels of perceived authentic leadership positively relate to positive intentional responses to planned organizational change. In addition it was proposed that these positive

relationships are demonstrated in all types (alpha, beta, and gamma) of planned organizational change.

Numerous theories and studies of leadership offer a broad array of data regarding how leadership impacts follower motivation, cognition, and behavior. Yet, much of this research has been based in the field using qualitative measures versus using quantitative measures. Consequently, the conclusions that can be drawn from this literature are limited due to the inability to verify and validate the relationships proposed therein (Yukl, 2006).

Along with the growth of research on what constitutes leadership, scholars have called for a renewed focus on conducting quantitative studies in order to broaden our understanding of the relationship between leadership and follower affect, cognition, and behavior (Day, Zaccaro & Halpin, 2004; Walumbwa et al., 2008). Walumbwa and colleagues (2008) particularly cite the usefulness of adopting less subjective measures of individual outcomes in the study of authentic leadership and note and interest in future research to examine whether authentic leadership has a connection with the performance of the individual, unit, or overall organization.

Research Question and Hypotheses

This study sought to measure the relationship between employee perceptions of authentic leadership and planned organizational change. The research questions guiding this study are:

What is the Relationship between Employee Perceptions of Authentic Leadership and Planned Organizational Change Outcome?

What is the Relationship between Employee Perceptions of Authentic Leadership and

Response to Planned Organizational Change?

It was first proposed that high levels of perceptions of authentic leadership have a positive correlation to organizational change outcome and that high levels of perception of authentic leadership positively correlate to positive responses to organizational change (Hypothesis 1). This study included the moderating variable of type of organizational change which was also measured because people's experiences of organizational change vary and it was proposed that high levels of perception of authentic leadership positively correlate to positive responses to organizational change despite organizational change type (Hypothesis 2). It was also proposed that high levels of perception of authentic leadership positively correlate to positive response to organizational change when controlling for organizational commitment (Hypothesis 3). The hypotheses are as follows:

Hypothesis 1: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and planned organizational change outcome (organizational change success, overall response to change, cognitive response to change, emotional response to change, and intentional response to change). It is hypothesized that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with stronger authentic leadership.

Authentic leadership is a pattern of behavior of a leader that both draws upon and promotes positive psychological capacities and a moral climate, fostering self-awareness

and self-development, an internalized moral perspective, the balanced processing of information, and relational transparency with followers (Walumbwa et. al, 2008). It is hypothesized that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with stronger authentic leadership, because authentic leaders are self-informed and self-regulated and are therefore able to positively impact employees during an organizational change.

$H1_{A0}$: There is no positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

$H1_{A1}$: There is a positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and planned organizational change outcome.

$H1_{B0}$: There is no positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{B1}$: There is a positive correlation between employee perceptions of authentic leadership (overall) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

Self-awareness refers to an understanding of one's strengths and weaknesses and the multifaceted nature of the self. This includes gaining insight into the self through

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exposure to others, through feedback, and by being cognizant of one's impact on others (Kernis, 2003). It is hypothesized that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong self-awareness, because the leader is more aware of his or her impact on others.

$H1_{C0}$: There is no positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

$H1_{C1}$: There is a positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and planned organizational change outcome.

$H1_{D0}$: There is no positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{D1}$: There is a positive correlation between employee perceptions of authentic leadership (self-awareness) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

An internalized moral perspective is a form of self-regulation, where the leader modifies his or her behavior based on his or her morals (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008). May et al. (2003) propose that an internalized moral perspective allows authentic leaders to recognize and evaluate ethical

issues, assess the options, and take authentic action. It is hypothesized that planned

organizational change efforts are more likely to succeed (meet intended goals) and

employees respond more positively to planned organizational change with strong

internalized moral perspective.

$H1_{E0}$: There is no positive correlation between employee perceptions of authentic

leadership (internalized moral perspective) as measured by the ALQ (Authentic

Leadership Questionnaire) and planned organizational change outcome.

$H1_{E1}$: There is a positive correlation between employee perceptions of authentic

leadership (internalized moral perspective) as measured by the ALQ and planned

organizational change outcome.

$H1_{F0}$: There is no positive correlation between employee perceptions of authentic

leadership (internalized moral perspective) as measured by the ALQ and response

(cognitive, emotional, and intentional) to planned organizational change as

measured by Piderit's Reaction to Organizational Change Scale.

$H1_{F1}$: There is a positive correlation between employee perceptions of authentic

leadership (internalized moral perspective) as measured by the ALQ and response

(cognitive, emotional, and intentional) to planned organizational change as

measured by Piderit's Reaction to Organizational Change Scale.

Balanced processing "refers to leaders who show that they objectively analyze all

relevant data before coming to a decision" (Walumbwa, et. al., 2008, p. 95). Gardner and

colleagues (2005) explain that in balanced processing, authentic leaders act with

"confidence, hope, optimism, and resiliency" and in turn inspire employees to act

similarly (p. 248). It is hypothesized that planned organizational change efforts are more

likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong balanced processing.

$H1_{G0}$: There is no positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ (Authentic Leadership Questionnaire) and planned organizational change outcome.

$H1_{G1}$: There is a positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and planned organizational change outcome.

$H1_{H0}$: There is no positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

$H1_{H1}$: There is a positive correlation between employee perceptions of authentic leadership (balanced processing) as measured by the ALQ and response (cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale.

Relational transparency refers to presenting one's true feelings, opinions, and emotions in an exchange with followers. Relational transparency allows followers to better predict leaders' thoughts and actions and by being better informed about one's leader, a relationship of trust is created (Kernis, 2003). It is hypothesized that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong relational transparency, because the leaders is understood and trusted.

H1$_{I0}$: There is no positive correlation between employee perceptions of authentic

leadership (relational transparency) as measured by the ALQ (Authentic Leadership

Questionnaire) and planned organizational change outcome.

H1$_{I1}$: There is a positive correlation between employee perceptions of authentic

leadership (relational transparency) as measured by the ALQ and planned

organizational change outcome.

H1$_{J0}$: There is no positive correlation between employee perceptions of authentic

leadership (relational transparency) as measured by the ALQ and response

(cognitive, emotional, and intentional) to planned organizational change as

measured by Piderit's Reaction to Organizational Change Scale.

H1$_{J1}$: There is a positive correlation between employee perceptions of authentic

leadership (relational transparency) as measured by the ALQ and response

(cognitive, emotional, and intentional) to planned organizational change as

measured by Piderit's Reaction to Organizational Change Scale.

Hypothesis 2: There is a positive correlation between employee perceptions of

authentic leadership (overall authentic leadership, self-awareness, internalized

moral perspective, balanced processing, and relational transparency) and response

to planned organizational change (overall response, cognitive, emotional, and

intentional) when moderated by type (alpha, beta, and gamma) of planned

organizational change. Authentic leadership promotes a positive ethical climate,

through self-awareness, an internalized moral perspective, balanced processing of

information, and relational transparency on the part of leaders working with followers

(Walumbwa et. al, 2008). It is hypothesized that employees respond more positively to

planned organizational change with stronger authentic leadership, as type of planned

change becomes more complex, because authentic leaders are self-informed and self-

regulated and are therefore able to positively impact employees during an organizational

change.

H2$_{A0}$: There is no positive correlation between employee perceptions of authentic

leadership (overall authentic leadership, self-awareness, internalized moral

perspective, balanced processing, and relational transparency) as measured by the

ALQ and response (overall response, cognitive, emotional, and intentional) to

planned organizational change as measured by Piderit's Reaction to Organizational

Change Scale when moderated by type (alpha, beta, and gamma) of planned

organizational change.

H2$_{A1}$: There is a positive correlation between employee perceptions of authentic

leadership (overall authentic leadership, self-awareness, internalized moral

perspective, balanced processing, and relational transparency) as measured by the

ALQ and response (overall response, cognitive, emotional, and intentional) to

planned organizational change as measured by Piderit's Reaction to Organizational

Change Scale when moderated by type (alpha, beta, and gamma) of planned

organizational change.

Hypothesis 3: There is a positive correlation between employee perceptions of

authentic leadership (overall authentic leadership, self-awareness, internalized

moral perspective, balanced processing, and relational transparency) and response

to planned organizational change (overall response, cognitive, emotional, and

intentional), controlling for organizational commitment. Authentic leaders proactively

exude self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency with followers (Walumbwa et. al, 2008). It is hypothesized that employees respond more positively to planned organizational change with stronger authentic leadership, because authentic leaders are self-informed and self-regulated and are therefore able to positively impact employees during an organizational change. Organizational commitment has the potential to affect the employee's response to the organizational change and will therefore be controlled for.

$H3_{A0}$: There is no positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale, controlling for organizational commitment as measured by the Meyer & Allen (1997) Organizational Commitment Questionnaire.

$H3_{A1}$: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) as measured by the ALQ and response (overall response, cognitive, emotional, and intentional) to planned organizational change as measured by Piderit's Reaction to Organizational Change Scale, controlling for organizational commitment as measured by the Meyer & Allen (1997) Organizational Commitment Questionnaire.

Research Procedures

Subjects

Survey participants were sought through convenience sampling from Amazon Mechanical Turk, an online crowdsourcing and survey tool. This population was selected due to the diversity in participants' background and ease of access for solicitation. Participants were required to have at least five years of full-time work experience and have personally experienced an organizational change within the past five years. These requirements ensure that respondents were able to relate and appropriately respond to the questionnaire due to their previous work experience. In addition, the diversity of the participant work backgrounds adds to the generalizability of this study.

Variables

Authentic Leadership is the independent variable and is operationalized by four constructs which are additional independent variables: self-awareness, balanced processing, relational transparency, and internalized moral perspective. Self-awareness is the understanding and acceptance of one's own motives, emotions, desires, and self-relevant cognitions (Lagan, 2007). Relational transparency is the presentation of one's authentic self as opposed to a fake or distorted self to others (Kernis, 2003). Balanced processing is the objective analysis of all relevant data prior to making a decision (Walumbwa, et. al., 2008). Internalized moral perspective is a form of self-regulation that as a result of being aware of the impact of one's behavior on others, behavior is morally guided through equitable and fair decision-making (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008).

Organizational change outcome is the first dependent variable. It is operationalized by respondents through one the following questionnaire responses: unknown ("I do not know the outcome of the organizational change"), met no goals ("The organizational change met none of its intended goals"), met some of its goals ("The organizational change met a few of its intended goals"), met the majority of its goals ("The organizational change met most of its intended goals"), met all of its goals ("The organizational change met all of its intended goals").

Employee response to organizational change is the second dependent variable and is operationalized by three dimensions which are additional dependent variables: cognitive, emotional, and intentional response to organizational change. Response to organizational change is an employee's overall evaluative judgment of a change initiative implemented by his or her organization (Lines, 2005). Cognitive response to organizational change is what one thinks or believes about a change (Piderit, 2000). Emotional response to organizational change is how one feels about a change (Piderit, 2000). Intentional response to organizational change is what one plans on doing or behaving as a result of a change (Piderit, 2000).

Organizational change type is the moderating variable and has been operationalized by Golembiewski and colleagues (1976) as alpha, beta, and gamma change. This moderating variable affects the relationship between the independent and dependent variables. Alpha change is organizational change that targets or affects only the tasks or activities of an organization is the lowest level change and has the least impact on the organization. Task efficiency is improved, but neither the people nor roles they assume are affected. Beta change is organizational change that targets or affects both the people

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and the tasks they perform within an organization. This is of greater impact to the organization than alpha level change. This change is significant because it affects people within the organization, but it does not represent the highest level change. Gamma change is change that transforms the organization into a new entity. This type of change affects the people, the tasks, and the organizational and management structure. Gamma change is the highest, most significant level of organizational change.

Survey Design

A non-experimental correlational research design was used to examine the covariation between employee perceptions of authentic leadership and planned organizational change. This can also be considered observational research since the independent variable was not manipulated by the researcher. Data was collected through a retrospective questionnaire where participants were asked to recall a specific planned organizational change that he or she experienced within the past five years. The questionnaire that each participant completed consisted of two existing and validated surveys in order to measure perceptions of authentic leadership as well as response to organizational change.

The Authentic Leadership Questionnaire (ALQ), a 16-item questionnaire on a 4-point scale, was used to measure self-awareness (.92 reliability), balanced processing (.81 reliability), relational transparency (.87 reliability), and internalized moral perspective (.76 reliability) of the leader. This questionnaire was selected because it is the only existing measure of authentic leadership as operationalized by Walumbwa, Avolio, et al. (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and has been one of the most commonly used measurement instruments in

recent authentic leadership studies (Giallonardo et al., 2010; Walumbwa, Wang et al., 2010; Wang & Bird, 2011; Wong et al., 2010).

Piderit's Reaction to Change Scale (1999), a 31-item questionnaire on a 7-point scale, was used to measure employee cognitive (.83 reliability), emotional (.87 reliability), and intentional (.84 reliability) response to organizational change. This scale was selected because it is the only existing holistic measure of individual response to organizational change (cognition, emotion, and intention) at the time of this study. Individual assessments of these variables exist as well as measures of a combination of belief and emotional states such as Hansen's (2001) Organizational Experience Questionnaire, but in this case intentions to act would be excluded. The Piderit scale was ultimately selected because of its total inclusivity of individual response variables and its successful use in several previous studies of individual response to organizational change.

Type of organizational change was identified by participants using Golembiewski and colleagues (1976) conceptualization: alpha, beta, and gamma change. Demographic questions to identify personal attributes were included in the survey in order to calculate response bias. This entails questions on: gender, age, ethnicity, education, job title, length of organizational service, and managerial/organizational level.

Models of planned organizational change incorporate high-level dimensions such as the planned intervention activity, organizational work setting, individual attributes, and organizational outcomes (Robertson & Seneviratne, 1995). Measurement of organizational setting and detailed organizational outcomes was considered but determined to be outside the scope of this study because the focus of this research is on the individual level, specifically employee perceptions of authentic leadership and

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response to organizational change. Major focus on the organization itself was therefore outside the framework of this study.

The individual attribute of organizational commitment has been found to be an important consideration and is therefore, a supplementary item to measure due to its potential impact on response to planned organizational change. Organizational commitment has been defined as "the extent to which a person identifies with and works toward organization-related goals and values" (Herscovitch & Meyer, 2002, p. 475). Organizational commitment was measured using Meyer and Allen's (1997) three-component model which is comprised of affective (emotional attachment and identification), continuance (awareness of costs of leaving the organization), and normative (feelings of obligation) commitment.

Participants responded to retrospective questions which draw on memories of past events. There are limited resources on how time-related information is mentally coded, stored, and retrieved (Peterson, 2000). Retrospective questions are subject to recall bias; however, there are several ways to enhance the recall of events (Iarossi, 2006). Table 2 depicts the noted ways to enhance the recall of events and how this study specifically utilized that tactic.

Table 2

Tactics and Strategies to Enhance the Recall of Events

Tactic	Description from Literature	Strategy for this Study
Saliency	Saliency of the event: such as emotion from the event or significance of the event, can aid in the recall of events (Iarossi, 2006).	The event being recollected, a planned organizational change, should be significant enough for adequate recall.
Time Period	Time period of the event recalled: is also important. More recent events are more likely to be recalled with greater ease and accuracy (Iarossi, 2006).	The time period for the planned organizational change recall will was within the past five years for greater memory accuracy.
Aided Recall	Aided recall, where potential answers are explicitly presented to the participant has been found to improve memory (Iarossi, 2006).	The introduction to the questionnaire described to respondents that he or she should put himself or herself into the frame of mind experienced during the planned organizational change event that was recalled. The introduction also described the importance of the accuracy of questionnaire responses.
Introduction	An introduction that helps respondents put him or herself into the state of mind from the time period of the recalled event, as well as highlights the importance of the accuracy of their responses, has been found to be beneficial (Iarossi, 2006).	Memory of the event was also aided through the questionnaire items because all potential answers were provided.

Pre-test/post-test design was considered but ruled out in favor of a retrospective design because researchers report that results from comparisons of past and present attitudes are found to be a mixture of actual attitude change and memory error that cannot be separated (Sudman & Bradburn, 1973).

Survey administration "timing" was based on previous resistance to change research, although the most effective survey administration timing has not yet been

established (Piderit, 1999, Bovey and Hede, 2001; Szabla 2005). Since the questionnaire was retrospective, the instructions asked participants to answer based on thoughts, feelings, and intentions to act after the change was fully communicated but before the change was implemented. This contemplation and preparation timing may be critical for organizational change, because it is when leaders make critical impressions on employees, and employees form initial thoughts, feelings, and intentions to act.

The online questionnaire was administered through Amazon Mechanical Turk. Mason & Suri (2012) highlight three benefits of using Amazon Mechanical Turk for online research: (1) subject pool access, (2) subject pool diversity, and (3) low cost. Amazon claims hundreds of thousands of workers are on Mechanical Turk. At least three research studies (Horton, Rand, & Zeckhauser, in press; Paolacci, Behrend & Sharek, 2011; Chandler, & Ipeirotis, 2010) have shown that subjects on Mechanical Turk are comparable to laboratory subjects. Mechanical Turk is therefore this is an ideal platform for online experiments.

Participants were able to view the solicitation for input on the Amazon Mechanical Turk website which described the study and the survey. Participants were presented with their Informed Consent prior to the survey questions.

The questionnaire was to remain open for participation on Amazon.com Mechanical Turk for a period of 2 weeks unless the target of 200 participants was not met. If the target was not met by the end of the 2 week period, the questionnaire was to remain open for an additional week. This however was avoided because 200 participants completed the survey within one business day of the survey opening.

One advantage to the survey design is that it allowed the researcher to be removed from organizational change context, thus reducing potential researcher bias. In addition, communication to participants was minimal, thus reducing cognitive burden of the research requirements on the participants. Communication was consistent for each participant, who each received one solicitation message, viewed through the Amazon Mechanical Turk website, thus reducing inter-rater reliability.

Authentic Leadership Questionnaire

The Authentic Leadership Questionnaire was developed by Walumbwa, Avolio, Gardner, Wernsing, and Peterson (2008) to measure authentic leadership. The 16-item questionnaire consists of four subscales: (a) self-awareness, (b) relational transparency, (c) internalized moral reasoning, and (d) balanced processing. The questionnaire has two forms. The first is for the organization's leader to self-report their personal levels of authenticity. The second form is for the organization's employees to report their perceptions of their leader's level of authenticity. For this purpose, the second form was used to measure perceptions of authentic leadership. Survey participants were asked to rate the leader using a 4-point Likert scale.

In the ALQ, self-awareness is measured by four items that reflect the extent to which leaders are aware of their strengths and limitations and how others perceive them. Relational transparency is measured by five items that reflect the extent to which leaders reinforce a level of openness with others. Internalized moral reasoning is measured by four items that reflect the extent to which leaders set high standards for moral and ethical conduct. Balanced processing is measured by three items that reflect the extent to which leaders solicit sufficient opinions and viewpoints of others prior to making important

decisions. The internal reliability for each sub-scale is as follows: self-awareness, .92; relational transparency, .87; internalized moral perspective, .76; and, balanced processing, .81. Content validity of the 16 items was established through deliberations of groups of faculty members and doctoral students. The construct validity was established with a sample of 224 participants in the United States and another sample of 212 participants in the People's Republic of China. The comparative fit index ranges was .97 for the U.S. sample and .95 for the Chinese sample. The root mean square error of approximation was .05 for the U.S. sample and .06 for the Chinese sample. Predictive validity of the authentic leadership questionnaire was checked by correlating each of the four sub-scales to variables such as ethical leadership, organizational citizenship behavior, organizational commitment, and satisfaction with supervisor. All reliability and validity information was reported in the work of Walumbwa et al. (2008).

Data from this study was used to assess the reliability of the Authentic Leadership Questionnaire. All subscales showed acceptable internal reliability coefficients.

Table 3

Authentic Leadership Questionnaire Cronbach's Alpha

Subscale	Item Numbers	Cronbach's Alpha
Relational Transparency	Q35 through Q39	.771
Internalized Moral Perspective	Q40 through Q43	.793
Balanced Processing	Q44 through Q46	.743
Self-Awareness	Q47 through Q50	.853

A confirmatory factor analysis was conducted in LISREL 9.1 to determine if the Authentic Leadership Questionnaire factors are consistent with construct measures using the data collected from this study. Confirmatory factor analysis findings were found to be

acceptable. Comparative Fit Index (CFI) 0.969 was a reasonable fit, .95 is considered a reasonable fit (Thompson, 2004). The CFI falls within previously found ranges of .97 and .95 (Walumbwa et al., 2008). Root-mean-square error of approximation (RMSEA) 0.086 was an acceptable fit, 08 or below are acceptable and values of .10 or higher are unacceptable (MacCallum, Browne and Sugawara, 1996). The RMSEA falls within previously found ranges of .05 and .06 (Walumbwa et al., 2008).

Piderit's Reaction to Organizational Change Scale

The Reaction to Organizational Change Scale was developed by Piderit (1999) to measure cognition, emotion, and intention. Five separate scales were originally created to measure response to organizational change: (1) positive emotions, (2) negative emotions, (3) positive intentions, (4) negative intentions, and (5) cognitions to include both positive and negative items. Survey participants were asked to rate their response to the organizational change using a 7-point Likert scale.

This study utilized Szabla's (2008) methodology for combining the Piderit's Reaction to Organizational Change Scales in order to compare total scores for each type of response (cognitive, emotional, and intentional). The negative items of the subscales were reversed scored and were added to each of the positive subscales thus creating three sections, one for each of the three response areas (Szabla, 2008).

Each of the five subscales was previously assessed using Cronbach's alpha. The positive emotion subscale had a reliability of .94 and the negative emotion subscale had a reliability of .93. The positive intentional subscale had a reliability of .89 and the negative intentional subscale had a reliability of .86. The cognitive subscale had a reliability of .85 (Piderit, 1999). In a subsequent use of Piderit's Reaction to

Organizational Change Scale, Szabla (2008) found the following Cronbach's alphas: .83

for cognitive subscale reliability, .87 for emotional subscale reliability, and .84 for

intentional subscale reliability.

Data from this study was used to assess the reliability of Piderit's Reaction to

Organizational Change Scale. All subscales showed acceptable internal reliability

coefficients.

Table 4

Piderit's Reaction to Organizational Change Scale Cronbach's Alpha

Subscale	Item Numbers	Cronbach's Alpha
Cognitive	Q4 through Q14	.720
Emotional	Q15 through Q24	.874
Intentional	Q25 through Q34	.791

A confirmatory factor analysis was conducted in LISREL 9.1 to determine if the

Piderit response to change scale factors are consistent with construct measures using the

data collected from this study. Initial confirmatory factor analysis findings were less than

ideal. Comparative Fit Index (CFI) 0.87 was close to a reasonable fit, where .95 is

considered a reasonable fit (Thompson, 2004). Root-mean-square error of approximation

(RMSEA) 0.128 was not an acceptable fit, .08 or below are acceptable and values of .10

or higher are unacceptable (MacCallum, Browne and Sugawara, 1996). An additional

path diagram was run (Figure 2) in LISREL due to these less than desirable findings. The

path diagram displayed correlations which had a wide range between -.87 to .86. In order

improve response to change validity, items with correlations less than .30 were extracted

(Table 5).

Figure 2. Piderit's Reaction to Organizational Change Confirmatory Factor Analysis
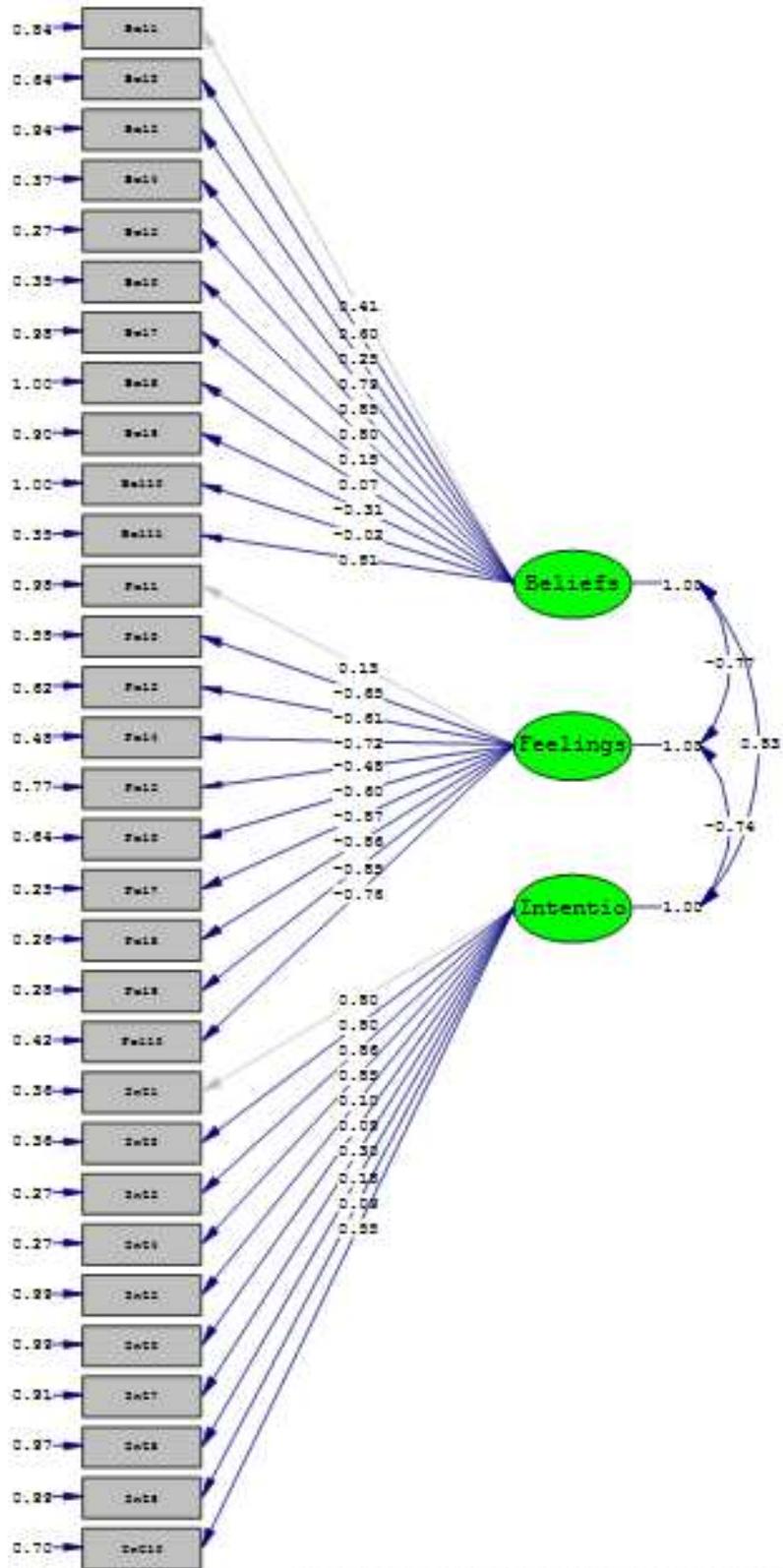
Table 5

Piderit's Reaction to Organizational Change Scale Extractions

Subscale	SPSS Variable	Item Description
Cognitive	Bel3	When I think about the organizational change I think that the drawbacks of this change outweigh the benefits.
Cognitive	Bel7	When I think about the organizational change I care about how this change will affect this department as a whole.
Cognitive	Bel8	When I think about the organizational change I care about how this change will affect my daily work.
Cognitive	Bel9	When I think about the organizational change I believe the change does not matter much to me personally.
Cognitive	Bel10	When I think about the organizational change I believe this organizational change is not very important to me.
Emotional	Fel1	When I think about the organizational change I feel surprised
Intentional	Int5	How strongly do you intend to speak out about the drawbacks of this change?
Intentional	Int6	How strongly do you intend to suggest that others not participate in this change
Intentional	Int7	How strongly do you intend to oppose the implementation of this change
Intentional	Int8	How strongly do you intend to encourage others to resist implementing this change
Intentional	Int9	How strongly do you intend to try to modify this change as it is implemented

An additional confirmatory factor analysis was run post-extractions. Subsequent findings were improved and met acceptable limits in most cases. Comparative Fit Index (CFI) 0.931 was a reasonable fit (Thompson, 2004). Root-mean-square error of approximation (RMSEA) 0.137 was not an acceptable fit (MacCallum, Browne and Sugawara, 1996). The path diagram (Figure 3) displays correlations with significant improvement, ranging between .41 to .90.

Figure 3. Piderit's Reaction to Organizational Change Scale Confirmatory Factor

Analysis After Extractions
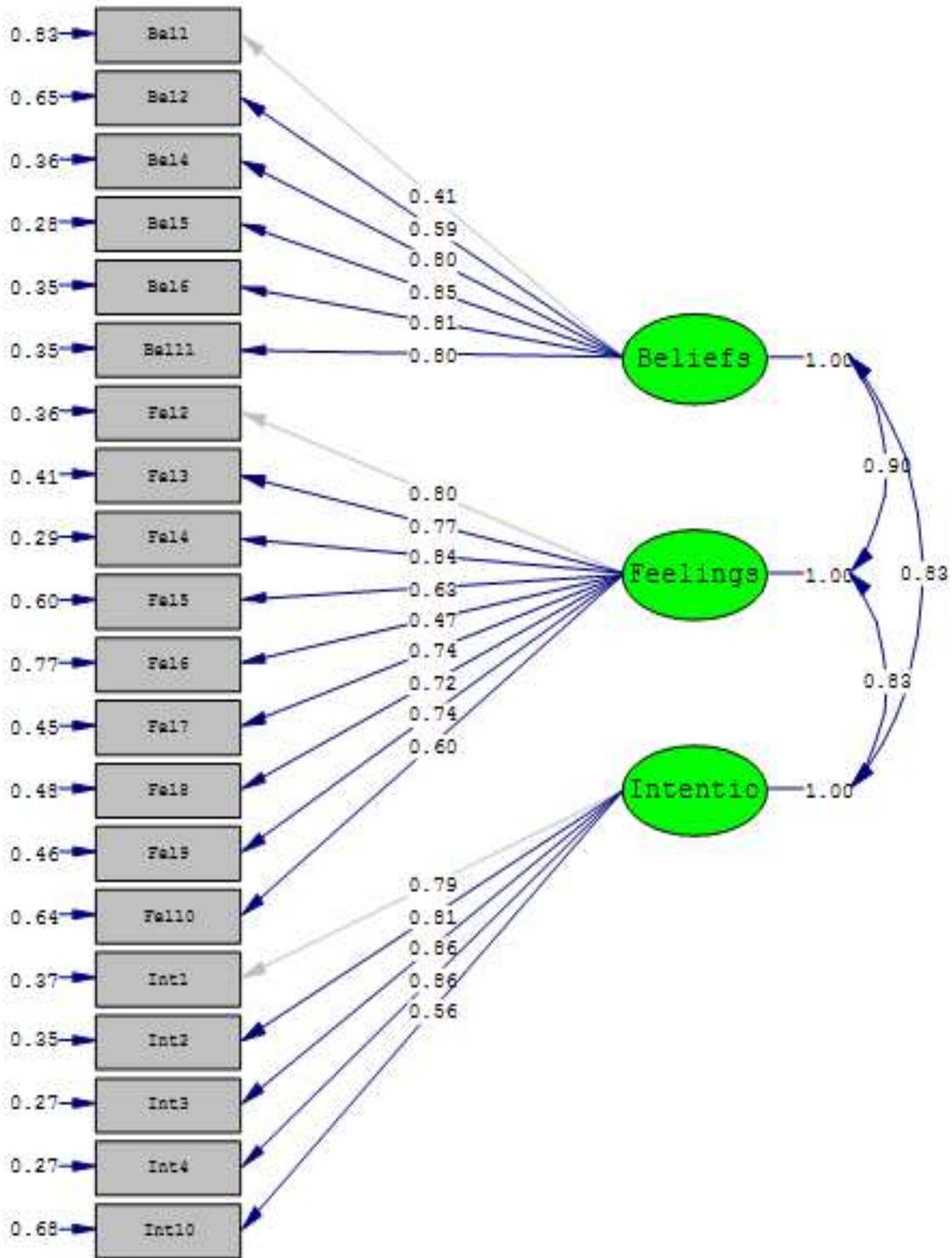
A final confirmatory factor analysis (CFA) was run post-extractions using an additional common latent factor. The previously found inadequate root-mean-square error of approximation (RMSEA) may have been due to single (common) method bias, where something external to the hypotheses may have introduced a systematic response bias that could have affected participant responses due to the nature of the online survey (Podsakoff, et al., 2003). The common latent variable was added as an additional unobserved variable and connected to all observed variables in order to capture the common variance among the variables. The final CFA findings showed significant improvement and met acceptable limits in all cases. Comparative Fit Index (CFI) .989 was a reasonable fit (Thompson, 2004). Root-mean-square error of approximation (RMSEA) .059 was an acceptable fit (MacCallum, Browne and Sugawara, 1996). Following extractions, this confirmatory factor analysis determined that the Piderit response to change scale factors were consistent with construct measures using the data collected from this study.

Organizational Commitment Questionnaire

The Meyer & Allen (1997) Organizational Commitment Questionnaire (OCQ) consists of three scales, one for each of the three components of the model: affective, continuance, and normative commitment. The OCQ contains 18 items (6 items for each scale). The OCQ is a self-scoring questionnaire and responses to each of the 18 items are rated using a 5-point Likert scale. Allen & Meyer (1990) reported scale reliability .87 for affective, .75 for continuance, and .79 for normative. Dunham, Grube, & Castaneda (1994) reported alpha ranges of .74 to .87 for affective, .73 to .81 for continuance, and

.67 to .78 for normative. Cohen (1996) found alphas of .79 for affective, .69 for continuance, and .65 for normative.

Data from this study was used to assess the reliability of the Meyer & Allen (1997) Organizational Commitment Questionnaire. All subscales showed acceptable internal reliability coefficients.

Table 6

Meyer & Allen Organizational Commitment Questionnaire Cronbach's Alpha

Subscale	Item Numbers	Cronbach's Alpha
Affective	Q51 through Q56	.800
Continuance	Q57 through Q62	.646
Normative	Q63 through Q68	.773

Recruitment

Participants in this study consist of volunteers from the Amazon Mechanical Turk website. To incentive participation, participants were given $0.75 for completion of the questionnaire. This compensation is roughly based on an hourly rate of $5.00 per hour where the questionnaire should take approximately 12 minutes to complete.

Sample Selection

A Power Analysis was performed to determine appropriate sample size. The power analysis for a t-test used an effect size of 0.5, which is common practice and indicates a moderate to large difference, and an error probability of 0.95, and resulted in a sample size requirement of 158. According to Alreck & Settle (2003) large research studies should have a sample of at least 100 respondents as the minimum sample size for large populations. With the use of Mechanical Turk as the assessment tool, it is possible that 10% to 20% of participants completed the questionnaire but not meet the requirements of

the study, such as having five years of full-time work experience or having personally experienced a planned organizational change within the past five years. Using an estimate of 20% of Mechanical Turk respondents not qualifying, and the power analysis determination of 158, this study would require a minimum of 190 participants conservatively for a valid sample. Therefore, this study targeted a sample size of 200 respondents.

Data and Analysis

Every participant was coded with an ID number to remove any personal identifiable information from the survey data analysis. Demographic data was analyzed separate from the other survey data.

Missing data was checked and appeared to be both randomly distributed and the total amount missing was less than 1%, thus posing little cause for concern (Tabachnick & Fidell, 2007). Mean imputation was used for the missing values which has been shown to be a conservative method for estimating missing values (Tabachnick & Fidell, 2007). Due to the low amount of missing, it was determined that mean imputation was acceptable.

Non-sampling errors were reduced by verifying data entries for completion. Surveys with numerous response errors and blanks were removed before analysis and did not receive an ID number.

Correlation analyses were performed using SPSS to measure the relationships between the independent variable of authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and dependent variables of organizational change outcome and response to organizational change

(cognitive, emotional, and intentional), without the use of a treatment variable. A correlational research design approach was the most appropriate for this study because it was consistent with the design methods used in previous authentic leadership studies (Walumbwa, Wang et al., 2010). In a review of authentic leadership research, Gardner and colleagues (2011) found that 13 of 19 quantitative studies on authentic leadership used correlational analyses.

Factor analyses were run to verify questionnaire scale construction and operationalization using SPSS as well as LISREL. SPSS was also used to run analysis of the descriptive statistics of the survey responses.

Methodological Limitations

All research efforts are subject to limitations, as it is not possible to maximize every possible dimension of a design and methodology Cook and Campbell (1979). These limitations must be taken into consideration before conclusions are made. Theoretical limitations may result in possible problems within the research model and methodological limitations can affect the validity of conclusions made from the data. Following is a discussion of potential limitations of this study.

Cook and Campbell (1979) outlined four validity concerns around inferences made from study data: internal validity, statistical conclusion validity, construct validity, and external validity. It is important to investigate each type of threat to validity and set in place safeguards to avoid or minimize any threats to validity.

Internal Validity

Internal validity is concerned with drawing causal relationships and whether or not these relationships actually exist (Campbell & Stanly, 1963). Data collected in this study

was derived from subjects' perceptions, and does not depict causality between constructs. Threats to internal validity include: history (context) and maturation (changing over time) (Campbell & Stanly, 1963). An additional limitation is that the participant is responding to both the independent and dependent variables. In this case, there is no objective validation of one or the other.

Statistical Conclusion Validity

Statistical conclusion validity deals with the ability to draw conclusions based on statistical procedures (Cook and Campbell, 1979). Random error variance from unreliability or the use of unsuitable statistical tests can impair the researcher's ability to draw accurate conclusions. All measures were highly reliable, meeting or exceeding Cronbach's alphas of .85 for validity of survey items in this study. Measurement instability can be a problem due to lack of control over instrument administration. The environment in which subjects participated was likely different since the study was completed in a number of places such as home, work, and so forth. The measures themselves were all administered in the same manner for each subject.

Construct Validity

Construct validity is an assessment of how well theoretical constructs relate to the measures used (Cook and Campbell, 1979). Both constructs of authentic leadership and response to organizational change have been previously operationalized and were assessed as being valid through confirmatory factor analyses.

External Validity

External validity is the ability to extend inferences drawn from the study to, or across, different times, settings, and populations (Cook and Campbell, 1979). The

purpose of this study was to determine the relationship between perceptions of authentic leadership and response to planned organizational change. The research design allows for the results to be generalizable to other settings as all participants in the study are professional adults. Their perceptions are as valid as those of individuals in a similar organizational setting.

Human Participants and Ethics Precautions

Potential risks due to data collection are minimal due to the lack of invasiveness of the study. Ethical issues such as personal bias were minimized through the use of researcher journaling, although the risk of bias was small due to the quantitative methodology.

The data collected remains confidential and individual will not be released to the public, only aggregate data. The researcher retains full access and control over the data at all times. All procedures required by the Graduate School of Education and Human Development Human Subject Process were followed.

Summary

This study measured the relationship between employee perceptions of authentic leadership and response to planned organizational change by the administration of a survey to 200 respondents from varying organizations.

CHAPTER 4: RESULTS

Overview

This chapter presents the statistical analysis of the data and results of the research questions: *What is the Relationship between Employee Perceptions of Authentic Leadership and Planned Organizational Change Outcome? What is the Relationship between Employee Perceptions of Authentic Leadership and Response to Planned Organizational Change?* C   Correlation and regression analyses were performed using SPSS to measure the relationships between authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective), organizational change outcome, and response to organizational change (cognitive, emotional, and intentional). This chapter provides a demographic overview of the study participants, statistical analyses reporting, and summary of the results.

Data was collected through Amazon Mechanical Turk. A total of 212 participants completed the online questionnaire. Of the total surveyed, 12 did not meet the defined criteria (having 5 or more years of full-time work experience) set as a requirement by the researcher; therefore, they were not included in the results and were rejected through the Amazon Mechanical Turk survey review process. Therefore 200 participant questionnaires were used for the data analysis.

A reliability analysis was conducted to test the reliability of the Authentic Leadership Questionnaire and Piderit's Reaction to Organizational Change Scale using Cronbach's Alpha. A Pearson Product Moment Correlation was used to determine the extent to which overall authentic leadership and organizational change outcome, as well as the four factors of authentic leadership and the three dimensions of response to

organizational change, co-vary. A moderated regression was used to determine the relationship between authentic leadership and response to planned organizational change when moderated by type of change (alpha, beta, and gamma). A partial regression was used to determine the relationship between authentic leadership and response to planned organizational change when controlling for organizational commitment. An exploratory canonical correlation analysis was conducted to determine the relationship and variability both within and between the data sets: response to organizational change scales and authentic leadership scales. An additional exploratory analysis was conducted to measure the relationship between organizational change outcomes and authentic leadership between two different types of leader levels (manager or executive). Results are reported under the Data Analysis section.

Demographics

Of the 200 questionnaire participants, 60% were male and 40% were female. The average age of participants was close to 30 years old, with the youngest being 22 years old and oldest at 64 years old. The majority of participants (66.2%) were Asian/Pacific Islander/American Indian or White (Non-Hispanic) (28.3%). In addition 3% were Hispanic and 2.5% were African American/Black. Majority of participants were highly educated: 55.3% with a graduate degree, 23.9% with an undergraduate degree, and 3% with a doctoral degree. 14.2% had some college education and 3.6% had only a high school degree. The majority of participants were in leadership positions at the time of the planned organizational change: 40% as team leader, 25.5% as manager, and 10.5% as executives.   In addition, 24% were at the individual contributor level. The majority of leaders of the planned organizational change were at the executive level: 28.5% as CEO,

17.5% as COO, 6% as CFO, and 4% as other executives. In addition, 15% were team leaders and 27.5% were managers. Majority of participants were in technology (35.5%) or services (31%) industries. In addition participants worked in financial (14%), goods (8%), government (6%), and healthcare (4%). Employee job titles at the time of the planned organizational change varied and examples ranged between: HR Manager, IT Analyst, Team Leader, Instructor, Executive, Engineer, Cashier, Lawyer, and Rabbi. Length of work experience at the time of the planned organizational change ranged from 5 to 44 years, with a mean of 7.4.

Table 7

Participant Demographics

Characteristic	Frequency	Percent
Gender		
Male	120	60.0
Female	80	40.0
Ethnicity		
White (Non-Hispanic)	56	28.3
Hispanic	6	3.0
African American/	5	2.5
Black	131	66.2
Asian/ Pacific Islander/	198	100.0
American Indian		
Highest Education		
High School	7	3.6
Some College	28	14.2
Undergraduate Degree	47	23.9
Graduate Degree	109	55.3
Doctoral Degree	6	3.0
Participant		
Organizational Level		
Individual Contributor	48	24.0
Team Leader	80	40.0
Manager	51	25.5
Executive	21	10.5

Characteristic	Frequency	Percent
Leader Organizational Level		
Individual Contributor	3	1.5
Team Leader	30	15
Manager	55	27.5
CEO or Equivalent	57	28.5
COO or Equivalent	35	17.5
CFO or Equivalent	12	6.0
Other Executive	8	4.0
Industry		
Goods	16	8.0
Services	62	31.0
Government	12	6.0
Financial	28	14.0
Technology	71	35.5
Healthcare	8	4.0

	Minimum	Maximum	Mean	Std. Deviation
Age	22	64	29.7	9.03
Years of Work Experience	5	44	7.4	5.2

Only 7% of participants indicated that the planned organizational change effort met all intended goals and therefore 93% did not meet intended change goals. 27% of participants indicated that most goals were met.

Table 8

Organizational Change Outcome

	Frequency	Percent
Do Not Know	9	5
Met No Goals	15	8
Met a Few Goals	66	33
Met Most Goals	94	47
Met All Goals	14	7

Data Analysis

Pearson Product Moment Correlations were used to determine the strength and direction of the relationship of perceptions of authentic leadership, planned organizational change outcome, and response to planned organizational change (Hypothesis 1). A moderated regression was used to determine the relationship between authentic leadership and response to planned organizational change when moderated by type of change (alpha, beta, and gamma) (Hypothesis 2). A partial regression was used to determine the strength and direction of the relationship between authentic leadership and response to planned organizational change when controlling for organizational commitment (Hypothesis 3). An exploratory canonical correlation analysis was conducted to determine the relationship and variability both within and between the data sets: response to organizational change scales and authentic leadership scales. An

additional exploratory analysis was conducted to measure the relationship between organizational change outcomes and authentic leadership between two different types of leader levels (manager or executive).

Hypothesis 1: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and planned organizational change outcome (organizational change success, overall response to change, cognitive response to change, emotional response to change, and intentional response to change).

Correlational analyses were conducted to determine the relationship between authentic leadership and organizational change outcomes. Results show a moderate positive relationship between overall perceptions of authentic leadership and organizational change success ($r = .379$, $p = .001$). Overall perceptions of authentic leadership was positively and strongly related to overall response to organizational change ($r = .659$, $p = .001$), cognitive response ($r = .641$, $p = .001$), emotional response ($r = .587$, $p = .001$), and intentional response ($r = .602$, $p = .001$).

Self-awareness was positively and moderately related to organizational change success ($r = .336$, $p = .001$). Self-awareness was positively and strongly related to overall response to organizational change ($r = .618$, $p = .001$), cognitive response ($r = .634$, $p = .001$), emotional response ($r = .538$, $p = .001$), and intentional response ($r = .553$, $p = .001$).

Internalized moral perspective was positively and moderately related to organizational change success ($r = .341$, $p = .001$). Internalized moral perspective was

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positively and strongly related to overall response to organizational change (r = .586, p = .001), cognitive response (r = .559, p = .001), emotional response (r = .530, p = .001), and intentional response (r = .533, p = .001).

Balanced processing was positively but weakly related to organizational change success (r = .284, p = .001). Balanced processing was positively and strongly related to overall response to organizational change (r = .614, p = .001), cognitive response (r = .572, p = .001), emotional response (r = .564, p = .001), and intentional response (r = .554, p = .001).

Relational transparency was positively and moderately related to organizational change success (r = .364, p = .001). Relational transparency was positively and strongly related to overall response to organizational change (r = .518, p = .001), cognitive response (r = .499, p = .001), emotional response (r = .456, p = .001), and intentional response (r = .491, p = .001). Hypothesis 1 was therefore fully supported

Table 9

Hypothesis 1

	AuthLead Overall	RelTrans	BalProc	IntMoral	SelfAw	ChgSucc	Resp Overall	Cognitive	Emotion	Intention
Authentic Leadership Overall	1	.870[**]	.848[**]	.889[**]	.912[**]	.379[**]	.659[**]	.641[**]	.587[**]	.602[**]
Relational Transparency	.870[**]	1	.609[**]	.700[**]	.703[**]	.364[**]	.518[**]	.499[**]	.456[**]	.491[**]
Balanced Processing	.848[**]	.609[**]	1	.699[**]	.751[**]	.284[**]	.614[**]	.572[**]	.564[**]	.554[**]
Internalized Moral Perspective	.889[**]	.700[**]	.699[**]	1	.746[**]	.341[**]	.586[**]	.559[**]	.530[**]	.533[**]
Self-Awareness	.912[**]	.703[**]	.751[**]	.746[**]	1	.336[**]	.618[**]	.634[**]	.538[**]	.553[**]
Organizational Change Success	.379[**]	.364[**]	.284[**]	.341[**]	.336[**]	1	.433[**]	.451[**]	.380[**]	.373[**]
Overall Response to Change	.659[**]	.518[**]	.614[**]	.586[**]	.618[**]	.433[**]	1	.907[**]	.955[**]	.856[**]
Cognitive Response	.641[**]	.499[**]	.572[**]	.559[**]	.634[**]	.451[**]	.907[**]	1	.791[**]	.728[**]
Emotional Response	.587[**]	.456[**]	.564[**]	.530[**]	.538[**]	.380[**]	.955[**]	.791[**]	1	.716[**]
Intentional Response	.602[**]	.491[**]	.554[**]	.533[**]	.553[**]	.373[**]	.856[**]	.728[**]	.716[**]	1

**Correlation is significant at the 0.01 level (2-tailed)

Hypothesis 2: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and response to planned organizational change (overall response, cognitive, emotional, and intentional) when moderated by type (alpha, beta, and gamma) of planned organizational change.

Hierarchical multiple regression analysis was conducted to ascertain whether or not the relationship between aggregate perceptions of authentic leadership and overall response to organizational change is different with type of organizational change (small-scale, medium-scale, and large-scale organizational change initiatives). To calculate the interaction between authentic leadership, response to organizational change, and type of organizational change, the independent variable (authentic leadership) and the moderating variable (type of organizational change) were multiplied and the multiple regression analysis was subsequently conducted. The analysis revealed that the moderating variable of type of organizational change had very little effect on the relationship between authentic leadership and response to organizational change variables ($r = .450$ compared to $r = .461$). None of the variables in the second coefficients table were found to made a statistically significant contribution (Sig. less than .05). Hypothesis 2 was therefore not supported.

Table 10

Hypothesis 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.671[a]	.450	.439	.847	.450	39.913	4	195	.000
2	.679[b]	.461	.438	.848	.011	.959	4	191	.431

a. Predictors: (Constant), Self-Awareness, Relational Transparency, Balanced Processing, Internalized Moral Perspective

b. Predictors: (Constant), Self-Awareness, Relational Transparency, Balanced Processing, Internalized Moral Perspective, ALxChgType, SAxChgType, RTxChgType, BPxChgType, IMPxChgType

c. Dependent Variable: ResponsetoChgOverall

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
	B	Std. Error	Beta			Zero-order	Partial	Part
1 (Constant)	1.44	.301		4.79	.000			
RelTrans	.095	.126	.060	.749	.455	.518	.054	.040
BalPro	.367	.112	.278	3.27	.001	.614	.228	.174
IntMoral	.253	.132	.172	1.92	.056	.586	.136	.102
SelfAw	.311	.125	.239	2.49	.013	.618	.176	.132
2 (Constant)	1.45	.302		4.81	.000			
RelTrans	.014	.433	.009	.033	.973	.518	.002	.002
BalPro	.701	.398	.530	1.75	.080	.614	.126	.093
IntMoral	-.137	.383	-.092	-.357	.722	.586	-.026	-.019
SelfAw	.370	.398	.284	.929	.354	.618	.067	.049
ALxChTyp	.058	.624	.133	.094	.925	.419	.007	.005
SAxChTyp	-.047	.297	-.118	-.160	.873	.438	-.012	-.008
BPxChTyp	-.156	.222	-.378	-.702	.484	.441	-.051	-.037
IMPxChTyp	.182	.287	.429	.633	.527	.400	.046	.034

a. Dependent Variable: ResponsetoChgOverall

Hypothesis 3: There is a positive correlation between employee perceptions of authentic leadership (overall authentic leadership, self-awareness, internalized moral perspective, balanced processing, and relational transparency) and response to planned organizational change (overall response, cognitive, emotional, and intentional), controlling for organizational commitment.

A partial correlation was used to explore the relationship between perceptions of authentic leadership and response to organizational change when controlling for organizational commitment. Results show a moderate positive relationship between overall perceptions of authentic leadership and overall response to organizational change (r = .528, p = .001). An inspection of the zero order correlation (r = .659) suggested that controlling for organizational commitment had very little effect of the strength of the relationship between these two variables. This suggests that the relationship between authentic leadership and response to organizational change is not merely due to the influence organizational commitment. Hypothesis 3 was therefore fully supported.

Table 11

Hypothesis 3

Control Variables		AL	SA	IMP	BP	RT	RpCg	Cog	Em	Int	Com	Nm	Ct	Aff
-none-	Authentic Leadership Overall	1	.912	.889	.848	.870	.659	.641	.587	.602	.439	.058	.362	.521
	Self-Awareness	.912	1	.746	.751	.703	.618	.634	.538	.553	.387	.015	.339	.468
	Internalized Moral Perspective	.889	.746	1	.699	.700	.586	.559	.530	.533	.389	.076	.311	.451
	Balanced Processing	.848	.751	.699	1	.609	.614	.572	.564	.554	.382	.012	.321	.478
	Relational Transparency	.870	.703	.700	.609	1	.518	.499	.456	.491	.390	.093	.305	.446
	Response to Change Overall	.659	.618	.586	.614	.518	1	.907	.955	.856	.420	-.067	.416	.523
	Cognitive Response	.641	.634	.559	.572	.499	.907	1	.791	.728	.404	-.017	.384	.483
	Emotional Response	.587	.538	.530	.564	.456	.955	.791	1	.716	.363	-.130	.402	.467
	Intentional Response	.602	.553	.533	.554	.491	.856	.728	.716	1	.411	.031	.340	.505
	Overall Org Commitment	.439	.387	.389	.382	.390	.420	.404	.363	.411	1	.547	.826	.846
	Normative Commitment	.058	.015	.076	.012	.093	-.067	-.017	-.130	.031	.547	1	.142	.219
	Continuance Commitment	.362	.339	.311	.321	.305	.416	.384	.402	.340	.826	.142	1	.617
	Affective Commitment	.521	.468	.451	.478	.446	.523	.483	.467	.505	.846	.219	.617	1

**Correlation is significant at the 0.01 level (2-tailed)

Control Variables		AL	SA	IMP	BP	RT	RpCg	Cog	Em	Int	Com	Nm	Ct	Aff
Org Cmtmt	Authentic Leadership Overall	1	.885	.859	.799	.836	.528	.515	.452	.455				
	Self-Awareness	.885	1	.678	.675	.627	.483	.518	.392	.408				
	Internalized Moral Perspective	.859	.678	1	.617	.624	.465	.436	.411	.395				
	Balanced Processing	.799	.675	.617	1	.505	.477	.434	.428	.405				
	Relational Transparency	.836	.627	.624	.505	1	.379	.363	.321	.343				
	Response to Change Overall	.528	.483	.465	.477	.379	1	.873	.939	.809				
	Cognitive Response	.515	.518	.436	.434	.363	.873	1	.720	.637				
	Emotional Response	.452	.392	.411	.428	.321	.939	.720	1	.632				
	Intentional Response	.455	.408	.395	.405	.343	.809	.637	.632	1				

**Correlation is significant at the 0.01 level (2-tailed)

Exploratory Analysis

An exploratory canonical correlational analysis was conducted to determine the relationship and variability of the two sets of variables: response to organizational change scales and authentic leadership scales. The canonical correlation analysis determines a set of canonical variates, linear orthogonal combinations of the variables within each set, which describe the relationship and variability both between and within the data sets. Canonical function sets are created until no residual variance remains, thus in the case of this study, three canonical function sets were found (Shery & Henson, 2005).

One significant canonical correlation (r = .685) was found in variate 1 (Table 12). This indicates that 46.9% of the variance between the two variates is shared. All of the variables were found to have significant canonical loadings in variate 1 (*canonical loadings*). Authentic leadership accounts for 64.5% of the variance in variate 1, while response to change shares 14.2% of its variance with variate 1 (*variance of set 1*). Authentic leadership accounts for 67.1% of the variance in variate 1, while response to change shares 14.7% of its variance with variate 1 (*variance of set 2*). These findings suggest that variability within and between data sets has been well accounted for.

Correlations previously found between the authentic leadership and response to change variables (Table 9) were positively and strongly related, and are also reflected within the canonical correlations (Table 12). No meaningful patterns can therefore be determined outside of the strength and positive direction of the relationships.

Table 12

Canonical Correlation

Canonical Dimension (Variate)	Correlation
1	.685
2	.213
3	.067

Canonical Loadings for Set-1

	1	2	3
Relational Transparency	.776	.066	.627
Balanced Processing	.897	.313	-.176
Internalized Moral Perspective	.867	.151	.030
Self-Awareness	.941	-.337	-.008

Canonical Loadings for Set-2

	1	2	3
Cognitive Response	.956	-.259	-.140
Emotional Response	.874	.352	-.336
Intentional Response	.884	.229	.407

Proportion of the Variance of Set-1 Explained by Its Own Canonical Variate

Canonical Dimension (Variate)	Prop Var
1	.803
2	.048
3	.090

Proportion of the Variance of Set-1 Explained by Opposite Canonical Variate

Canonical Dimension (Variate)	Prop Var
1	.377
2	.002
3	.000

Proportion of the Variance of Set-2 Explained by Its Own Canonical Variate

Canonical Dimension (Variate)	Prop Var
1	.819
2	.081
3	.099

Proportion of the Variance of Set-2 Explained by Opposite Canonical Variate

Canonical Dimension (Variate)	Prop Var
1	.384
2	.004
3	.000

An additional exploratory analysis was conducted to measure the relationship between organizational change outcome (change success, cognitive response, emotional response, and intentional response) and authentic leadership (authentic leadership overall, self-awareness, balanced processing, relational transparency, and internalized moral perspective) between two different types of leader levels (manager or executive). Leadership level was collected through a demographic item in the questionnaire. Executive level was re-coded as a new variable based on item selections that consisted of Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and Other Executive. Individual contributor and team lead levels were excluded since these were not clearly defined in the questionnaire. Face validity for "Manager" and "Executive" were determined to be sufficient enough for exploration.

Correlational analyses were conducted to determine the relationship between authentic leadership and organizational change outcomes. Results show similar findings between both Manager and Executive levels. There was a positive and moderate relationship between overall perceptions authentic leadership and organizational change success for both Managers ($r = .460$, $p = .001$) and Executives ($r = .372$, $p = .001$), with a slightly stronger relationship with Managers. For Managers, overall perceptions of authentic leadership was positively and strongly related to overall response to organizational change ($r = .592$, $p = .001$), cognitive response ($r = .582$, $p = .001$), emotional response ($r = .529$, $p = .001$), and intentional response ($r = .553$, $p = .001$). For Executives overall perceptions of authentic leadership was slightly stronger than Managers, with a positive and strong correlation to overall response to organizational

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change (r = .696, p = .001), cognitive response (r = .683, p = .001), emotional response (r = .623, p = .001), and intentional response (r = .621, p = .001).

Table 13

Exploratory Correlational Analysis of Leadership Levels

		AuthLd Overall	SelfAw	IntMor	BalPro	RelTra	ChgSucc	Resp Overall	Cog	Emot	Intent
Manager	Authentic Leadership Overall	1	.897**	.847**	.856*	.863**	.460*	.592**	.582**	.529**	.553**
	Self-Awareness	.897**	1	.692**	.767**	.671**	.504**	.578**	.633**	.494**	.516**
	Internalized Moral Perspective	.847**	.692**	1	.642**	.610**	.338*	.440**	.391**	.436**	.366**
	Balanced Processing	.856*	.767**	.642**	1	.629**	.313*	.619**	.636**	.559**	.530**
	Relational Transparency	.863*	.671**	.610**	.629**	1	.419**	.447**	.404**	.379**	.508**
	Organizational Change Success	.460**	.504**	.338*	.313*	.419**	1	.348**	.361**	.308*	.310*
	Overall Response to Change	.592**	.578**	.440**	.619**	.447**	.348**	1	.923**	.956**	.867**
	Cognitive Response	.582**	.633**	.391**	.636**	.404**	.361**	.923**	1	.809**	.788**
	Emotional Response	.529**	.494**	.436**	.559**	.379**	.308*	.956**	.809**	1	.725**
	Intentional Response	.553**	.516**	.366**	.530**	.508**	.310*	.867**	.788**	.725**	1

**Correlation is significant at the 0.01 level (2-tailed)

		AuthLd Overall	SelfAw	IntMor	BalPro	RelTra	ChgSucc	Resp Overall	Cog	Emot	Intent
Executive	Authentic Leadership Overall	1	.927**	.912**	.865**	.888**	.372**	.696**	.683**	.623**	.621**
	Self-Awareness	.927**	1	.772**	.789**	.751**	.289**	.647**	.657**	.571**	.566**
	Internalized Moral Perspective	.912**	.772**	1	.760**	.762**	.367**	.686**	.669**	.615**	.613**
	Balanced Processing	.865**	.789**	.760**	1	.629**	.300**	.606**	.578**	.548**	.548**
	Relational Transparency	.888**	.751**	.762**	.629**	1	.380**	.572**	.554**	.513**	.513**
	Organizational Change Success	.372**	.289**	.367**	.300**	.380**	1	.494**	.521**	.436**	.412**
	Overall Response to Change	.696**	.647**	.686**	.606**	.572**	.494**	1	.904**	.957**	.852**
	Cognitive Response	.683**	.657**	.669**	.578**	.554**	.521**	.904**	1	.795**	.702**
	Emotional Response	.623**	.571**	.615**	.548**	.513**	.436**	.957**	.795**	1	.722**
	Intentional Response	.621**	.566**	.613**	.548**	.513**	.412**	.852**	.702**	.722**	1

**Correlation is significant at the 0.01 level (2-tailed)

Summary

Statistical analysis was conducted to measure the relationships between the independent variables (authentic leadership: self-awareness, balanced processing, relational transparency, and internalized moral perspective) and dependent variables (organizational change success and response to planned organizational change: cognitive, emotional, and intentional). All hypotheses were found to be fully supported by the data analysis, with the exception of hypothesis 2. Type of organizational change (alpha, beta, and gamma) was found to have no moderating effects on the relationship between authentic leadership and response to organizational change.

CHAPTER 5: INTERPRETATIONS AND CONCLUSIONS

Overview

This chapter summarizes and interprets the findings of the study. The chapter consists of: (1) an overview of the study that covers the purpose, research question, and study design, (2) a summary of findings, (3) a discussion of findings, (4) practical and theoretical implications, (5) limitations and recommendations for future research, and (6) conclusions of the study.

Long-term studies of organizational change efforts have indicated that change efforts do not often achieve desired results (Beer, Eisenstat, & Spector, 1990). Research has shown that employees' attitudes toward change (Lines, 2005) as well as the key role of positive leadership traits such has honesty and morality (Gill, 2003) are essential contributors to whether an organization's change effort succeeds or fails.

Authentic leadership specifically espouses the traits of honesty through self-awareness and relational transparency. Authentic leadership promotes morality through internalized moral perspective and balanced processing.

Evidence to support the link between employee attitudes toward change and positive leadership traits would be particularly beneficial because both have been separately shown by researchers (Gill, 2003; Lines, 2005) as essential to organizational change success, however, we do not have adequate information to link authentic leadership to employee response to organizational change because this relationship has not been researched to date. Therefore, the purpose of this study is to explore the relationship between employee perceptions of authentic leadership and response to organizational change. The research questions are: *What is the Relationship Between*

Employee Perceptions of Authentic Leadership and Planned Organizational Change

Outcome? What is the Relationship Between Employee Perceptions of Authentic

Leadership and Response to Planned Organizational Change?

Data was collected from 200 survey participants through Amazon Mechanical

Turk, an online crowdsourcing and survey tool. Participants were asked to think of one

specific organizational change that he or she experienced, and thinking of this experience,

completed a questionnaire consisting of two existing and validated surveys, the Authentic

Leadership Questionnaire (ALQ) and Piderit's Reaction to Change Scale (1999).

Organizational change outcome was operationalized through the level of attainment of

intended goals. Type of organizational change, operationalized by Golembiewski and

colleagues (1976), was measured as a moderating variable and organizational

commitment was measured as a control variable using Meyer and Allen's Scale (1997).

Demographic questions to identify personal attributes were also included in the survey.

Summary of Findings

Correlational and regression analyzes were performed using SPSS 18.0 to measure

the relationships between the independent variables (authentic leadership: self-awareness,

balanced processing, relational transparency, and internalized moral perspective) and

dependent variables (organizational change outcome and response to organizational

change: cognitive, emotional, and intentional). The following was found:

- Hypothesis 1 was supported: Perceptions of authentic leadership were positively
  and moderately related to organizational change success. Perceptions of authentic
  leadership were positively and strongly related to overall response to organizational
  change.

- Hypothesis 2 was not supported: There is a positive and moderate to strong relationship between employee perceptions of authentic leadership and response to planned organizational change, however type of organizational change (alpha, beta, and gamma) had no moderating effects.

- Hypothesis 3 was supported: There is a positive and moderate to strong relationship between employee perceptions of authentic leadership and response to planned organizational change when controlling for organizational commitment.

- An exploratory canonical correlation analysis found that variability within and between data sets was well accounted for.

- An exploratory analysis determined that the relationship between authentic leadership and organizational change outcomes are similar between Manager and Executive leadership levels. There was a slightly stronger relationship with Managers between authentic leadership and organizational change success. There was also a slightly stronger relationship with Executives between authentic leadership and response to change.

Discussion of Findings

Planned Organizational Change Outcome

Results of the data support the findings of previous research which suggest organizational change failure rates as high as 90% by around 70% on average (Beer & Nohira, 2000; Burnes, 2009; Cope, 2003; Greiner, 1967; Hammer & Champy, 1993; Hughes, 2011; Keller & Aiken, 2009; Kotter, 2008; Maurer, 2010; Rogers et al., 2006; Senturia et al., 2008). Only 7% of participants indicated that the planned organizational

change effort met all intended goals. If the organizational change success is defined by meeting all intended goals, therefore 93% of the change efforts surveyed by this study failed. More conservatively, and additional 47% of participants indicated that most goals were met. If the organizational change success is defined by meeting most goals, considering over time some goals may change, 46% of the change efforts surveyed by this study failed.

As Table 14 outlines, organizational change outcome, whether or not the change effort succeeded or failed, was found to have a positive and moderate correlation to overall employee response to change as well as cognitive, emotional, and intentional response to change. Therefore how people think, how they feel about the change, and how they plan on acting has a direct relationship to organizational change success. This supports the findings of previous research by Lines (2005) that employees' attitudes toward change are essential contributors to whether an organization's change effort succeeds or fails.

Table 14

Response to Organizational Change and Organizational Change Outcome Findings

	Organizational Change Outcome Findings
Overall Response to Organizational Change	Organizational change outcome was found to have a positive and moderate correlation to overall employee response to change. Therefore how employees think, feel, and plan to act about the organizational change has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Cognitive Response to Organizational Change	Organizational change outcome was found to have a positive and moderate correlation to cognitive response to change. Therefore how employees think the organizational change has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Emotional Response to Organizational Change	Organizational change outcome was found to have a positive and moderate correlation to emotional response to change. Therefore how employees feel about the organizational change has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Intentional Response to Organizational Change	Organizational change outcome was found to have a positive and moderate correlation to intentional response to change. Therefore how employees plan to act about the organizational change has a positive relationship to the outcome (success or failure) of the planned organizational change effort.

As Table 15 outlines, overall perceptions of authentic leadership as well as the authentic leadership traits of self-awareness, relational transparency, and internalized moral perspective were found to have a positive and moderate relationship with organizational change outcomes. This supports the previous research findings that organizational change failures occur due to lack of positive leadership traits, particularly honesty and morality (Gill, 2003). One of the key aspects of authentic leadership is self-awareness, understanding and acceptance of one's own motives, emotions, desires, and

self-relevant cognitions. Authentic leadership specifically promotes honesty through the trait of relational transparency, presenting one's true self, and morality through the trait of internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making. Both relational transparency and internalized moral perspective are potentially more visible aspects of authentic leadership, particularly during an organizational change implementation, are supported by strong self-awareness, and have been found to have significant ties to organizational change success.

The findings of this study also support the idea that through outward unbiased processing leaders model and inspire behavior in their followers, leading to higher levels of performance (Gardner et al., 2005). The findings of this study also support the idea that followers are inspired by the leader's moral lens, where moral dilemmas are recognized, assessed, and authentic action is taken (May et al., 2003). In the case of this study employees may be inspired to higher levels of performance by the leader's sense of morality.

The less visible trait of balanced processing, objective analysis of all relevant data prior to making a decision, was found to have a positive but weak relationship to organizational change outcomes. Balanced processing is a critical aspect to authentic leadership, and certainly supports self-awareness, relational transparency, and internalized moral perspective by providing thorough analysis of data (balanced processing).

An exploratory analysis determined that the relationship between authentic leadership and organizational change outcomes are similar between Manager and

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Executive leadership levels. There was a slightly stronger relationship with Managers

between authentic leadership and organizational change success.

Table 15

Organizational Change Outcome and Authentic Leadership

	Organizational Change Outcome
Overall Authentic Leadership	Organizational change outcome was found to have a positive and moderate correlation to overall perceptions of authentic leadership. Therefore authentic leadership has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Self-Awareness	Organizational change outcome was found to have a positive and moderate correlation to leader self-awareness. Therefore leader self-awareness, understanding and knowing oneself, has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Balanced Processing	Organizational change outcome was found to have a positive but weak correlation to leader balanced processing. Therefore leader balanced processing, objective analysis of all relevant data prior to making a decision, does not have much impact on the outcome (success or failure) of the planned organizational change effort.
Internalized Moral Perspective	Organizational change outcome was found to have a positive and moderate correlation to leader internalized moral perspective. Therefore leader internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making, has a positive relationship to the outcome (success or failure) of the planned organizational change effort.
Relational Transparency	Organizational change outcome was found to have a positive and moderate correlation to leader relational transparency. Therefore leader relational transparency, presenting one's "true self," has a positive relationship to the outcome (success or failure) of the planned organizational change effort.

Authentic Leadership and Response to Planned Organizational Change

Overall perceptions of authentic leadership were found to have a positive and strong relationship to overall, cognitive, emotional, and intentional response to organizational change. Overall response was found to have the strongest relationship ($r = .659$), followed by cognitive ($r = .641$), intentional ($r = .602$), and emotional ($r = .587$).

In addition, perceptions of authentic leadership (overall, self-awareness, balanced processing, internalized moral perspective, and relational transparency) were found to have a positive relationship with response to organizational change (overall, cognitive, emotional, and intentional) with no moderating effects from type of organizational change (alpha, beta, or gamma). These findings suggest that no matter the type of change, small-scale to large-scale, authentic leadership has a positive relationship to response to organizational change.

An exploratory analysis determined that the relationship between authentic leadership and organizational change outcomes are similar between Manager and Executive leadership levels. There was also a slightly stronger relationship with Executives than Managers between authentic leadership and response to change.

All aspects of authentic leadership were found to have positive and strong relationships with emotional response to change. These findings suggest that authentic leadership has a strong impact on employee feelings about organizational change. Attitudes have been found to be a strong link to whether an organization's change effort succeeds or fails (Lines, 2005).

All aspects of authentic leadership were found to have positive and strong relationships with cognitive response to change. These findings suggest that authentic

leadership has a strong impact on employee thoughts about organizational change. As with feelings, thoughts also play a part in employee attitudes, which have been found to have a strong connection to organizational change success (Lines, 2005).

All aspects of authentic leadership were found to have positive and strong relationships with intentional response to change. These findings suggest that authentic leadership has a strong impact on employee behaviors during organizational change.

Table 16

Response to Organizational Change and Authentic Leadership

	Overall Response to Change	Cognitive Response to Change	Emotional Response to Change	Intentional Response to Change
Overall Authentic Leadership	Authentic leadership overall has a strong impact on employee response to organizational change.	Authentic leadership overall has a strong impact on how employees think about organizational change.	Authentic leadership overall has a strong impact on how employees feel about organizational change.	Authentic leadership overall has a strong impact on how employees plan to act during an organizational change.
Self-Awareness	Leader self-awareness, understanding and knowing oneself, has a strong impact on employee response to organizational change.	Leader self-awareness, understanding and knowing oneself, has a strong impact on how employees think about organizational change.	Leader self-awareness, understanding and knowing oneself, has a strong impact on how employees feel about organizational change.	Leader self-awareness, understanding and knowing oneself, has a strong impact on how employees plan to act during an organizational change.
Balanced Processing	Leader balanced processing, objective analysis of all relevant data prior to making a decision, has a strong impact on employee response to organizational change.	Leader balanced processing, objective analysis of all relevant data prior to making a decision, has a strong impact on how employees think about organizational change.	Leader balanced processing, objective analysis of all relevant data prior to making a decision, has a strong impact on how employees feel about organizational change.	Leader balanced processing, objective analysis of all relevant data prior to making a decision, has a strong impact on how employees plan to act during an organizational change.

Internalized Moral Perspective	Leader internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making, has a strong impact on how employees think about organizational change.	Leader internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making, has a strong impact on how employees think about organizational change.	Leader internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making, has a strong impact on how employees feel about organizational change.	Leader internalized moral perspective, being aware of the impact of one's behavior on others and morally guiding one's behavior through equitable and fair decision-making, has a strong impact on how employees plan to act during an organizational change.
Relational Transparency	Relational transparency, presenting one's "true self," has a strong impact on how employees think about organizational change.	Leader relational transparency, presenting one's "true self," has a strong impact on how employees think about organizational change.	Leader relational transparency, presenting one's "true self," has a strong impact on how employees feel about organizational change.	Leader relational, presenting one's "true self," transparency has a strong impact on how employees plan to act during an organizational change.

Implications for Theory

Table 17 overviews the implications of this research study on theory. First, the findings of this research begin to fill the research gap on the relationship between authentic leadership and organizational change. This research specifically adds to existing authentic leadership research by providing evidence of its strong and positive impact on employee response to planned organizational change as well as organizational change success, an area that has not yet been researched to date. This study partially fulfills the need cited by Walumbwa and colleagues (2008) for examination of the impact of authentic leadership on the performance of the individual, unit, or overall organization.

Results of this study provide empirical support that employee perceptions of authentic leadership and response to organizational change have a positive relationship. This was previously hypothesized in authentic leadership theory but had not been previously researched.

Dirks and Ferrin (2002) found that leadership was significantly related to attitudinal and behavioral outcomes. This study builds upon this, also providing support that authentic leadership is positively and strongly related to cognitive, emotional, and behavioral outcomes. These findings add to authentic leadership theory, that authentic leadership is related to central workplace behaviors and attitudes.

For the purpose of this research, leadership was defined as a reciprocal relationship which exists in order to accomplish common goals (Northouse, 2001). The findings of this research build upon this basic leadership tenet by providing further evidence of this reciprocal relationship. A direct relationship was found between the behaviors and attributes of the leader and how the follower was affected and reacted as a result.

Positive attributes of the leader, specifically those detailed by authentic leadership theory, had a positive and strong relationship to positive cognitive, emotional, and intentional responses by followers to organizational change.

This positive and strong relationship found between authentic leadership and response to organizational change also builds on leadership in the area of perception. The ALQ utilized in this study measured employee perceptions of authentic leadership. It was therefore perceptions of authentic leadership that were found to positively relate to organizational change outcomes.

The findings of this research contribute the study of organizational change initiative success. A previous survey of 1,536 executives involved in a wide variety of change initiatives found that only 38% thought these initiatives were successful (Isern and Pung, 2007). This study found that 47% of participants indicated that most goals were met, and an additional 7% felt that all goals were met therefore, 54% found the change initiatives to be successful. This falls along the same lines as other previous research which found change failure rates of 33% to as high as 90% (Beer & Nohira, 2000; Burnes, 2009; Cope, 2003; Greiner, 1967; Hammer & Champy, 1993; Hughes, 2011; Keller & Aiken, 2009; Kotter, 2008; Maurer, 2010; Rogers et al., 2006; Senturia et al., 2008). This failure rate of approximately 70% seems to be fairly stable over the past 50 years where Greiner's (1967) meta-analysis found an average failure rate of 73%. The findings from this study adds to existing research citing the lack of success in change initiatives and reiterates the continuous need to study what makes organizational change efforts succeed.

Rowland and Higgs (2008) proposed that many change efforts fail because they have overly adopted a top down approach to organizational change. The findings of this

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research extend this assertion by providing evidence for the relationship between authentically lead organizations, which can be thought of as the antithesis of top-down leadership and greatly focused on employee empowerment, and organizational change success.

Parry and Proctor-Thomas (2002) proposed that authentically-led organizations are more effective and have positive outcomes such as strengthened organizational culture, lower levels of staff turnover, and increased employee effort. The findings of this research add to authentic leadership theory by showing evidence for the relationship between authentically-led organizations and organizational change success.

The findings of this study also build upon authentic leadership theory by providing evidence for the positive outcomes related to each of its four main aspects: self-awareness, balanced processing, internalized moral perspective, and relational transparency. Study results show a positive and strong relationship between authentic leadership and its four aspects and employee response (cognitive, emotional, and intentional) to organizational change. Study results also show a positive and moderate relationship between authentic leadership and organizational success.

Self-awareness is an understanding of one's strengths and weaknesses and the multidimensional nature of the self (Kernis, 2003). The results of this study provide evidence that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong self-awareness, because the leader is more aware of his or her impact on others.

An internalized moral perspective is a form of self-regulation, where the leader modifies behavior based on morals (Avolio & Gardner, 2005; Gardner et al., 2005; Walumbwa et al., 2008). The results of this study provide evidence that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong internalized moral perspective, because the leader was able to recognize and evaluate ethical issues, assess the options, and take authentic action.

Balanced processing is the objective analysis of all relevant data before coming to a decision (Walumbwa, et. al., 2008, p. 95). The results of this study provide evidence that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong balanced processing.

Relational transparency refers to presenting one's true feelings, opinions, and emotions in an exchange with followers (Kernis, 2003). The results of this study provide evidence that planned organizational change efforts are more likely to succeed (meet intended goals) and employees respond more positively to planned organizational change with strong relational transparency, because the leader is understood and trusted.

This study adds to leadership theory by provides empirical evidence for the importance of employee perceptions of leadership. This study specifically measured perceptions of authentic leadership and the impact of those perceptions on organizational change success and response to change. The behaviors and attributes displayed by the leader were perceived by the employee, and the employee thought, felt, and acted accordingly.

This study builds previous research by Piderit (2000). Piderit (2000) theorized that response to organizational change is multi-dimensional: cognitive, affective, and intentional. Each response to change attribute can be measured individually on a separate continuum, which allows for analysis by each dimension. Findings of this research provide support for Piderit (2000), that response to organizational change is multi-dimensional and that it is beneficial to measure it individually. Response to change was found to vary between dimensions, and this level of detail enhances the analysis and implications of the findings.

The findings of this research contribute to the study of resistance to change. Resistance to change, which is often viewed as a negative response to change, has been often cited as a reason for problems within organizational change (Erwin & Garman, 2010; Prochaska et al., 2001; Bovey & Hede, 2001). This study found that organizational change failure was positively and moderately related to negative response to change, r = .433. This validates the qualitative data that was previously collected by adding empirical evidence to support the relationship between organizational change failure and negative response, or resistance, to organizational change.

The findings of this research contribute to the study of ambivalence to change. Piderit (2000) proposes that ambivalence to change can be beneficial, and in some cases such as within the early stages of change, ambivalence can be fostered instead of initial positive support. Piderit notes that ambivalence must be fostered with care and it might not always be the optimal course of action. This study does not entirely support Piderit's proposition. Results of this study indicate a positive relationship between response to organizational change (overall, cognitive, emotional, and intentional), and organizational

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change success. Success was found with positive responses, and not necessarily with ambivalence; however, ambivalence would be preferred over resistance to change. Therefore one must make a cautious and informed decision before cultivating ambivalence in the early stages of organizational change. This is also an area for potential future research.

Leadership as well as change research, often focuses on higher level leader-focused, macro, or systems-level approach, instead of a more person-focused approach (Judge, et. al, 1999). Employee reactions to change are often overlooked (Herscovitch & Meyer, 2002). Accordingly, Judge, et al. and others (e.g., Aktouf, 1992; Bray, 1994; Wanberg & Banas, 2000) have called for a more person-focused approach to the study of organizational change (Herscovitch & Meyer, 2002) as well as leadership (Hollander, 1992; Hollander & Offermann, 1990; Meindl, 1990; Meindl, 1993). The findings of this study have contributed to theory in regard to individual-level response to planned organizational change, by specifically studying employee response to planned organizational change.

Much of the research on leadership and its impact on followers utilized qualitative rather than quantitative measures. As a result, the conclusions that can be drawn from this literature are limited due to the inability to verify and validate the relationships proposed therein (Yukl, 2006). Contemporary scholars have called for a renewed focus on conducting quantifiable studies in order to broaden our understanding of the effects of leadership on followers (Day, Zaccaro & Halpin, 2004; Walumbwa et al., 2008). This research answers the call for a quantitative study of the relationship of authentic leadership and employee response to planned organizational change.

Gardner, Avolio, Luthans, et al. (2005) used self-determination theory (Ryan &

Deci, 2001, 2003) to theorize that positive modeling by authentic leaders would create

greater internalized regulation processes among followers which would lead to greater

levels of follower performance. The findings of this research support this idea because

the data shows a positive and strong relationship between authentic leadership and

intentional response to organizational change.

Table 17

Research and Theory Mapped to Study Findings

Impact of Authentic Leadership: Walumbwa and colleagues (2008) cite the need for examination of the impact of authentic leadership on the performance of the individual, unit, or overall organization	The findings of this study directly support this research need.
AL and Organizational Change: Perceptions of authentic leadership and response to organizational change have a positive relationship.	The findings of this study provide support that a positive relationship exists between perceptions of authentic leadership and response to organizational change.
Organizational Change Type: Perceptions of authentic leadership and response to organizational change have a positive relationship, with little difference the strength of this relationship between types of change.	The findings of this study provide support that a positive relationship exists between perceptions of authentic leadership and response to organizational change in all types of organizational change (alpha, beta, and gamma).
Leadership and Attitudes and Behavioral Outcomes: Dirks and Ferrin (2002) found that leadership was significantly related to attitudinal and behavioral outcomes.	This study builds upon this, also providing support that authentic leadership is positively and strongly related to cognitive, attitudinal, and behavioral outcomes.
Multi-Dimensional View of Organizational Change: Piderit (2000) theorized that response to organizational change is multi-dimensional: cognitive, affective, and intentional. Each response to change attribute can be measured individually on a separate continuum, which allows for analysis by each dimension.	This study builds upon this, also providing support for Piderit (2000) that response to organizational change is multi-dimensional and that it is beneficial to measure it individually.
Org Change Success: A previous survey of 1,536 executives involved in a wide variety of change initiatives found that only 38% thought these initiatives were successful.	This study builds upon this, also providing support that 27% of participants indicated that most goals (of the organizational change effort) were met.

Ambivalence to Change: Piderit (2000) proposes that ambivalence to change can be beneficial, and in some cases such as within the early stages of change, ambivalence should be fostered instead of initial positive support.	This study does not entirely support Piderit's proposition. A positive relationship between response to organizational change and organizational change success. Success was found with positive and strong responses, and not necessarily with ambivalence. This is also an area for potential future research.
Top-Down Org Change Approach: Rowland and Higgs (2008) proposed that many change efforts fail because they have overly adopted a top down approach to organizational change.	The findings of this research extend this assertion by providing evidence for the relationship between authentically lead organizations (which can be thought of as the antithesis of top-down leadership) and organizational change success.
Authentically Lead Org Outcomes: Parry and Proctor-Thomas (2002) proposed that authentically lead organizations are more effective and have positive outcomes.	The findings of this research extend authentic leadership theory by providing evidence for the relationship between authentically lead organizations and organizational change success.
Resistance to Org Change: Resistance to change, which is negative response to change, has been often cited as a reason for problems within organizational change (Erwin & Garman, 2010; Prochasa et al., 2001; Bovey & Hede, 2001).	The findings of this research extend previous qualitative research by adding empirical evidence to support the relationship between organizational change failure and negative response, or resistance, to organizational change.
Person-focused Study of Change: Judge, et al. and others (e.g., Aktouf, 1992; Wanberg & Banas, 2000) have called for a more person-focused approach to the study of organizational change (Herscovitch & Meyer, 2002) as well as leadership (Hollander, 1992; Meindl, 1990; Meindl, 1993).	The findings of this study have extended research by adding macro-level implications of employee response to planned organizational change.
Quantitative Leadership Studies: Contemporary scholars have called for a renewed focus on conducting quantifiable studies in order to broaden our understanding of the	This research extends theory by providing a quantitative study of the relationship of authentic leadership and employee response to planned organizational change.

effects of leadership on followers (Day, Zaccaro & Halpin, 2004; Walumbwa et al., 2008).	
Follower Performance: Gardner, Avolio, Luthans, et al. (2005) theorized that positive modeling by authentic leaders would create greater internalized regulation processes among followers which would lead to greater levels of follower performance.	This research supports this theory because the data shows a positive and strong relationship between authentic leadership and intentional response to organizational change.

Implications for Practice

According to Harter and colleagues (2002), a large amount of attention is being directed toward the role that leaders play in follower engagement at work, and with the suggestions that organizational outcomes are greatly enhanced when employees believe that they are supported, recognized, and developed by their leaders, findings from this study are especially timely and relevant to practitioners. Authentic leadership espouses these ideas of employee support, recognition, and development. Results of this study prove the relationship between employee perceptions of authentic leadership and response to organizational change. Practitioners can invest in authentic leadership development in order to enhance employee response to organizational change.

Through the evidence presented in this research, leaders and practitioners are better informed and are able to positively impact employees during an organizational change by proactively embodying the traits of Authentic Leadership. Furthermore, this relationship was found with little difference between type of organizational change (alpha, beta, and gamma). Therefore, if strong authentic leadership behaviors are enacted, organizational change failure may be mitigated or reduced in any type of organizational change

initiative. Table 18 outlines potential organizational change scenarios, and using the results of this research study, suggests potential areas for authentic leadership investment.

The findings of this research highlight the need for organizational interventions prior to the onset of an organizational change initiative in order to ensure greater success. The findings of this study found similar failure rates to those reported over the past 50 years, of approximately 70% (Beer & Nohira, 2000; Burnes, 2009; Cope, 2003; Greiner, 1967; Rogers et al., 2006; Senturia et al., 2008). As previously cited, this study found that there is a positive relationship between perceptions of authentic leadership and positive organizational change outcomes. It is the responsibility of practitioners to be aware of the organizational change failure risk and to consider authentic leadership as a potential mitigation strategy.

The authentic leadership traits of self-awareness, relational transparency, and internalized moral perspective were found to have a positive and moderate relationship with organizational change outcomes, whereas the less visible trait of balanced processing was found to have a positive but weak relationship to organizational change outcomes. It is therefore potentially more prudent to invest in authentic leadership development in the areas of self-awareness, relational transparency, and internalized moral perspective if organizational change success (meeting most of intended goals) is important.

Furthermore, employee cognitive, emotional, and intentional response to organizational change and all aspects of authentic leadership: self-awareness, balanced processing, internalized moral perspective, and relational transparency were found to have a positive and strong relationship. It is therefore potentially prudent to invest in

authentic leadership development in these areas if employee cognitive, emotional, and intentional responses are found to be critical goals of an organizational change effort.

Table 18

Organizational Change Scenarios and Potential Strategies

Organizational change outcome must be successful (meeting most of its intended goals)	Focus on development of Self-Awareness, Internalized Moral Perspective, and Relational Transparency of the leader or leaders of the organizational change effort.
The organization wants employees to think positively about the organizational change	Focus on all aspects of authentic leadership: self-awareness, balanced processing, internalized moral perspective, and relational transparency of the leader or leaders of the organizational change effort.
The organization wants employees to feel positively about the organizational change	Focus on all aspects of authentic leadership: self-awareness, balanced processing, internalized moral perspective, and relational transparency of the leader or leaders of the organizational change effort.
The organization wants employees to intend to act positively in regard the organizational change	Focus on all aspects of authentic leadership: self-awareness, balanced processing, internalized moral perspective, and relational transparency of the leader or leaders of the organizational change effort.

This study provides evidence that investment in authentic leadership development may be prudent given the state of high-profile cases of unethical leadership as well as the instability of organizational outcomes during change initiatives. This investment may be particularly beneficial within organizations anticipating an organizational change. Table 19 outlines potential strategies for development in each of the facets of authentic leadership. Authentic leadership traits and behaviors can be propagated and developed through leadership selection, education, development programs, as well as leadership coaching. It can be noted that authentic leadership development strategies are focused on

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the softer skill areas of self-awareness and relational management, instead of the more

neo-cortex, analytical training.

Table 19

Areas for Authentic Leadership Investment and Potential Strategies

Self-Awareness	- Leadership Coaching - Seek Feedback - Journaling - Personal reflection, meditation, or mindfulness - Online/In-person Class Focused on Self-Awareness - Leadership Retreat/Offsite
Balanced Processing	- Leadership Coaching - Journaling - Personal reflection, meditation, or mindfulness - Online/In-person Class on Decision Making - Leadership Retreat/Offsite
Internalized Moral Perspective	- Leadership Coaching - Journaling - Personal reflection, meditation, or mindfulness - Online/In-person Class on Ethics/Morals - Leadership Retreat/Offsite
Relational Transparency	- Leadership Coaching - Online/In-person Class on Authentic Action - Leadership Retreat/Offsite

In keeping with the esprit de corps of authentic leadership, this study does not

recommend developing perceptions of authentic leadership alone. This study measured

perceptions of authentic leadership, and provides evidence for its contribution to

organizational change success, but authentic leadership should be developed and espoused for moral and ethical reasons.

Limitations

This study is limited by the survey method, in particular the set survey questions which only allow for responses on a set response scale and do not allow for additional input by the participant. Also, it is assumed that participants truthfully and accurately responded to the questionnaire, recalling a specific organizational change experience, and refrained from personal bias.

In addition to the truthfulness assumed on the participants' part, this study also assumed that the behaviors and attributes of the leader were truthful and honest. This is a potential limitation of the study because authentic leadership could be faked and this study measured employee perceptions of authentic leadership. Over time, the likelihood of perceiving faked authentic leadership as true authentic leadership would diminish because faking cues could be presented. However the possibility of faking would be more probable if the leader was fairly new or the follower was fairly new and the follower did not have a significant amount of time to gauge leadership behavior over time. This study did not measure the length of time the employee knew the leader.

Common method bias is an additional limitation of this study. Single source bias, a form of common method bias, arises from overlapping variability due to the data being collected from a single source. In the case of this study, a combination of self-reported (response to organizational change) and other-reported (authentic leadership and organizational change outcome) data, was collected from individual questionnaire participants. In addition, data was collected from individuals who were members of

disparate organizations for greater generalizability, instead of collecting data through a case study within a single organization. Common method bias was reduced by the addition of measurement methods other than employee reported data such as authentic leadership self-ratings or peer ratings. Construct validity determined through factor analyses found the potential for common method bias within the Piderit response to change scale. When a common latent variable was added to capture the common variance among the observed variables, the root-mean-square error of approximation (RMSEA) improved to acceptable levels. This raises the possibility that something external to the hypotheses may have introduced a systematic response bias that could have affected participant responses due to the nature of the online survey (Podsakoff, et al., 2003). Common source bias is an accepted limitation of this study because the focus of this research is on the individual level, specifically employee perceptions of authentic leadership and response to organizational change, which requires data from a single source, the individual, and is therefore most appropriate in this case.

This study was also limited by the data analyses techniques. Correlation and regression analyses were used to determine the relationship between the independent and dependent variables. Causal relationships were not established through these techniques. This study also has limitations based on the context of the authentic leader and organizational change experienced by the individual. Measuring the type of change the respondent experienced allowed for some control of this moderating variable.

This study also had limitations based on the timing of the survey. The survey measured only one point in time, after the organizational change occurred. It is possible that response to organizational change could have changed over time. In addition to this,

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since the response was measured after the organizational change occurred there could be some memory associated issues. Retrospective questions are subject to recall bias; however, there are several ways to enhance the recall of events (Iarossi, 2006) and this study utilized all memory recall tactics possible.

The survey population was sought from an international online venue. The survey was limited to 200 participants and closed once full. It is possible that the opening time of the survey, approximately 0900 EST could have impacted participation where individuals in varying time zones were not actively participating in Amazon Mechanical Turk surveys at that time and therefore did not have the opportunity to participate.

In addition, the majority of participants identified themselves as Asian/American Indian/Pacific Islander (66.2%). It has been estimated that China (19.1%) followed by India (17%) are the largest populations by country of the total population of the world, which may account for the demographic distribution of this study, but this is also a potential limitation to the generalizability of this study if implications were applied to the United States for example.

Future Research

This study has the potential to be repeated to collect data for better generalizability across diverse organizational change interventions. An additional potential future research study could look at organizational change over time, measuring response to organizational change as close as possible to the launch and conclusion of the organizational change event, and even at various instances throughout the change. In addition multiple sources and multiple measurement methods should be utilized in future studies which would potentially reduce common method and single source biases.

Multiple case studies, with measurement at various points in time before, during, and after the organizational change would also further enhance the connection between response to change and organizational change success. Piderit (2000) suggested that response to change has the potential to change over time. It was also proposed that ambivalence to change can be beneficial, and in some cases such as within the early stages of change, ambivalence should be fostered instead of initial positive support. The findings of this research do not fully support the fostering of ambivalence, but this may be due to a timing issue of the point of time of the organizational change. Further research with multiple measurement points would further enhance our understanding of the link between ambivalence and organizational change success.

Future research should include case studies which would provide additional organization-specific data of a single, specific organizational change as well as large scale survey efforts. Additional case studies of this nature would provide greater generalizability with the collection of diverse contexts of the authentic leader and organizational change experienced by the individual.

Future research on authentic leadership and organizational change outcomes should seek measures beyond follower perceptions of authentic leadership alone. It is possible that the leader could have been faking authentic leadership and the employee accepted his or her perceptions as true authentic leadership. A 360 degree assessment, to include self-assessments and peer-assessments, would provide additional data in the measurement of authentic leadership.

Future research should delve into the effects of who the leader is, for example, are differences found between hierarchical leadership levels and the potential relationship to

perceptions of authentic leadership. This also relates to leader-follower proximity which also should be considered as a future research area, particularly in relation to authentic leadership and organizational outcomes.

Future research should utilize additional statistical data analysis techniques to provide evidence for relationship causality such as structured equation modeling. Additional mediating variables should also be explored such as internal and external organizational factors such as climate, culture, and organizational lifecycle stage.

The findings of this research support the proposal by Parry and Proctor-Thomas (2002) that authentically lead organizations are more effective and have greater positive outcomes. The findings of this research specifically provide evidence to support the relationship between authentically lead organizations and organizational change success. Additional studies of the relationship between various forms of leadership and organizational change success should be conducted.

Survey administration "timing" for this study was based on previous resistance to change research, although the most effective timing has not yet been established (Piderit, 1999, Bovey and Hede, 2001; Szabla 2005). Since the questionnaire was retrospective, the instructions asked participants to answer based on thoughts, feelings, and intentions to act after the change was fully communicated but before the change was implemented. This contemplation and preparation timing may be critical for organizational change, because it is when leaders make critical impressions on employees, and employees form initial thoughts, feelings, and intentions to act, but this has not yet been proven through empirical research. Additional studies of critical intervention timing for organizational change should be conducted.

It is possible that authentic leaders naturally select employees who are potentially more open or responsive to organizational change. It is also possible that authentic leaders are naturally selected for the role of leaders of organizational change. Additional research should be conducted around selection in order to further investigate these possibilities.

Additional research should be conducted around authentic leadership development. In particular what are the most effective development methods and techniques, best timing, and most beneficial candidates, given that investment in authentic leadership development may be particularly beneficial within organizations anticipating an organizational change.

Conclusions

The purpose of this study was to explore the relationship between employee perceptions of authentic leadership and response to planned organizational change. Specifically this study investigated and found a positive correlation between employee perceptions of authentic leadership (self-awareness, relational transparency, balanced processing, and internalized moral perspective) and response (cognitive, emotional, and intentional) to planned organizational change as well as organizational change outcome. This study provides evidence for the positive effects of authentic leadership, specifically organizational change success and positive employee response to organizational change. Consideration of the benefits of authentic leadership as it relates to change is particularly important to organizations due to the high rate of organizational change failure (Parry & Proctor-Thomas, 2001). It is possible that if organizations proactively develop and

promote authentic leadership prior to or during an organizational change, the change effort may have greater potential for success.

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Appendix A: Introductory Summary

You are invited to participate in a research study under the direction of Dr. Ellen Scully-Russ of the Department of Human and Organizational Learning, George Washington University (GWU). Taking part in this research is voluntary.

The purpose of this study is to gain insights into the relationship between authentic leadership and organizational change. Specifically, the study seeks to understand the relationship between employee perceptions of authentic leadership and response to planned organizational change.

In order to participate in this research study you **must have the following:**
- **5 or more years of full-time work experience**
- **Personal experience as a member of an organization that underwent a planned organizational change the occurred within the past five years**

If you choose to take part in this study, you will complete a 77-item questionnaire that assesses your perceptions of the planned organizational change leader, your feelings of commitment to the organization, and your response to the planned organizational change. The questionnaire should take approximately 20 minutes to complete. Participating in this study poses no risks that are not ordinarily encountered in daily life.

You will be compensated $0.75 for your qualifying completed questionnaire.

In addition, your participation will also benefit organizational sciences and leadership studies through a greater understanding of organizational change.

Every effort will be made to keep your information confidential, however, this cannot be guaranteed. To ensure confidentiality, the researcher will assign codes to each participant so that names can be eliminated from the data. In addition, the researcher will aggregate all the data for analysis and data representation to maintain anonymity. If results of this research study are reported in journals or at scientific meetings, the people who participated in this study will not be named or identified.

The Office of Human Research of George Washington University, at telephone number (202) 994-2715, can provide further information about your rights as a research participant. Further information regarding this study may be obtained by contacting Kathryn Vesey, Doctoral Student Relations Coordinator, at telephone number (202) 994-9274.

This questionnaire will be anonymous. To ensure anonymity, your signature is not required. Your willingness to participate in this research study is implied if you proceed with this online questionnaire.

Appendix B: Instructions

Please think of a specific experience where you were part of an organization that underwent a planned organizational change that occurred within the past five years. Thinking of that specific experience, please answer the following questions using your frame of mind at the time the planned organizational change was communicated, but before implementation occurred. Please take your time in recalling this specific event. There are no right or wrong answers, so please give your honest reaction.

(Q1) **Do you have at least five years of full-time work experience?**

○	○
Yes	No

(Q2) **Have you personally experienced planned organizational change during your work experience within the past five years?** Planned organizational change is a deliberate choice by the organization to modify the organization in any way such as a process, policy, or system.

○	○
Yes	No

(Q3A) **Please select one of the following to describe the type of organizational change that you experienced:**

○	○	○
Change that targets or affects only the tasks or activities of an organization is the lowest level change and has the least impact on the organization. Task efficiency is improved, but neither the people nor roles they assume are affected.	Change that targets or affects both the people and the tasks they perform within an organization. This is of greater impact to the organization than alpha level change. This change is significant because it affects people within the organization, but it does not represent the highest level change.	Change that transforms the organization into a new entity. This type of change affects the people, the tasks, and the organizational and management structure. This change is the highest, most significant level of organizational change.

(Q3B) **Please select one of the following to describe the outcome of organizational change that you experienced:**

○	○	○	○	○
I do not know the outcome of the organizational change	The organizational change met none of its intended goals	The organizational change met a few of its intended goals	The organizational change most of its intended goals	The organizational change met all of its intended goals

Appendix C: Piderit Reaction to Organizational Change Questionnaire

Instructions:

The following survey items focus on your BELIEFS about the specific planned organizational change that you experienced. Please answer the following questions using your frame of mind at the time the planned organizational change was communicated, but before implementation occurred. Please select one response for each statement using the following scale:

1	2	3	4	5	6	7
Strongly Disagree	**Disagree Quite a Bit**	**Disagree Somewhat**	**Neither**	**Agree Somewhat**	**Agree Quite a Bit**	**Strongly Agree**

When I think about the organizational change I believe…

Q4	I can see the potential disadvantages of this change.	1	2	3	4	5	6	7
Q5	I can see the potential advantages of this change.	1	2	3	4	5	6	7
Q6	I think that the drawbacks of this change outweigh the benefits.	1	2	3	4	5	6	7
Q7	This change seems likely to improve my satisfaction with my job.	1	2	3	4	5	6	7
Q8	This change makes it more likely that I will continue working here.	1	2	3	4	5	6	7
Q9	This change will probably improve the way this department works.	1	2	3	4	5	6	7
Q10	I care about how this change will affect this department as a whole.	1	2	3	4	5	6	7
Q11	I care about how this change will affect my daily work.	1	2	3	4	5	6	7
Q12	The change does not matter much to me personally.	1	2	3	4	5	6	7
Q13	This organizational change is not very important to me.	1	2	3	4	5	6	7
Q14	It is important to me that this organizational change is implemented.	1	2	3	4	5	6	7

The following survey items focus on your FEELINGS about the specific planned organizational change that you experienced. Please answer the following questions using your frame of mind at the time the planned organizational change was communicated, but before implementation occurred. Please select one response for each statement using the following scale:

1	2	3	4	5	6	7
To No Extent	**Very Little**	**Slightly**	**Neither**	**Some**	**Quite a Bit**	**To a Great Extent**

When I think about the organizational change I feel…

Q15	Surprised	1	2	3	4	5	6	7
Q16	Happy	1	2	3	4	5	6	7
Q17	Excited	1	2	3	4	5	6	7
Q18	Hopeful	1	2	3	4	5	6	7
Q19	Relieved	1	2	3	4	5	6	7
Q20	Frightened	1	2	3	4	5	6	7
Q21	Angry	1	2	3	4	5	6	7
Q22	Sad	1	2	3	4	5	6	7
Q23	Frustrated	1	2	3	4	5	6	7
Q24	Disgusted	1	2	3	4	5	6	7

The following survey items focus on your INTENTIONS TO ACT toward the specific planned organizational change that you experienced. Please answer the following questions using your frame of mind at the time the planned organizational change was communicated, but before implementation occurred. Please select one response for each statement using the following scale:

1	2	3	4	5	6	7
Extremely Unlikely	**Quite Unlikely**	**Slightly Unlikely**	**Neither**	**Slightly Likely**	**Quite Likely**	**Extremely Likely**

How strongly do you intend to…

Q25	Help make sure this change is effective	1	2	3	4	5	6	7
Q26	Speak up about the advantages of this change	1	2	3	4	5	6	7
Q27	Support the implementation of this change	1	2	3	4	5	6	7
Q28	Encourage others to make this change effective	1	2	3	4	5	6	7
Q29	Speak out about the drawbacks of this change	1	2	3	4	5	6	7
Q30	Suggest that others not participate in this change	1	2	3	4	5	6	7
Q31	Oppose the implementation of this change	1	2	3	4	5	6	7
Q32	Encourage others to resist implementing this change	1	2	3	4	5	6	7
Q33	Try to modify this change as it is implemented	1	2	3	4	5	6	7
Q34	Suggest ways in which to carry out this change	1	2	3	4	5	6	7

Instructions:

The following survey items refer to the style of the leader of the planned organizational change, as you perceived it. Please answer the following questions using your frame of mind at the time the planned organizational change was communicated, but before implementation occurred. Please judge how frequently each statement fit his or her leadership style using the following scale:

0	1	2	3	4
Not at all	**Once in a while**	**Sometimes**	**Fairly often**	**Frequently, if not always**

My leader…

Q35	says exactly what he or she means	0	1	2	3	4
Q36	admits mistakes when they are made	0	1	2	3	4
Q37	encourages everyone to speak their mind	0	1	2	3	4
Q38	*text excluded from print for copyright issues*	0	1	2	3	4
Q39	*text excluded from print for copyright issues*	0	1	2	3	4
Q40	*text excluded from print for copyright issues*	0	1	2	3	4
Q41	*text excluded from print for copyright issues*	0	1	2	3	4
Q42	*text excluded from print for copyright issues*	0	1	2	3	4
Q43	*text excluded from print for copyright issues*	0	1	2	3	4
Q44	*text excluded from print for copyright issues*	0	1	2	3	4
Q45	*text excluded from print for copyright issues*	0	1	2	3	4
Q46	*text excluded from print for copyright issues*	0	1	2	3	4
Q47	*text excluded from print for copyright issues*	0	1	2	3	4
Q48	*text excluded from print for copyright issues*	0	1	2	3	4
Q49	*text excluded from print for copyright issues*	0	1	2	3	4
Q50	*text excluded from print for copyright issues*	0	1	2	3	4

Appendix E: Organizational Commitment Questionnaire

Instructions:

The following survey items focus on your commitment to the organization at the time the specific planned organizational change was communicated, but before implementation occurred. Please select one response for each statement using the following scale:

0	1	2	3	4	
Strongly Disagree	**Disagree**	**Neither**	**Agree**	**Strongly Agree**	

Q51	I would be very happy to spend the rest of my career with this organization.	1	2	3	4	5
Q52	I really feel as if this organization's problems are my own.	1	2	3	4	5
Q53	I do not feel a strong sense of "belonging" to my organization.	1	2	3	4	5
Q54	I do not feel "emotionally attached" to this organization.	1	2	3	4	5
Q55	I do not feel like "part of the family" at my organization.	1	2	3	4	5
Q56	This organization has a great deal of personal meaning for me.	1	2	3	4	5
Q57	Right now, staying with my organization is a matter of necessity as much as desire.	1	2	3	4	5
Q58	It would be very hard for me to leave my organization right now, even if I wanted to.	1	2	3	4	5
Q59	Too much of my life would be disrupted if I decided I wanted to leave my organization now.	1	2	3	4	5
Q60	I feel that I have too few options to consider leaving this organization.	1	2	3	4	5
Q61	If I had not already put so much of myself into this organization, I might consider working elsewhere.	1	2	3	4	5
Q62	One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.	1	2	3	4	5
Q63	I do not feel any obligation to remain with my current employer.	1	2	3	4	5
Q64	Even if it were to my advantage, I do not feel it would be right to leave my organization now.	1	2	3	4	5
Q65	I would feel guilty if I left my organization now.	1	2	3	4	5
Q66	This organization deserves my loyalty.	1	2	3	4	5
Q67	I would not leave my organization right now because I have a sense of obligation to the people in it.	1	2	3	4	5
Q68	I owe a great deal to my organization.	1	2	3	4	5

Appendix F: Demographic Questions

Please answer the following demographic questions:

(Q69) **Gender:**

○	○
Male	Female

(Q70) **Ethnicity:**

○	○	○	○	○
White (not Hispanic)	Hispanic	African American	Asian/Pacific Islander	American Indian

(Q71) **What was your highest education at time of planned organizational change experience?**

○	○	○	○	○
High School or Equivalent	Some College	Undergraduate Degree	Graduate Degree	Doctoral Degree

(Q72) **What was your organizational level at the time of the planned organizational change experience?**

○	○	○	○
Individual Contributor	Team Lead	Manager of Organizational Unit	Executive

(Q73) **What was the organizational level of the leader of the planned organizational change?**

○	○	○	○	○	○	○
Individual Contributor	Team Lead	Manager of Organizational Unit	Chief Executive Officer or Equivalent	Chief Operating Officer or Equivalent	Chief Financial Officer or Equivalent	Other Executive

(Q74) **What was the organizational industry of the organization where the planned change occurred?**

○	○	○	○	○	○
Goods	Services	Government	Financial	Technology	Healthcare

(Q75) **What was your job title at the start of the planned organizational change?**
_____

(Q76) **What was your age (in years) at the start of the planned organizational change?** _____

(Q77) **What was your total length of work experience (in years) at the start of the planned organizational change?** _____