### THE RELATIONSHIP BETWEEN AUTHENTIC LEADERSHIP AND A HIGH-PERFORMANCE CULTURE

by

#### SHAKES REASON RAMOROALO

Student number: 3350 - 462-8

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in the subject

INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY

at the

**UNIVERSITY OF SOUTH AFRICA** 

SUPERVISOR: DR BH OLIVIER

**JULY 2022** 

#### **DECLARATION**

I, SHAKES REASON RAMOROALO, declare that "the relationship between authentic leadership and a high-performance culture" is a direct outcome of my own hard work and efforts, which is submitted in accordance with the requirements for the degree of Master of Commerce in the subject Industrial and Organisational Psychology. All sources that were used were acknowledged as references accordingly.

I further declare that ethical clearance to conduct the research has been obtained from the Department of Industrial and Organisational Psychology, University of South Africa (Unisa) as well as the company where research was conducted. I also declare that the study was carried out in strict accordance and in line with Unisa's Policy on Research Ethics and that I conducted the research with the highest integrity during all phases of the research process, taking into account Unisa's Policy on Copyright Infringement and Plagiarism.

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24 JUNE 2022 DATE

SHAKES REASON RAMOROALO Student Number (3350-462-8)

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#### **SUMMARY**

#### THE RELATIONSHIP BETWEEN AUTHENTIC LEADERSHIP AND A HIGH-PERFORMANCE CULTURE

by

#### SHAKES REASON RAMOROALO

**Supervisor**: Dr BH Olivier

**Department:** Industrial and Organisational Psychology

**Degree:** M. Com (Industrial and Organisational Psychology)

The aim of this quantitative study was to determine the relationship between Authentic Leadership (AL) and a High-Performance Culture (HPC) in an alcohol beverage company in the South African Fast-Moving Consumer Goods (FMCG) business. The study used a random sample of 161 people from a population of 350, which included both management and non-managerial staff at various levels within the company. The Authentic Leadership Questionnaire (ALQ) was used to assess AL, whereas the High-Performance Culture Questionnaire (HPCQ) was used to assess HPC. Internal consistency Cronbach's alpha for the ALQ was .96, while for the HPCQ it was .97, both considered as excellent for data collection in this study.

The findings revealed a statistically significant relationship between a Composite AL Score and all four AL constructs and a Composite HPC Score (Composite AL Score = .78; Rational transparency = .74; Internalized moral perspective = .74; Balanced processing = .70; Self-awareness = .75; all at the p < 0.05 level of significance). Results of the study also indicated that a Composite AL Score could explain 60% of the variance in a Composite HPC Score (adjusted  $R^2 = 0.601$ ). This finding was confirmed by the significance of the F-value in the ANOVA calculation (F = 241,593; p < .001). It was thus concluded that a Composite AL Score could statistically significantly predict a Composite HPC Score in a FMCG organisation.

Limitations of the study were a scarcity of research on the relationship between AL and a HPC within a South African context, which made it difficult to compare the results of the current study with another research. Secondly, the study was conducted in one FMCG organisation in one region in South Africa, making generalisations to other organisations problematic. Recommendations included that more studies be conducted on the relationship between AL and a HPC, and that the current study be replicated in other industries besides the FMCG industry.

**KEY TERMS:** Authentic Leadership, High-Performance Culture, Leadership, Culture, Organisational Effectiveness.

#### **OPSOMMING**

#### DIE VERHOUDING TUSSEN OUTENTIEKE LEIERSKAP EN 'N HOËWERKVERRIGTINGKULTUUR

#### deur

#### SHAKES REASON RAMOROALO

**Toesighouer:** Dr BH Olivier

**Departement:** Industriële en Organisatoriese Sielkunde

**Graad:** MCom (Industriële en Organisatoriese Sielkunde)

Die doel van hierdie kwantitatiewe studie was om die verhouding tussen outentieke leierskap (OL) en hoëwerkverrigtingkultuur (HWK) in 'n maatskappy wat alkoholiese drankies vervaardig in die Suid-Afrikaanse vinnig bewegende verbruikersgoedere (VBVG) -industrie te bepaal. Die studie het 'n ewekansige steekproef van 161 mense uit 'n populasie van 350 gebruik, wat beide bestuurders en nie-bestuurspersoneel op verskeie vlakke van die maatskappy ingesluit het. Die outentieke leierskapvraelys (OLV) is gebruik om OL te assesseer, waar die vraelys vir hoëwerkverrigtingkultuur (VHWK) gebruik is om die HWK te assesseer. Die interne konsekwentheid Cronbach se alfa vir die OVL was .96, terwyl dit .97 vir die VHWK was – beide word as uitstekende dataversameling beskou in hierdie studie.

Die bevindings het 'n statisties beduidende verhouding tussen 'n saamgestelde OL-telling en al vier OL-konstrukte en 'n saamgestelde HWK-telling getoon (saamgestelde OL-telling = .78; rasionale deursigtigheid = .74; geïnternaliseerde morele perspektief = .74; gebalanseerde verwerking = .70; selfbewussyn = .75; almal teen die p < 0.05-vlak van beduidendheid). Die resultate van die studie het ook aangedui dat 'n saamgestelde OL-telling 60% van die afwyking in 'n HWK-telling kan verduidelik (aangepas  $R^2 = 0.601$ ). Hierdie bevinding is bevestig deur die beduidendheid van die F-waarde in die ANOVA-berekening (F = 241,593; p < .001). Daar is dus bevind dat 'n

saamgestelde OL-telling 'n saamgestelde HWK-telling in 'n VBVG-organisasie statisties beduidend kan voorspel.

Beperkings van die studie was 'n gebrek aan navorsing oor die verhouding tussen OL en HWK in 'n Suid-Afrikaanse konteks, wat dit moeilik gemaak het om die studie se resultate met ander navorsing te vergelyk. Tweedens, die studie is in een VBVG-organisasie in een streek in Suid-Afrika gedoen, wat veralgemenings van ander organisasies problematies maak. Aanbevelings sluit in dat meer studies oor die verhouding tussen OL en HWK gedoen moet word en dat die huidige studie in ander industrieë as die VBVG-industrie herhaal moet word.

**SLEUTELTERME:** Outentieke leierskap, hoëwerkverrigtingkultuur, leierskap, kultuur, organisatoriese doeltreffendheid

#### <u>ISIFINYEZO</u>

## UBUDLELWANE PHAKATHI KOBUHOLI BOQOBO KANYE NOSIKU LOKUSEBENZA NGEZINGA ELIPHEZULU

#### ngo

#### SHAKES REASON RAMOROALO

Usuphavayisa: Dkt BH Olivier

**Department:** Industrial and Organisational Psychology

Idigri (Isiqu): MCom (Industrial and Organisational Psychology)

Inhloso yalolu cwaningo lwe-quantitative bekuwukubheka ubudlelwane phakathi kwe-Authentic Leadership (AL) kanye ne-High-Performance Culture (HPC) kwinkampani yeziphuzo zotshwala kwibhizinisi le-South African Fast-Moving Consumer Goods (FMCG) Ucwaningo lusebenzise isampuli ye-random yabantu abangu 161 kwisibalo sabantu abangu 350, obekubandakanya kubo abaphathi kanye nabasebenzi abangebona abaphathi kwinkampani. I-Authentic Leadership Questionnaire (ALQ) yasetshenziswa ukuhlola i-AL, kanti i-High-Performance Culture Questionnaire (HPCQ) yasetshenziswa ukuhlola i-HPC. I-internal consistency Cronbach's alpha ye-ALQ bekungu .96, okanti i .97 ye-HPCQ – zombili zibonwa njengezinga elihle kakhulu ekuqoqeni ulwazi kulolu cwaningo.

Okutholakele kubonise amanani abalulekile obudlelwane phakathi kwe-composite AL score kanye nemiqondo emine yama-AL kanye ne-composite HPC score (composite AL score = .78; rational transparency = .74; internalised moral perspective = .74; balanced processing = .70; self-awareness = .75; all at the p < 0.05 level of significance). Imiphumela yocwaningo ibuye yakhombisa ukuthi i-composite AL score ingachaza u 60% we-variance in a composite HPC score (adjusted  $R^2 = 0.601$ ). Lokhu okutholakele kuqinisekiswe ukubaluleka kwe-F-value kwi-ANOVA calculation (F =

241,593; p < .001). Kuphethwe ngokuthi i-composite AL score ingaba ngebalulekile ngamanani nokuqagela i-composite HPC score kwinhlangano ye-FMCG.

Izihibe ngocwaningo kube ukusweleka kocwaningo ngobudlelwane phakathi kwe-AL kanye ne-HPC eNingizimu Afrika, lokhu okwenze ukuthi kubenzima ukuqhathanisa imiphumela yalolu cwaningo lwamanje kanye nolunye ucwaningo. Okwesibili, ucwaningo lwenziwe kwinhlangano ye-FMCG kwirijini eyodwa eNingizimu Afrika okwenza ukuthi kube yinkinga ukunabisela imiphumela kwezinye izinhlangano. Izincomo zibandakanya ukuthi kwenziwe olunye ucwaningo ngobudlelwane phakathi kwe-AL kanye ne-HPC, nokuthi lolu cwaningo lwamanje luphindwe kwezinye izimboni, ngaphandle kwemboni ye-FMCG.

**AMATHEMU ABALULEKILE:** Ubuholi boqobo, usiko lokusebenza ngezinga eliphezulu, ubuholi, usiko, ukusebenza kahle kwenhlangano.

#### **CHAPTER 1: SCIENTIFIC ORIENTATION TO THE RESEARCH**

#### 1.1 INTRODUCTION

In this chapter, the background to the study, the motivation for the study, and the problem statement for this study will all be presented. It will also include a description of the research questions, study goals, and paradigm perspective. There will also be a discussion of the research design, which includes the research approach and research method. The dissertation's chapter layout will be presented at the end of the chapter.

#### 1.2 BACKGROUND TO THE RESEARCH

Leadership is a well-studied concept that is widely regarded as a major contributor to an organisation's overall effectiveness and productivity. Various scholars and researchers have focused their attention on the critical role that leaders play in an organisation's overall performance, prosperity, and long-term viability. (Northouse, 2013; Van Heerden & Roodt, 2007).

According to Salicru and Chelliah (2014), business leaders must demonstrate the leadership required to successfully lead their firms, follow the high standards of corporate ethics expected, and empower every employee to achieve the extraordinary. The degeneration of leadership standards in organisations does not inspire confidence in followers and may result in a trust deficit between employees and leadership (Salicru & Chelliah, 2014). Salicru and Chelliah (2014) further argued that the credibility of leadership in organisations is becoming questionable where leaders are often faced with complex situations challenges but exhibit and manifest corrupt and self-serving behaviour. Exemplary leadership is required to re-establish faith in the leadership of organisations, and real leadership is also in high demand (Alok, 2014).

Alok (2014) argued that the concept of authenticity entails a careful examination of what a leader is thought to be, what the leader does, and the behaviour that the individual exhibits. Authenticity in leadership is defined as an individual's confidence and belief in their ability to do tasks and set goals without feeling compelled to modify

their moral principles in response to societal demands (Ozkan & Ceylan, 2012). Organisations spent a significant amount of money sending managers to leadership development programmes in the hope of learning more about people management and thereby improving employee engagement and performance (Mathebula, 2017).

Toor and Oforio (2009) postulated that it is critical for a leader to lead by example and inspire trust in his or her subordinates, and that a leader's behaviour and ethical conduct should reflect what they say or do in the normal course of business. Northouse (2013) posited that leadership abilities are in high demand and are becoming a valued attribute. As a result of the growing demand for effective leadership, the need for a specific leadership approach that is aligned to the essence of being transparent, consistent, and having strong moral standards and a sense of integrity has emerged (Avolio & Luthans, 2006).

These concepts are regarded as the foundation of worthwhile, acceptable, and deeply embedded organisational activities (George, 2003; George & Sims, 2007; George et al., 2007). According to Daft (2015) and Hlongwane (2017), modern organisations require visionary leaders who can lead and inspire, attend to individual concerns, and contribute to their creativity and inventive thinking.

Avolio and Gardner (2005) argued that authentic leaders' behavioural attributes that are demonstrated toward team members and followers have a tremendous inspirational effect on their overall accomplishments and lead to long-term organisational outcomes in a highly competitive corporate environment. Gardner et al. (2011), on the other hand, believed that the concept of authentic leadership (AL) has been understudied in previous theoretical research. Previous research has found that AL increased employee motivation (Laschinger et al., 2013), as well as engagement and commitment (Gatling et al., 2016).

As a result, in recent years, several leadership perspectives have gained support, including transformational and transactional leadership, servant leadership, ethical leadership, and AL (Salicru & Chelliah, 2014). Current research, according to Engelbrecht (2014), has tended to focused more on ethical leadership. The AL concept has been positioned as the theoretical basis or cornerstone for the

development of ethical leadership practices that serve as an expression of true leadership (Avolio & Gardner, 2005; Walumbwa et al., 2008). Being authentic as a leader requires remaining true to one's own experiences and adventures, as well as acting in a manner that is congruent with one's true self (Gardner et al., 2005; Leroy et al., 2012).

AL is defined by Walumbwa et al. (2008) as a pattern of leader behaviour that draws on and promotes both positive psychological capacities and a positive ethical climate to foster greater self-awareness, an internalized moral perspective, balanced information processing, and relational transparency on the part of leaders working with followers, fostering self-development.

Authentic leaders, according to this definition, are those who have demonstrated authenticity and have earned the respect, credibility, and trust of their direct reports (Bamford et al., 2013). Authentic leaders inspire and motivate their followers with interpersonal orientation and influence (Avolio & Walumbwa, 2014; Stander et al., 2015). AL's relational aspect instilled confidence in its members and encouraged them to relate to and emulate their leaders (Avolio & Walumbwa, 2014).

Apart from that, AL's effect creates a strong sense of identification among followers (Avolio & Walumbwa, 2014). As a result, AL has a huge impact on its followers, as well as the businesses in which they work (Peus et al., 2012). According to Hannah et al. (2011), empirical evidence showed that authentic leaders' behaviours can be passed down to subordinates, influencing individual and team performance, whereas Hmieleski et al. (2012) believed that senior leadership teams with AL attributes are linked to overall organisational effectiveness and success.

The concept of a High Performance Culture (HPC), according to Van Heerden and Roodt (2007), has no singular meaning (HPC). Furthermore, Van Heerden and Roodt (2007) submitted that words such as high-performance culture, high-performance organisations, world-class companies, and organisational performance excellence are interchangeably used in the literature. Clemmer (2005) advanced an argument that high-performing organisations tended to contain aspects that provided meaning to employees, such as internal systems, procedures, management, and so on. According

to Sorensen (2002), a high-performance organisation must have a strong positive organisational culture to exist and be sustained. Kirby and Kummerow (2013) argued that a successful and high-performing organisation's culture and success are linked. According to Van Heerden and Roodt (2007), a HPC can also be thought of as an extension of an organisation's current culture.

Finney (2008) proposed and presented the idea that a HPC is built around three essential constructs:

- A clear and compelling organisational mission. Employees need to be inspired, internal decision-making needed to be informed, customer retention need to be improved, and employee engagement and psychological contracts need to be increased.
- Shared organisational values. These deeply held values influence employee behaviour, which includes the individual's commitment to keep promises made to customers and other stakeholders.
- Shared accountability. Employee levels of accountability and collective ownership of the organisation's performance are among the factors considered.

Finney (2008) is of the view that active engagement by colleagues, ability to take risks, cooperation, ability to innovate and be adaptable, good communication, and having a vision for the future were some of the cultural elements that made up a HPC. The question is: What kind of leadership influenced a HPC? Because previous studies on the concept of leadership have been broad, the focus of this study is to establish the relationship between specifically Authentic Leadership (AL) and a High-Performance Culture (HPC).

#### 1.3 PROBLEM STATEMENT AND MOTIVATION FOR THE RESEARCH

There is strong held view that the leadership of an organisation has the greatest influence on its culture (Barret, 2006; Cummings et al, 2019; Daft, 2015; Schein,

2010). Extensive research has been conducted to examine various leadership theories and ways that leaders can use in carrying out their responsibilities and instilling a strong organisational culture (Cummings et al., 2019; Daft, 2015; Schein, 2010). Organisations invest a large amount of financial resources in developing their leaders with the intention of equipping leadership teams with strong people management skills and business acumen, instilling confidence in them, and helping them improve their individual and team performance (Daft, 2015). However, the Covid-19 pandemic outbreak in December 2019, which resulted in a national lockdown and the suspension of transportation and sale of alcoholic beverages in South Africa, had a significant impact on the fast-moving consumer goods (FMCG) industry in general and on the alcoholic beverage industry in particular (Kopka et al., 2020), the focus of the current study. The alcohol bans imposed by the South African government on the alcohol industry had a catastrophic effect on the industry (Kiely, 2021). According to Andrew Rall, founder and CEO of Distillery 031:

The complete ban was unexpected, and resulted in zero revenue for a number of months. Shareholders had to inject massive amounts of cash, and we had to borrow to survive instead of investing in equipment and further expansion. We were fortunate to retain all our permanent distillery staff, but our many part-time staff have not been working. (Kiely, 2021, p. 2)

The company in this study felt the full force of the bans on its 2020 fiscal results, as overall revenue fell by 14.6% in the year ending 30 June 2020 because of the prohibition measures. Its revenue in its home market fell by 18.2% as a result of tough operating conditions, despite an uptick in sales in the country after the first ban was lifted, and a solid performance by some of the company's alcoholic brands in a very competitive environment (Kiely, 2021).

To restore market share and boost the bottom line, the company used drastic measures such as outsourcing, organisational restructuring, downsizing and retrenchments, as well as the optimisation of internal resources (Kiely, 2021; Kopka et al., 2020). Throughout it all, staff were expected to stay productive and competitive, as well as uphold the company's high standards on a continuous basis. To sail the ship and guarantee that the workforce continued to preserve high ethical values and

remained motivated, devoted, and engaged, contributing to a HPC in the organisation, strong leadership was required.

According to Martins & Martins (2003), studies have indicated that corporate cultures promote high levels of dedication and success. Furthermore, employee engagement and commitment, employee motivation and satisfaction, mutual assurance, innovation, productivity, and organisational citizenship behaviours (OCB), have the capacity to inspire and positively influence employee attitudes, behaviour, and work outputs (Walumbwa et al., 2008; Walumbwa et al., 2010).

According to Sorensen (2002) and Kirby and Kummerow (2013), there is a link between a HPC and organisational performance (2013). In addition, Gardner et al. (2011) discovered a clear link between AL and various organisational outcomes. The link between AL and a HPC, on the other hand, has received minimal attention, and no previous empirical research in the FMCG industry in general or the alcoholic consumption industry in particular has looked at the relationship between these two concepts. The purpose of this study is to investigate if there is a relationship between these two concepts. The outcomes of this study can also aid firms in their leadership development programmes, ensuring a HPC and, as a result, improved organisational performance.

The following research questions and hypotheses are formulated from the background and problem statement:

The general research question is: Is there a statistically significant relationship between AL and a HPC?

The literature review questions are the following:

- How is the concept of AL and its constructs conceptualised in the literature?
- How is the concept of a HPC and its constructs conceptualised in the literature?

 What is the nature of the theoretical relationship between the concepts of AL and a HPC?

The empirical research questions are the following:

- Is there a statistically significant relationship between the concepts of AL and a HPC?
- Is there a statistically significant relationship between the constructs of AL and the constructs of a HPC?
- Can AL predict a HPC?
- What recommendations can be made for the field and practice of Industrial and Organisational Psychology (IOP) regarding the relationship between the concepts of AL and a HPC in a FMCG organisation?

The following research hypotheses were formulated for this study:

- H1: There is a statistically significant relationship between the concepts of AL and a HPC.
- H2: There is a statistically significant relationship between the four AL constructs of Self-awareness, Relational transparency, Balanced processing and Internalised Moral perspective and the concept of a HPC.
- H3: There is a statistically significant relationship between the concept of AL and the 12 HPC constructs of Vision & Strategy, Leadership, Core Capability: Organisation, Core Capability: Group/Team, Core Capability: Individual, Reward System, Performance Management, Policies and Procedures. Stakeholder Satisfaction: Stakeholder Customer, Satisfaction: Supplier, Stakeholder Satisfaction: Community, Stakeholder Satisfaction: People.

H4 Al can predict a HPC.

#### 1.4 AIMS OF THE RESEARCH

#### 1.4.1 General aim of the research

The general aim of the research is to determine the relationship between the concepts of AL and a HPC.

#### 1.4.2 Specific objectives of the research

#### 1.4.2.1 Specific literature objectives

The specific literature objectives of the study are the following:

- To conceptualise AL and its constructs.
- To conceptualise a HPC and its constructs.
- To investigate the theoretical relationship between the concepts of AL and a HPC.

#### 1.4.2.2 Specific empirical objectives

The specific empirical objectives of the study are the following:

- To measure the concept of AL and its constructs by means of the Authentic Leadership Questionnaire (ALQ).
- To measure the concept of a HPC and its constructs by means of the High-Performance Culture Questionnaire (HPCQ).
- To determine whether there is a statistically significant relationship between a Composite AL Score and its constructs and a Composite HPC Score and its constructs.
- To determine whether a Composite AL Score can predict a Composite HPC Score.

 To make recommendations for the field of IOP regarding the relationship between the concepts of AL and a HPC.

#### 1.5 THE PARADIGM PERSPECTIVE

Durrheim (2006) defined a paradigm as a system that connects ontological, epistemological, and methodological assumptions. It takes the place of the point of view that justifies the research process.

#### 1.5.1 The meta-theoretical paradigm

Babbie and Mouton (2010) advanced an argument that Meta-theoretical assertions are schools of thought that focus on the nature and scope of a certain profession and propose research topics within a specific approach. It promotes theory integration and establish parameters for prediction by specific theories in specific settings (Abrams & Hogg, 2004). This study is conducted within a positivist paradigm, meta-theoretically. The positivist paradigm, according to Durrheim (2006), is more objective and tries to depict the laws that control society. The methodology emphasizes empirically testing and verifying hypotheses and ideas using validated and trustworthy instruments. The researcher uncovers this world by measuring because the ontological presupposition of this paradigm is that the physical and social worlds exist separately (Durrheim, 2006).

As hypothesis and propositions are evaluated and substantiated by study, generalisations of facts are common, sound, and logical under this paradigm. Before a conclusion can be drawn, the positivist paradigm requires that the study be valid, reliable, and reproducible (Durrheim, 2006).

#### 1.5.2 The theoretical paradigm

This study is conducted within the discipline of IOP and within the subfields of Organisational Psychology and Personnel Psychology.

#### 1.5.2.1 Industrial and organisational psychology

Van Vuuren (2010) held a view that IOP referred to the use of psychological concepts, ideas, and research in the workplace for the development of people functioning in that setting. Sociocultural experiences and their influence, employment-related legislation, personality, gender, race, and life-span development all have a part in shaping human behaviour in the workplace. (Van Vuuren, 2010).

#### 1.5.2.2 Organisational psychology

Bergh and Theron (2009) described organisational psychology as the study of human behaviour in organisations. According to Bergh and Theron (2009), Organisational Psychology involved work characteristics that included individual employee, work groups, as well as the organisation's structure and dynamics. The value and relevance of studying Organisational Psychology is that it is a performance-oriented field that helps businesses increase productivity (Ivancevich et al., 2013).

#### 1.5.2.3 Personnel psychology

Coetzee and Schreuder (2010) argued that Personnel Psychology is a discipline of study principally concerned with all aspects of psychological theory that encourages an understanding of individual differences in performance. According to Coetzee and Schreuder (2010), empirical research has demonstrated that the concepts, principles, techniques, and practice of IOP provide significant benefits and value to a variety of stakeholders, including line managers, Human Resource business partners and specialists, as well as Industrial and Organisational Psychologists (IOPs).

#### 1.5.3 The methodological paradigm

A quantitative research approach is employed in this study, which comprises acquiring and analysing structured data that may be represented numerically (Cohen et al., 2011). This study aims to categorize aspects, compute them, and construct statistical models to throw light on what had been observed, and one of the key goals of this methodology is to develop reliable, valid, and trustworthy evaluation measures that

may be utilised for statistical analysis (Cohen et al., 2011). A quantitative technique is best suited to undertake an objective assessment of AL and a HPC in the current experiment to determine the association between AL and HPC.

#### 1.6 RESEARCH DESIGN

A research design is the act of putting together a situation for collecting and analysing research data in a way that satisfies the study's goals (Cohen et al., 2011; Salkind, 2012). The research design as employed in this study is discussed in relation to the Research Approach and Research Method.

#### 1.6.1 Research approach

The research question was investigated using a quantitative, non-experimental approach. The major data collection approach was a cross-sectional field survey using Survey Monkey as the survey instrument and a self-administered questionnaire through e-mail link. The data for statistical analysis was collected using a cross-sectional survey approach of inquiry (Creswell, 2014). It is justified to employ a quantitative research approach since it delivers objective interpretations, is well-structured, and has high levels of reliability (Coolican, 2004). Quantitative data uses numbers and statistics to make the data acquired easier to analyse and understand because of the statistical character of the study. It also enabled the researcher to sample a large number of people (Cohen et al., 2011). A quantitative study was used to categorise aspects, quantify them, and create statistical models in order to clarify what has been observed (Cohen et al., 2011). The difficulty with this technique is that the data gathered is restricted and fabricated, and the research's realism is low (Coolican, 2004).

#### 1.6.2 Research method

#### 1.6.2.1 Research setting

The research was carried out in a multi-national FMCG company based in South Africa's Western Cape Province. It was conducted among the company's full-time

employees. The research institute is a leading producer and distributor of wines, spirits, ciders, and other ready-to-drink (RTD) beverages supplied around the world, with operations in Brazil, Asia, the Middle East and Western countries. Various corporate, operational, and production sites are located throughout Southern Africa.

#### 1.6.2.2 Variables used in the study

Two variables were used in the study, that is, AL as the independent variable and a HPC as the dependent variable. These variables will be discussed in detail in Chapter 2.

#### 1.6.2.3 Unit of analysis

According to Babbie (2013), a unit of analysis is a set of traits, phenomena, or behaviours that might catch the researcher's attention and allow them to illustrate, clarify, and review them. The persons hired by the research organisation were the unit of analysis for this study, and their replies were recorded on two survey questionnaires used to evaluate AL and a HPC. On a group level, the findings of several groupings were recorded and compared across the entire organisation on factors such as job grade, years of service in the organisation, age, gender, and race.

#### 1.6.2.4 Research participants and sampling

The study was conducted in a multi-national FMCG firm with a workforce of 350 individuals. According to De Vos et al. (2011, p. 223), a population is "the complete population of persons, events, organisational units, case records, or other sample units with which the study topic is concerned". The study's target audience was male and female employees aged 18 and up from all functional and operational levels, including management and non-management personnel. From a total population of 350 persons, a sample of 161 people was picked using probability sampling in the manner of random sampling. Every person in the population has a possibility of being included in the sample when using probability (random) sampling (Daniel, 2012).

#### 1.6.2.5 Measuring instruments

#### a. The Authentic Leadership Questionnaire (ALQ)

The Authentic Leadership Questionnaire (ALQ), developed by Walumbwa et al. (2008) was used to assess the four constructs of AL: self-awareness, relational transparency, balanced processing, and moral viewpoint (2008). The ALQ was shown to have an overall reliability of .91 in a study conducted by Walumbwa et al. (2008). The ALQ had a total of 16 items, with four items measuring each construct. The researcher used a five-point Likert scale, with 1 representing Highly Unlikely and 5 representing Highly Likely. The employees in the sample were asked to rate their immediate line managers by completing the ALQ regarding them.

#### b. The High-Performance Culture Questionnaire (HPCQ)

The organisation's culture was assessed using Van Heerden and Roodt's (2007) High-Performance Culture Questionnaire (HPCQ), which had an internal reliability value of r = .95. Van Heerden and Roodt (2007) performed a two-level factor analysis on the HPCQ, followed by iterative item analysis, to determine its validity, which they found satisfactory. The HPCQ was designed to assess the 12 constructs of a HPC and it is illustrated in Table 1.1:

High Performance Culture Questionnaire (HPCQ) Constructs

Table 1.1

1.	Vision and strategy
2.	Leadership
3.	Core capability: Organisation
4.	Core capability: Group/Team
5.	Core capability: Individual
6.	Reward system
7.	Performance management
8.	Policies & Procedures

Stakeholder satisfaction: Customer
 Stakeholder satisfaction: Supplier
 Stakeholder satisfaction: Community
 Stakeholder satisfaction: People

The HPCQ has a total of 12 questions, with 5–7 items measuring each construct. A five-point Likert scale was utilized, with 1 representing Very Negative and 5 representing Very Positive.

#### 1.6.2.6 Research procedure and ethical considerations

For the current study, permission was obtained to conduct the research in the targeted organisation from the Head of Human Resources. Once this permission was obtained, ethical clearance was requested and granted by the Ethics Committee in the Department of Industrial and Organisational Psychology at the University of South Africa (Unisa). Thereafter a communication in the form of an e-mail was sent to the Head of Human Resources at the targeted company with the Ethics Clearance Certificate from Unisa attached and with a request for the contact details of all 350 employees for the purpose of the research project.

A random sample of 161 employees was identified and contacted by e-mail, requesting their participation in the study. A brief synopsis of the research project was outlined in the e-mail and the identified sample was requested to complete an electronic informed consent form if they consented to partake in the study. Once the signed consent form was received an online link was sent to the sample with clear instructions as to how to complete the survey questionnaires.

According to De Vos et al. (2011), ethics is defined as a set of moral principles which refer to the quality of research procedures with regard to adherence to professional, legal and social obligations to the research participants. All ethical obligations such as anonymity and confidentiality were consequently adhered to

Sekaran (2003), argued that the researcher must address the following fundamental ethical issues when carrying out a study:

- The respondents' information must be kept entirely confidential as part
  of the research endeavour. To comply with this, all questionnaires were
  completed online using Survey Monkey, which ensured and enhanced
  the data collection's anonymity.
- All research participants must give their consent freely and voluntarily, and not coerced into partaking in the study. This was adhered to by requesting participants to complete an Informed Consent Form indicating their willingness to participate in the study on a voluntary basis. They were also given the option to drop out of the study at any time with no ramifications.
- The study's participants must not be compensated in any way for their participation. This was adhered to by clearly stating to participants that no incentives would be given to anyone for participating in the study.
- The research must be conducted with objectivity in mind, and there must be no bias against the subjects. This was adhered to by giving all participants the freedom to complete the survey questionnaires anonymously, and the questionnaires used were all reliable and valid, which also eliminated any bias towards the participants.

#### 1.6.2.7 Statistical analysis of data

All of the data was analysed using the Statistical Package for Social Sciences (SPSS) version 23. (IBM, 2015). The means, frequencies, and standard deviations of the two questionnaires' scores were determined using descriptive statistics in this study to describe the sample and calculate the means, frequencies, and standard deviations of the two questionnaires' scores. This study used the recommended mean cut-off score of 3.2 on a scale of 1–5 to discriminate between potential positive and negative reactions, with scores above 3.2 indicating a favourable impression of that construct and scores below 3.2 suggesting a negative impression of that construct. According

to HSRC study, a score of 3.2 is a useful standard for separating positive from possibly negative opinions (Castro & Martins, 2010).

The reliability of the two-measurement equipment was determined using Cronbach's alpha, and the link between AL and a HPC was determined using standard correlation coefficients. By establishing which aspects of AL as an independent variable explained the greatest fraction of the variance of a HPC as a dependent variable, multiple regression analysis was done to see if AL might predict a HPC. The p < 0.05 cut-off value was employed in this investigation to establish statistical significance.

#### 1.6.2.8 Measures to ensure reliability and validity of the study

#### a. Reliability

According to Daniels (2012), reliability is defined as the degree of consistency and dependability of its findings. Daniels (2012) described dependability as the degree to which a test is free of measurement error. The internal consistency of the measuring equipment was determined using Cronbach's alpha, which is a commonly used approach for establishing the dependability of a measure in relevant circumstances (Picardi & Masick, 2014).

#### b. Validity

According to Bryman (2012), validity can be described as the precision of the technique or findings obtained. The purpose is to verify if the indicators used to quantify the concept are accurate. The validity of data collection and analysis for the two variables was ensured by the research design, technique, and method used in this study (Rosnow & Rosenthal, 2009). Validity was also ensured by basing the inquiry on relevant theory and literature, as well as collecting research data with reliable measurement devices.

#### 1.7 CHAPTER LAY-OUT OF THE DISSERTATION

**Chapter 1:** This chapter will present the background to the research, the motivation for the research and the problem statement for this study. It will also outline the research questions, the aims of the study and the paradigm perspective. The research design, consisting of the research approach and research method, will also be discussed.

**Chapter 2:** This chapter will be the literature review that focuses on conceptualising AL and a HPC. The two concepts and their constructs will be defined and discussed and their relationship with each other will be discussed.

**Chapter 3:** This chapter will be presented in a form of a research article and will cover the research methodology employed. It will go through sample techniques, data gathering methods, research instruments, and statistical data analysis in more detail.

**Chapter 4:** The final chapter will address the conclusions, limitations and recommendations of the study.

#### 1.8 CHAPTER SUMMARY

This chapter included the background to the study, the motivation for the study, and the problem statement for this study. It also included a description of the research questions, study goals, and paradigm perspective. There was also a discussion of the research design, which included the research approach and research method. The dissertation's chapter layout was presented at the end of the chapter.

In the next chapter the literature review regarding AL and a HPC will be covered.

#### **CHAPTER 2: LITERATURE REVIEW**

#### 2.1 INTRODUCTION

The concepts of Authentic Leadership (AL) and a High-Performance Culture (HPC) will be defined and conceptualized in this chapter. The chapter begins with a brief history and explanation of leadership before delving into several leadership theories, with an emphasis on AL. A theoretical examination and definition of the notion of Organisational Culture (OC), distinct types of OC, and the present understanding of a HPC will be covered in the second part of the chapter. Finally, the chapter looks at the theoretical relationship between AL and a HPC.

#### 2.2 LEADERSHIP

#### 2.2.1 Background on leadership

Due to the significant role it played in achieving the institutions and company's strategic goals and objectives, the concept of leadership has received much attention in the literature (Daft, 2015; Du Toit, 2008; Ibrahim & Daniel, 2019). According to Muijs (2011), leadership is the practice of boosting and supporting employees' self-esteem and motivation to accomplish organisational tasks and objectives. Similarly, Yukl (2012) stated that leadership is a process in which one individual exerts purposeful influence over others to steer and direct activities and relationships in organisations. This is supported by Northouse (2013) who agreed that leadership is the practice of guiding and convincing a group of individuals to achieve common goals, while Ololube (2013) stated that leadership is a form of duty that entails using existing resources (human and material) to achieve certain goals while maintaining a cohesive and coherent organisation). Finally, Kesting et al. (2016) argued that leadership is a process by which an individual motivated or influenced others to attain organisational goals.

Several studies have also investigated the relationship between various leadership theories and aspects of organisational performance over the years, including individual, group, and organisational performance (Daft, 2015; Ibrahim & Daniel, 2019;

Jung et al., 2008; Muijs, 2011). In fact, some authors like Muijs (2011) and Daft (2015) go so far as to argue that leadership is the prerequisite in every human endeavour and that the key factor in organisational effectiveness is leadership.

#### 2.2.2 The key differences between management and leadership

The terms leadership and management are frequently used interchangeably. However, this is incorrect, and it is critical that the main differences between the two structures be well defined. While management is considered as a top-down strategy in an organisation, leadership is seen as a bottom-up method (Daft, 2015). Furthermore, whereas management's primary purpose is to bring order and consistency to an organisation's processes, systems, and procedures, leadership's primary function is to create positive change and movement (Northouse, 2013). Table 2.2 summarizes the fundamental distinctions between leadership and management.

Table 2.2

Key Differences Between Leadership and Management

# Key Differences Between Leadership and Management

 Relationships are built from the ground up, and they are fragile and reciprocal because they must adapt to changing circumstances.

Leadership

- The needs of both leaders and followers are satisfied.
- Leaders develop and innovate.
- Followers have their own ideas about what they want from their leaders.
- Power must be utilized wisely in order to foster trust and respect.

#### Management

- Relationship management is a topdown strategy in which managers are held accountable.
- Managers have control over their subordinates, but that doesn't mean they're good leaders.
- Enforce and administer rules and regulations.
- Pay attention to systems and structure.
- Put your faith in power and control.
- Maintain a focus on the bottom line.
- Focus on things.

- Maintain a long-term perspective on
   Do things right.
- Pay attention to individuals.

*Note:* Adapted from "*The Leadership Experience*," by R.L. Daft, 2015, 6th edition, p. 14, Cengage Learning.

#### 2.3 CONTEMPORARY LEADERSHIP THEORIES

Over time, several ideas of contemporary leadership have evolved, with a greater focus on the role of followers in leadership (Daft, 2015). Some of the most recent leadership theories include Transactional Leadership, Transformational Leadership, Servant Leadership, Ethical Leadership, Charismatic Leadership, Neuro-Leadership, and Authentic Leadership (AL). The first six concepts will be briefly discussed here, followed by a more in-depth examination of AL, the focus of the current study.

#### 2.3.1 Transactional Leadership

Transactional Leadership (TrL) has its origins in the natural economic exchange and trade between a leader and followers, in which the leader established specific goals and objectives, established structure, systems, and processes, organized, and arranged for the resources to carry out the work, and then outlined the reward structure for individuals who completed the tasks and the set goals (Bass & Riggio, 2006). TrL is primarily concerned with the role of supervision of individual, group, and overall organisational performance (Bass, 1985). Through the use of rewarding and penalizing manifested behaviour, this leadership style is focused on the fulfilment of the followers. Transactional leaders have a reputation for being slow to adapt and absorb new ideas. This leadership style is best for crisis and emergency situations, as well as project management, because it focuses on followers' defects and deviations from established norms (Odumeru & Ogbonna, 2013).

# 2.3.2 Transformational Leadership

Over the last three decades, transformational leadership (TL) has gained a lot of attention in the leadership literature. According to Marzano et al. (2005), TL is focused with bringing about positive change, whereas Velasco et al. (2012, p. 325) defined it as "a convincing vision that attracts trust, commitment, and acceptance of the expected and desired change." Wang (2014) argued that TL is critical and required for the firm and its employees in the face of increased business rivalry and an everchanging business climate. People's intellectual capacity is stimulated and developed to a higher level when a leader utilizes a transformational leadership style (Kim, 2014).

TL is connected with four behavioural characteristics: (1) Individualised consideration occurs when the leader treats followers as individuals, tailoring their leadership style to those individuals' needs in order to motivate and nurture their respective talents; (2) Intellectual stimulation occurs when the leader engages the follower in meaningful dialogue and decision-making processes; (3) Inspirational motivation occurs when the leader spells out and outlines the strategic goals and objectives, vision, and mission, as well as creating motivation to pursue and achieve them (Bass & Riggio, 2006).

Healthy connections, TL emphasized, are based on performance, and are linked to acceptable ethical behaviours, improved partnerships and networks, healthy competition, and a selfless approach to achieving organisational goals (Bass & Riggio, 2006).

## 2.3.3 Servant Leadership

Greenleaf (2002) developed the Servant Leadership (SL) concept, which has received much scholarly attention since then. Servant leadership, according to Nuijten (2009), is a form of leadership that is primarily concerned with the growth and well-being of individuals, and that a servant leader has a moral obligation to assess and address the needs of the people. Greenleaf (2002) posited that the servant-leader is first and foremost a servant. It all starts with the natural desire to serve, to serve first. Then one decides consciously that he or she wants to be a leader. Greenleaf (2002) established and outlined certain behavioural traits that characterised a servant leader, which

included respect for one's fellow workers, the ability to listen, and humility, based on the underlying principle of SL as described above.

## 2.3.4 Ethical leadership

Yulk (2013) asserted that Ethical Leadership (EL) is a complex concept with many different components. Freeman and Steward (2006) argued that EL should be viewed as an enabling instrument for leaders to do the right things rather than a deterrent to wrongdoing. An ethical leader is someone who adheres to a higher universal norm of moral behavior while upholding and living by personal ideals of conduct. Furthermore, ethical leaders promoted morally acceptable behaviour by establishing such characteristics as role models, rewarding good behavioural inclinations, and discouraging bad ones among their members (Freeman & Steward, 2006).

Shakeel et al. (2019) is of the view that EL is a demonstration of normatively appropriate behaviour through personal action and interpersonal relationships, as well as the encouragement of such behavior to followers via two-way communication, reinforcement, and decision-making is important. This concept identified two important responsibilities of an ethical leader: (1) the moral person who is concerned about the ethical principles that the leader holds, and (2) the moral management position, which entails the initiatives that the leader takes to develop moral ethical behavior in their followers (Shakeel et al., 2019).

## 2.3.5 Charismatic Leadership

Conger and Kanungo (1998, as cited in Daft, 2015) developed a behavioural model based on the idea that charismatic leadership (CL) is an attribution that focused on how followers perceived and understood their leaders' actions. As a result, this theoretical framework critically assessed the current situation or status quo, as well as followers' inclinations, abilities, requirements, and level of satisfaction. People responded emotionally to charismatic leaders, who motivated them to go above and beyond what they would typically accomplish. According to Ansar et al. (2016), CL is the process of encouraging specific behaviours in others through the use of personality, persuasion, and communication, whereas charismatic leaders inspire

their followers to do things better. According to Porass et al. (2007), charismatic leaders engaged their emotions in everyday professional life, making them more energetic, enthusiastic, and appealing to others.

Ansar et al. (2016) explained that the capacity to establish a vision and the manner in which charismatic leaders sell their vision to others distinguished them from other types of leaders. A charismatic leader, in essence, provides direction and encouragement to undertake things that will result in noticeable change. Ansar et al. (2016) discovered that (1) CL and employee motivation had a positive relationship, resulting in higher organisational effectiveness, and (2) charismatic leaders recognized employees' ability and skills more effectively, resulting in higher organisational effectiveness.

# 2.3.6 Neuro-leadership

Neuro-leadership is the application of neuro-science findings to the field of leadership by examining how the brain influences leadership abilities (Lafferty & Alford 2010). It focuses on how people make decisions, solve problems, regulate their emotions, collaborate with and influence others, and facilitate change in a social setting (Ringleb & Rock 2008). It also has to do with the psychology of leadership and extraordinary success, as well as the study of productive persons (Duckworth, 2016). The basic premise of neuro-leadership is that, as a result of significant scientific progress, neuroscientific knowledge can now be used to inform and influence theory and practice across a broad range of leadership disciplines, including leadership development, management training, change management, productivity and perseverance, education, consulting, psychology, and coaching (Lafferty & Alford 2010).

#### 2.4 AUTHENTIC LEADERSHIP

## 2.4.1 Authenticity

Authenticity has been described as the ability to own one's unique experiences, whether they are in the form of emotions, beliefs, desires, or preferences, and then

act on them according to one's true self (Seligman, 2002). Since the early 2000s, the idea of authenticity has been included into contemporary theories in the field of leadership in the business literature (Harter, 2002). (Avolio et al., 2004; Gardner et al., 2005; Luthans, 2002; Luthans & Avolio, 2003). This was due to an increasing desire for action-based leadership based on pillars like as transparency, consistency, balance, and integrity (Avolio & Luthans, 2006), which are considered as essential elements of constructive, responsible, and long-term organisational projects (George, 2003; George & Sims, 2007; George, Sims, McLean & Mayer, 2007). The principle behind authenticity is that a leader should own their personal experiences and act and conduct in a way that reflects their true inner self (Gardner et al., 2005; Leroy, Polanski & Simons, 2012).

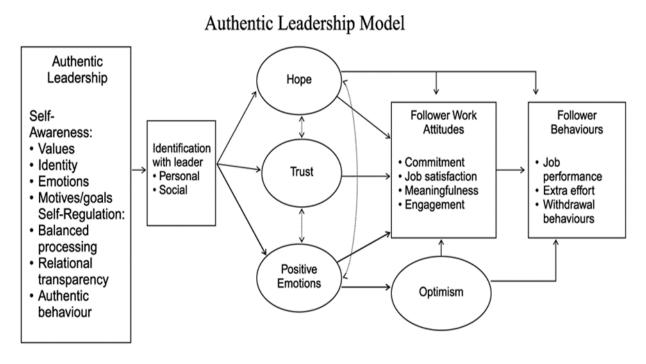
## 2.4.2 Defining authentic leaders and authentic leadership

Avolio et al. (2004) defined authentic leaders as those who know and comprehend who they are and what they believe, as well as those who are always transparent and consistent in their moral convictions, ethical thinking, and deeds. Authentic leaders, according to Avolio et al. (2004), are respected for their moral values and integrity, and focus on developing positive emotional states in themselves and their followers, such as self-confidence, optimism, hope, and resilience. To depict the many qualities and components of authentic leadership, as well as the influence it has on followers, Avolio (2004) developed the Authentic Leadership (AL) Model. The model is depicted in Figure 2.1.

Walumbwa et al. (2008) explained that AL is a pattern of leadership behaviour that draws on and fosters both positive psychological capacities and a positive ethical milieu. Walumbwa et al. (2008) argued that AL produced better self-awareness, an internalized moral viewpoint, balanced information processing, and relational transparency among leaders engaging with followers, resulting in positive self-development.

Figure 2.1

Authentic Leadership Model



*Note:* Adapted from "Unlocking The Mask: A Look at the Process by which Authentic Leaders Impact Follower Attitudes and Behaviors", by B.J. Avolio, W.L. Gardner, F.O. Walumbwa, F. Luthans, and D.R. May, (2004), *The Leadership Quarterly, 15*(6), pp. 801-823.

Luthans and Avolio (2003) asserted that in organisations, AL involved a process that combined good psychological capacities with a well-developed organisational setting to produce improved self-awareness and self-regulated positive behaviours among leaders and associates.

Rather of seeking to coerce or even rationally persuade companions, the authentic leader's true ideals, beliefs, and behaviours aided in the development of associates (George, 2003). Begley (2001) argued that AL is a function of self-awareness, sensitivity to others' perspectives, and technical competence that leads to a synergy of leadership action (2001). Authentic leaders, according to Avolio et al. (2004), are individuals who are aware of who they are, what they think, and how they behave, and who are perceived by others to be mindful of their own and others' needs.

Through high levels of trust, respect, positive influence through personal integrity, authentic relational orientations, and balanced processing of self-relevant knowledge, an authentic leader nurtured follower reciprocation (Avolio & Gardner, 2005; Ilies et al., 2005). Despite the enormous amount of studies on what makes a good leader, George et al. (2007) claimed that no scholar has yet come up with a definitive answer. However, George et al. (2007) considered this as a positive because it could limit leaders' ability to adapt to this profile and therefore become inauthentic. People will believe you if you are authentic and unique, rather than a carbon duplicate of someone else. Walumbwa et al. (2008) posited that leaders have a major (positive or negative) impact on their followers' lives, and that ethics is at the heart of leadership.

According to Walumbwa et al. (2008) and Wong and Laschinger (2013), a true leader stresses openness and truthfulness among followers, encouraging people to be forthright with their own ideas, challenges, and opinions by acknowledging how they affect others. A more recent contribution to the characteristics of an authentic leader was given by George (2016), who defined an authentic leader as one who would continue to strive to bring out the best in others. George (2016) held a view that authentic leaders perceive potential in others, inspire people to take responsibility for their actions, and emphasize teamwork, all of which benefit everyone.

In addition to this theoretical understanding of why authentic leaders have a positive impact on their followers' performance, empirical evidence is accumulating to support this theoretical position. Walumbwa et al. (2008; 2011) and Walumbwa et al. (2010) provide empirical evidence that AL behaviour is associated with supervisor-rated job performance, organisational citizenship behaviour, and work engagement. In the management practitioner literature, George (2003) indicated that authentic leaders engaged followers by modelling and expressing a profound sense of responsibility for producing good outcomes over a long period of time.

## 2.4.3 Constructs of authentic leadership

Walumbwa et al. (2008) explained AL in terms of four essential constructs:

#### 2.4.3.1 Self-awareness

A leader's ability to know about himself and be aware of his or her own strengths and limitations, as well as the impact of his or her beliefs on followers, is defined as self-awareness (Gardner et al., 2014). Self-awareness was defined as a personal journey that led to an understanding of a leader's strengths and weaknesses, as well as their personal impacts on their followers, as well as the process by which they perceived the world, established meaning, and evaluated their own behaviour considering the set of interpretations (Gardner et al., 2014).

The amount to which leaders comprehend their own overt and covert behaviour demonstrates self-awareness, which is a precondition for emotional and social intelligence (Luthans & Avolio, 2009). A leader's ability to be self-aware and comprehend how to act and behave in the presence of others, as well as receive feedback and correct faults, is crucial. Leaders must also be able to transform their weaknesses into advantages and, most importantly, be aware of their own impact on their followers (Ozkan, & Ceylan, 2012; Zamahani et al., 2011).

# 2.4.3.2 Relational transparency

The ability of the leader to convey and disseminate knowledge without distortion is a characteristic of relational transparency (Stander et al., 2015). It demonstrated how a leader's true self was displayed to others and how it aligned with their actual behaviours while engaging with others. Leaders' behaviours are likely to mirror their internalised moral ideals and ethical predisposition, with little attempt to distort or deceive about who they are and their belief system (Stander et al., 2015). The level of a leader's openness and true contact with followers, as well as the interchange of ideas, thoughts, and feelings about oneself in relation to the followers, was referred to as relational transparency (Ozkan & Ceylan, 2012). As a result of the leader's self-disclosure, transparency may directly result in better levels of trust, effective cooperation, and improved co-operation with employees (Zamahani et al., 2011).

## 2.4.3.3 Internalised moral perspective

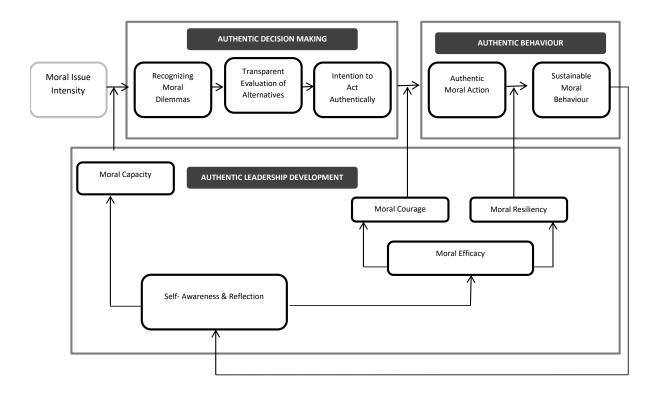
Internalised moral perspective, as a construct of AL, involves an internal investigation of internal moral development and leader behaviour and acts, which are directed by internal moral standards and ideals rather than external influences (Hannah et al., 2011). Authentic leaders have an internalised moral perspective that allows them to apply moral and ethical guidelines in their day-to-day decision-making process. This becomes a distinguishing feature of their moral standard, which serves as the foundation for decision-making for themselves, their followers and subordinates, and their organisations (Hannah et al., 2011). Authentic leaders instilled trust, built personal credibility, and demonstrated their integrity by practicing what they preached (Walumbwa et al., 2010).

The followers' impression of the leader's actions and words progressively developed, leading them to describe their leaders as believable, trustworthy, and authentic, which finally created the cornerstone for their ethical identity (Avolio & Gardner, 2005; Hannah et al., 2011). Kotze and Nel (2015) projected that in a difficult scenario, leaders with a high level of internal perspective would make an ethical decision based on their personal values, norms, and beliefs. These leaders' actions are then influenced by their ideals and external norms (Kotze & Nel, 2015).

According to Hannah et al. (2011), the moral component of AL is described as the exercise of selfless, virtuous leadership by a highly developed leader who acts in concert with their self-concept to gain agency over the moral components of their leadership domain (Avolio & Mhatre, 2011). Altruism is a leader's desire to better the lives of others, but virtuousness is a leader's commitment to themselves and acting in accordance with their actual self (Hannah et al., 2011). Figure 2.2 shows Avolio and Mhatre's (2011) model for demonstrating the moral component of AL. Genuine leaders have a greater level of moral aptitude to appraise moral difficulties and examine events from multiple perspectives, according to the model.

Figure 2.2

Developing the Moral Component of Authentic Leadership



*Note*. Adapted from "Advances in Theory and Research on Authentic Leadership" by B.J. Avolio and K.M. Mharte, 2011, p. 777, Oxford University Press.

# 2.4.3.4 Balanced processing

This construct is based on the leader's actions in seeking and obtaining information, examining, and making sense of it, and then making an informed choice based on the facts derived from the information gathered (Walumbwa et al., 2008). This is done without considering their own perspectives, assumptions, or world views, and it also demonstrates the leaders' capacity to separate personal interests from the decision-making process and outcomes (Walumbwa et al., 2008). Authentic leaders consider all the facts and viewpoints offered to them, and they assess the information objectively and in the best interests of everyone affected (Walumbwa et al., 2008).

Before making a major choice, a leader must be objective in their approach and consider all the facts and figures offered in the information (Valsania et al., 2012). Balanced processing removed prejudice and is the foundation of an individual's integrity. It also assisted the leader in making the best decisions and it also aided the leader in making the best decisions and implementing the greatest strategic actions possible (Valsania et al., 2012; Zamahani et al., 2011).

# 2.4.4 Authentic leadership and performance

Avolio and Gardner (2005) proposed that an authentic leader's expressed behaviour resulted in follower enhanced and maintained performance outcomes in a competitive and unstable business setting. AL has been linked to follower, individual, and team performance, as well as organisational citizenship behaviours. Walumbwa et al. (2008) and Walumbwa (2011a) argued that AL has also been connected to group performance and organisational citizenship behaviours through the processes of group trust and group positive psychological contract.

Since its inception, a substantial quantity of empirical research has proven to AL's critical role in delivering improved organisational and employee results (Gardner et al., 2011). Leaders who demonstrate high levels of authenticity develop a bond with their followers, which leads to better work outcomes such as increased organisational commitment and motivation (Peus et al., 2012), increased employee engagement, and more positive organisational citizenship behaviour (Peus et al., 2012; Valsania et al., 2012). Furthermore, taking into mind the beneficial relationship between employee attitudes and organisational results, AL has been demonstrated to have an indirect and positive effect on organisational performance (Clapp-Smith et al., 2009; Laschinger et al., 2013).

While empirical studies into AL followed, and a firm theoretical foundation was established, there are still significant gaps in the theory of AL. To begin with, most studies to date have focused primarily on individual outcomes, with little attention paid to team and group outcomes, as well as how authentic leaders can contribute by leveraging components of team and overall organisational performance. The existence of flatter group-based structures necessitated the imperial research to be

extended and elevated to cover team processes, systems, and outputs, as well as explore how authentic leaders may lead and direct such collectives, given that teams provide a solid foundation for modern organisational designs (Gardner et al. 2011).

#### 2.5 ORGANISATIONAL CULTURE

# 2.5.1 Defining organisational culture

Laforet (2017) postulated that there is no unanimity among academics about what organisational culture (OC) is all about. Regardless, several scholars have proposed their own definition of OC. Martins and Martins (2003) described OC as a shared meaning system shared by members that distinguishes the organisation from others. According to Arnold (2005), OC is the set of norms, beliefs, ideas, and behaviours that come together to give an organisation its distinct personality. Rizescu (2011) argued that OC is a collection of shared values and norms that established appropriate attitudes and behaviours for a group of people or an institution. These three definitions imply that OC separated or distinguished one organisation from another.

Schein (2004) suggested that OC is an inclusive assessment and evaluation of an organisation that focuses on the pattern of shared ideas and assumptions that the group has learnt because of positive results on internal problems. Furthermore, these shared beliefs and assumptions have assisted the organisation in adapting to the external environment and have worked well enough to be considered valid and, as a result, to be taught to new members as the correct way to perceive, think, and feel about those problems. (Schein, 2004). Schein (2004) further suggested that the only thing that leaders do those matters is develop and manage culture, and their ability to comprehend and deal with culture is their unique talent.

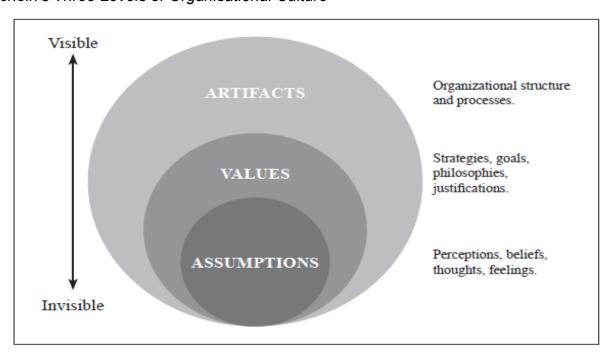
Eustace and Martins (2014) defined OC as the basic values, ideas, and concepts that underpined a company's management processes. OC, according to Alvesson (2013), is a compass that directed and guided employees' behaviour in the desired direction of the organisation's operational norms. Van Heerden and Roodt (2007) argued that OC is comprised of a set of standards and signals manifested in the behaviour of its members.

Schein (2010) identified three distinct levels of OC, as shown in Figure 2.3:

- Artefacts and behaviours that covered the organisation's tangible, overt, and verbal parts.
- Corporate values, which are the company's guiding principles, which encouraged employee behaviour.
- Basic assumptions that make up the essence of culture and are inextricably linked to the organisation's value systems and operating practices.

Figure 2.3

Schein's Three Levels of Organisational Culture



*Note:* Adapted from "Organizational Culture and Leadership", by E.H. Schein, 2004, 3rd edition, p. 23, Jossey-Bass.

# 2.5.2 The importance of organisational culture

Nelson and Quick (2013) argued that OC served a variety of functions in an organisation, including:

- It fostered a sense of belonging and cohesion inside the organisation.
- It allowed the company to set itself out from the competition.
- It imposed a shared commitment that prioritised the company's interests over personal ones.
- It resulted in the standardization of norms and rules, as well as influencing employees inside the organisation to pursue the desired path in line with the organisation's principles.
- It gave clear guidance and strategic direction, as well as a roadmap for achieving objectives.

Montanari et al. (1990) claimed that an organisation's strategy is most likely to succeed when it is aligned with the organisation's operational norms, and that OC should be included in the strategic management process. Montanari et al. (1990) went on to say that OC is essential to effectively support and execute an organisation's strategic initiatives, and that the defined operating norms must be communicated and embraced by all employees to successfully execute organisational strategy. Montanari et al. (1990) posited that a strong OC is also a critical contributing factor for an organisation's continuous excellence, increased financial performance, and ability to adapt to change and innovate. The OC of a given organisation will have a significant impact on determining a firm's vision and mission (Montanari et al., 1990).

While collective agreements on criteria for becoming a member may be considered as a technique of establishing whether a culture unit existed in any group, OC sets the tone for the organisation's goal and indicates group borders and requirements for participation. One of the most essential cultural elements of the organisation was its specific rewards and punishments, as well as how they were delivered (Montanari et al., 1990). According to Robbins (2016), OC plays a critical role by performing the following functions: first and foremost, it distinguishes an organisation from competitors and others; second, it establishes a unique identity for an organisation; third, it enforces collective commitment over individual self-interest; fourth, it promotes social system stability and serves as the glue that keeps the organisation together; finally, it provides comfort.

#### 2.6 TYPES OF ORGANISATIONAL CULTURE

Over the years, a large number of studies have offered varying literature on distinct types of OC. Kirby and Kummerow (2013) identified six different varieties of OC depending on cultural factors, which are listed below:

- Emotionality. The degree of emotional expressiveness and how it is
  discouraged in the workplace were discussed. Employees bottled up
  their frustrations and dejection and were strongly discouraged from
  displaying and expressing their emotions and thoughts, resulting in a
  trust gap between employees and management.
- Depersonalisation. The amount to which problems are attributed to nonhuman sources or are externally centred, resulting in a lack of personal accountability and responsibility.
- Subordination. Team members are not encouraged to confront their bosses, initiate and implement change, or even participate in decisionmaking processes in an organisation.
- Conservatism. Employees' belief that the situation would never improve and their hopelessness about any change initiatives generating concrete value and benefits to the organisation.
- *Isolationism.* The extent to which the organisation encouraged individuals to make decisions and solve problems on their own.
- Antipathy. The scope of intergroup conflicts was covered, and in most cases, organisations with a high prevalence of antipathy tend to be fragmented, with many competing groups within the entity.

Furthermore, Kirby and Kummerow (2013) found four ideological orientations that are associated with OC typologies, which are briefly mentioned below:

 Power orientation. The emphasis in this OC typology was on dominance, power, and control. This is where executives maintain complete control and can be oppressive, allowing little freedom for employees to express themselves.

- Role orientation. This is characterized by rigid adherence to rules, laws, policies, and procedures, and it is characterized by the individual's duties and standing in the organisation being valued more than the individual.
- Task orientation. The achievement of goals and targets was highly prized by businesses. Leaders are regarded for their knowledge and competence rather than their rank or position inside the organisation in this case.
- Person orientation. When an organisation is perceived as a way of meeting the needs of its employees, it is more likely to inspire collaboration and teamwork. The organisation's structure is vague, and informal authority is only used on rare occasions.

#### 2.7 ORGANISATIONAL CULTURE AND PERFORMANCE

Martins and Martins (2003) held a view that global research showed that OCs generated high levels of dedication and performance. In addition, OC concentrated on defining rules and norms that guide and lead how employees should behave in each given firm (Martins & Martins, 2003). Denison and Mishra (1995, as cited in Cummings et al., 2019) developed a hypothesis of organisational culture and effectiveness, identifying four cultural elements that were positively connected with organisational performance:

- Involvement and participation. Employee engagement with the organisation's vision was assessed and measured. Employee participation in decision-making structures and procedures promotes ownership and accountability in the organisation.
- Consistency and normative integration. The degree to which the organisation's values are produced, defined, and understood is measured.
- Adaptability. The organisation's ability to act, respond, and adapt to environmental changes was assessed.

 Mission. Employees' knowledge and awareness of the organisation's overall vision was assessed and measured.

## 2.8 A HIGH-PERFORMANCE CULTURE

Van Heerden and Roodt (2007) presented an argument that the definition of a HPC can be interpreted in a variety of ways (HPC). The concept of a HPC referred to a culture that fostered a high-performance environment (Van Heerden & Roodt, 2007). As a result, a HPC can be defined as a culture in which leaders have the opportunity to communicate and cascade a compelling vision and purpose to employees, a culture in which processes, systems, and policies are in place to support the organisation's purpose and strategic objectives, and a culture in which employees are held accountable, engaged, and committed to improving their individual and team performance to the organisation's purpose (Van Heerden & Roodt, 2007).

A HPC, according to the definition above, is a set of behaviours and operating norms that enable an organisation to achieve long-term business results by establishing clear and measurable goals, defining employee roles and responsibilities, fostering a culture of trust, and encouraging employees to pursue life-long learning (Van Heerden & Roodt, 2007). Schneider et al. (2014) contested that a HPC is one that is motivated by change, influenced by quality, and driven by technology, as well as one that promotes and adheres to core values such as innovation and creativity, proper knowledge management, open and honest communication, respect, and integrity.

Van Heerden & Roodt (2007) advanced an argument that organisations with a HPC exhibited certain common characteristics or patterns, similar to how an individual's personality is described. According to Van Heerden & Roodt (2007), some of the aspects that were notably comparable among these models were that high-performing organisations have visionary principles that are converted into clear strategy. Furthermore, the organisation's personnel were aware of the company's goal and plan. Finally, the organisation recognized the importance of having the correct human capital, therefore its recruitment and selection processes were adjusted accordingly.

There were also other policies and processes in place, such as performance management and reward and recognition structures (Van Heerden & Roodt, 2007).

Eygelaar's (2004) model of organisational performance excellence best illustrated the creation of a HPC. The Excellence Model is a self-assessment framework for assessing an organisation's strengths and areas for improvement across all its activities using recognized performance excellence standards (Eygelaar, 2004). Effective leadership, as well as proper management strategies and other organisational enablers, are significantly responsible for excellent organisational performance and sustained high performance organisations (Van Heerden & Roodt, 2007).

According to Osborne and Cohen (2002), high-performance organisations have a specific profile that distinguished them from typical functional organisations. Three distinct qualities distinguished such high-performance organisations: (1) their specific corporate culture, (2) their people, and (3) their management system. The three categories are as follows:

- Corporate Culture. Employees in high-performance organisations have a thorough awareness of the organisation's mission and objectives, as well as complete buy-in.
- The People. People are seen as the most valuable resource, and they
  are committed to carrying out their responsibilities effectively and
  meticulously. They are always prepared and ready to outperform their
  competition, and they are driven to succeed at all costs.
- The Management System. Companies with high performance have a well-defined strategy. The plan featured three critical elements: key performance measurements, an appropriate recognition system for excellent performance, and clear and open communication methods that instilled confidence and sparked dedication among employees, reinforcing the organisation's values and goals.

Eygelaar (2004) held a view that organisational performance excellence is a model based on an organisation's corporate culture, values, and belief systems, which are supported by an integrated framework and strategic determinants. These strategic factors provide a framework for organisations to create their competitive edge (Eygelaar, 2004).

## 2.9 ASSESSING ORGANISATIONAL CULTURE

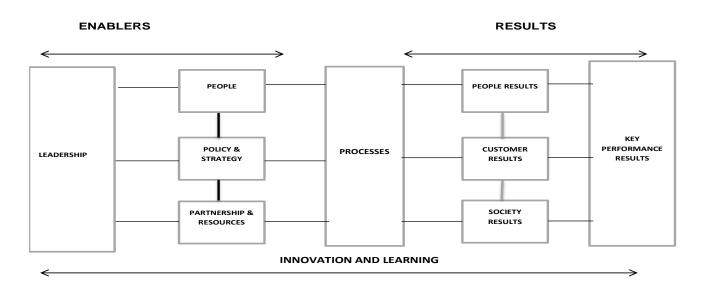
To measure a HPC, various models of organisational functioning have been used, and five of these models will be addressed below: (1) The Excellence Model, (2) The South African Excellence Model, (3) The Balanced Scorecard Model, (4) The High-Performance Organisation Model, and (5) The Integrated High-Performance Organisational Culture Model are all examples of high-performance organisations.

## 2.9.1 The Excellence Model

Eygelaar (2004) posited that the Excellence Model provided organisations with the ability to undertake internal assessments against their competitors in order to identify crucial areas of the business that need improvement. According to Van Heerden and Roodt (2007), in the late twentieth century, efforts were focused on developing various excellence awards and models around the world, such as the Deming Award, the Malcolm Baldridge National Quality Award (MBNQA), and the European Foundation for Quality Management (EFQM) Award. Figure 2.4 illustrates the Excellence Model.

Figure 2.4

The Excellence Model



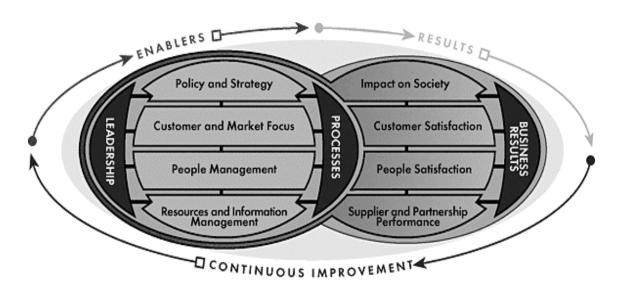
*Note.* Adapted from "The EFQM Excellence Model for Assessing Organisational Performance: A Management Guide", by C. Hakes, 2007, p. 14, Van Haren Publishing.

Van Heerden and Roodt (2007) argued that an organisation's level of satisfaction was determined primarily by the community it served and society at large, as well as customers and consumers, as well as other stakeholders such as suppliers, creditors, and others. Van Heerden and Roodt (2007) further argued that organisational excellence and overall effectiveness and performance are achieved through a combination of organisational processes and systems, policies and strategic direction, customer and consumer focus as well as market niche, people management practices, organisational tools and capabilities such as knowledge management and information systems, and effective leadership. Excellent organisational performance and sustained high performance organisations are largely due to effective leadership, as well as proper management techniques and other organisational enablers (Van Heerden & Roodt, 2007).

#### 2.9.2 The South African Excellence Model

The South African Excellence Model (SAEM), according to Van der Walt (2004), aimed to support the formation of a HPC in organisations in South Africa. Nel (2010) presented a view that the SAEM's foundation related to the Excellence Model outlined in Section 2.9.1 above, which is largely founded on the premise that strong leadership is required for organisations to embrace a high-performance culture. The SAEM identified leadership and business processes such as policy and strategy, customer and market focus, people management and resources, and information management as essential enablers for the organisation to achieve its goals. Business results such as societal impact, customer happiness, employee satisfaction, and supplier and partnership performance are achieved through the optimal use and execution of effective leadership and internal business procedures (Nel, 2010). The SAEM is depicted in Figure 2.5.

The South African Excellence Model



Note. Adapted from "Service Excellence: Johannesburg City Parks Case Study", by W. Nel, 2010, University of South Africa, Department of Environmental Sciences, Pretoria.

## 2.9.3 The Balanced Scorecard Model

The Balanced Scorecard Model (BSM), established by Kaplan and Norton (1996), was launched as a self-assessment tool for organisations to evaluate their overall performance. The High-Performance Culture Questionnaire (HPCQ), which was used in the current study as a data gathering tool, was developed using the same logic by Van Heerden and Roodt (2007). Organisations that try to create a HPC, according to Van Heerden and Rood (2007), measured individual and group performance using various performance management frameworks and techniques.

Organisations implemented the BSM as an intervention measure to address the flaws created by traditional accounting methods. The BSM ensured that the company's vision and strategy were translated into practical implementation, which could then be measured using a variety of performance metrics, such as (1) financial, (2) internal processes, (3) clients or consumers, and (4) innovation and organisational learning capability (Kaplan & Norton, 1996). The BSM is seen in Figure 2.6 and the four constructs are explained in greater depth below.

#### • Financial construct

The financial construct aimed to determine the organisation's operating profit as well as its return on investment (ROI) (Kaplan, 2005).

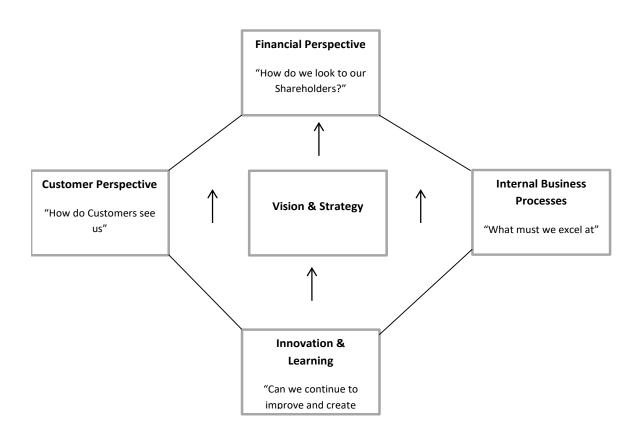
# Internal business processes construct

The internal business processes construct focused on actual operations, customer management and retention, regulatory affairs, as well as social and other associated processes, all of which attempt to meet and exceed customer expectations and improve overall product and service quality (Kaplan, 2005).

#### Client or customer construct

The customer construct aimed to assess client happiness, retention, and expansion. This construct has the potential to have a bigger impact and bearing on the alignment between the organisation and future strategy orientation to maximize the bottom line and better align and relate to the customer value proposition, with the ultimate goal of maximising shareholder value (Kaplan, 2005).

The Balanced Scorecard Model



*Note.* Adapted from "Using the Balanced Scorecard as a Strategic Management System," by R.S. Kaplan and D.P. Norton, 1996, *Harvard Business Review*, 74(1), pp. 75-85.

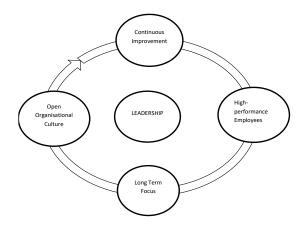
# Innovation and learning construct

Other internal processes that supported the achievement of the business strategy and the success of the organisation were evaluated and assessed in the construct of innovation and learning, which included integrated talent management, information technology and management systems, as well as the organisational climate (Kaplan, 2005).

# 2.9.4 The High-Performance Organisation Model

Breejen (2009) argued that High-performance organisations are defined by (1) effective leadership, (2) continuous improvement, (3) high-performing personnel, (4) an open organisational culture, and (5) a long-term emphasis. Employees at high-performing organisations are high-performing individuals who are focused on customers, quality, and continuous improvement, as well as inspiring one another to accomplish outstanding achievements. In high-performance teams, high-performing personnel are held accountable for their results and take responsibility (Breejen, 2009). Figure 2.7 depicts the High-Performance Organisation Model.

The High-Performance Organisation Model



Note. Adapted from "De High Performance Organisatie, Een intergrale aanpak", by J.D. Breejen, 2009, Kluwer, p. 41.

According to Van Heerden and Roodt (2007), organisations that follow and practice the concepts and practices of the HPC model have a particular corporate citizenship and human capital management character that sets it apart from others. Strong executives, as well as policies and processes that support the organisation's vision and strategy, are essential. Finney (2008) argued that HPCs are built on a compelling organisational vision and strategy, as well as shared values that drive and influence employee behaviour and best practices, as well as a sense of ownership and accountability. Employee collective ownership resulted in high performance, bottom-line results maximization, and improved shareholder value.

As a result, high-performance organisations have cultures that are defined by elements such as a clear and compelling goal, as well as people who identify with and fully support the mission. Employees are adaptable and willing to modify their existing performance and are continually looking for new methods to innovate, and leaders are exceptional. Furthermore, employees are constantly looking for methods to enhance their systems and procedures, and they look to their managers for moral advice and direction (Osborne & Cowen, 2002).

Van Heerden and Roodt (2007) presented an argument that individuals and groups in high-performing organisations are willing to go above and beyond the call of duty to ensure that strategic goals and objectives are accomplished, and business results are attained. As a result, a HPC can produce better results while also improving employee dedication and providing a significant emotional and psychological connection and commitment. A HPC can also help to prevent bad behaviour and malpractice in the workplace, give effective leadership, motivate people, instil confidence, and spark and ignite inventive thinking, risk-taking, mutual trust, and attracting and retaining top talent (Finney, 2008).

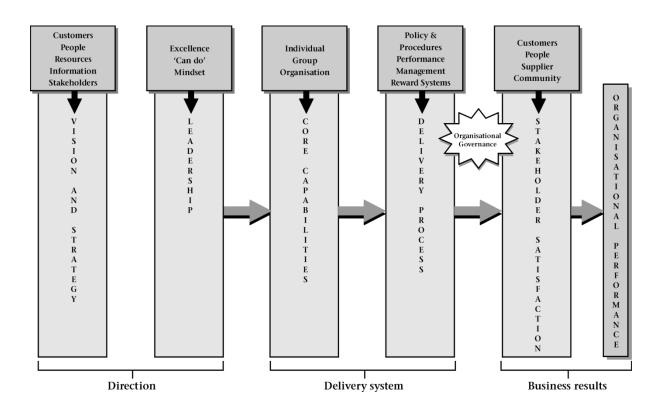
## 2.9.5 The Integrated High-Performance Organisational Culture Model

Van Heerden and Roodt (2007) developed their Integrated High-Performance Organisational Model, which has been extensively supported and utilized in numerous progressive organisations, based on the features of the High-Performance

Organisation Model outlined above. Figure 2.8 shows the six (6) main characteristics of this integrated model: (1) vision and strategy, (2) leadership, (3) core capabilities, (4) delivery method, (5) stakeholder satisfaction, and (6) organisational performance (Van Heerden & Roodt, 2007). As shown in Figure 2.8 and described further below, these construct are further divided into three important categories: (1) direction, (2) delivery system, and (3) business results.

Figure 2.8

An Integrated High-Performance Organisational Culture Model



*Note:* Adapted from "The Development of a Measurement Instrument for Assessing a High-Performance Culture," by W. van Heerden, and G. Roodt, 2007, *South African Journal of Industrial Psychology*, 33(1), p. 22.

 Direction. According to Van Heerden and Roodt (2007), high-performing organisations have a well-defined vision and strategic direction, and leaders lead, direct, and influence by conveying the vision with passion and enthusiasm. These organisations' leaders are completely committed to implementing the vision and strategy, and they are able to translate this vision and strategy into a more practical form, instilling confidence in their followers by encouraging them to believe that anything is possible and that they can achieve more (Van Heerden & Roodt, 2007).

- Delivery System. The delivery system was primarily focused on the essential actions and outputs that enabled the achievement of the organisation's strategic goals. Individual, team, and organisational capabilities all played a role in the next domain, which aimed to support the business's delivery system. Organisational capacities have received a lot of attention at many levels. At the organisational level, an organisation's ability to provide the necessary organisational climate to create a favorable working environment for employees at all levels is assessed (Van Heerden & Roodt, 2007).
- Business Results. Satisfaction of stakeholders and financial performance are used to measure the organisation's success, or business results. It is for this reason that businesses undertake customer satisfaction survey in order to assess customer satisfaction levels in order to improve service levels (Van Heerden & Roodt, 2007).

## 2.9.6 Measuring a high-performance culture

Van Heerden and Roodt (2007) developed a measuring instrument called the High-Performance Culture Questionnaire (HPCQ) that consisted of the 12 constructs of the Integrated High-Performance Organisational Culture Model shown in Table 2.3 to properly measure a HPC in an organisation.

The 12 Constructs of the Integrated High-Performance Organisational Culture Model

Table 2.3

Construct(s)	Description of construct(s)
Vision and Strategy	Measures how optimistic you are about future
	management plans.
Leadership	This metric determines how receptive your
	immediate manager is to new ideas.
Core Capability: Organisation	In your organisation, how vital is it to respect
	diversity?
Core Capability: Group/Team	What metric do you use to see how well your team
	understands the goal?
Core Capability: Individual	Individual evaluations How much control do you
	have over your own development within your
	company?
Reward System	Measures how frequently people in your
	organisation who perform well are rewarded for
	their efforts.
Danfarra and Managara and	
Performance Management	How often has your career path in the organisation
	been discussed in the recent six months?
Policies and procedure	Is it a test to see how well you know the company's
i olioloo aha proodaalo	policies?
Stakeholder Satisfaction:	policies.
Customer	Measures how important client feedback is to your
	company.
	1 /
Stakeholder Satisfaction:	Measures how far your company has avoided
Supplier	

misusing its authority or position in relation to its

supplier.

Stakeholder Satisfaction:

Community What metrics do you use to determine how socially

responsible your company is?

Stakeholder Satisfaction: People How far has your organisation created a positive

relationship with its employees?

*Note:* Based on "The Development of a Measurement Instrument for Assessing a High-Performance Culture, "by W. van Heerden and G. Roodt, 2007, *South African Journal of Industrial Psychology*, 33(1), p. 18-28.

# 2.10 THE THEORETICAL RELATIONSHIP BETWEEN AUTHENTIC LEADERSHIP AND A HIGH-PERFORMANCE CULTURE

Schein (2010) postulated that leadership is at the heart of OC, and leaders are seen to be able to develop and shape an organisation's culture. Van Heerden and Roodt (2007) argued that one of the key challenges in obtaining high organisational performance is the organisation's ability to transform a low-performance culture into a high-performance culture through leadership. Rashid (2003) argues that it is solely the responsibility of leaders to create and maintain OCs that benefit all members of the organisation, as well as organisational stakeholders and the organisation as a whole. There is a relationship between leadership and organisational culture, according to Ogbonna and Harris (2000), and as the culture matures, it influences, shapes, and mirrors the leader's behaviour.

At various levels, AL has been related to several favourable organisational outputs and outcomes. Individual performance, self-motivation and work engagement, originality and creativity, and job happiness were all shown to improve because of the application of AL (Giallonardo et al., 2010). Follower empowerment and accountability, closer association with supervisor (Leroy et al., 2012), and personal identification with the organisation have all been studied and shown to be related to AL (Wong & Laschinger, 2013).

These findings are founded on the premise that followers observe and emulate their leaders' authentic behaviour and conduct (Avolio et al., 2004; Chan et al., 2005; Hannah et al., 2011), meaning that the locus of AL can be escalated to the group level (Avolio et al., 2004; Chan et al., 2005; Hannah et al., 2011). (Avolio & Walumbwa, 2014). Peterson (2012) discovered that AL characteristics emerge through leaders' actions and are directly linked to follower job success. Followers' happiness with line managers, organisational commitment and brand engagement, employees going above and beyond the call of duty, and team effectiveness were viewed as direct effects of AL (Peus et al., 2012). Hmieleski et al. (2012) argued shared AL had a beneficial indirect influence on the overall performance of the organisation, while Leroy et al. (2012) held that AL is linked to follower affective commitment, engagement, and increased performance in individual and team positions.

Employee values associated with the company's strategy ideals, as affected by its leader, is critical to an organisation's overall performance (Ogbonna & Harris, 2000). Authentic leaders conducted themselves in a way that reflected their deeply held personal values and convictions, which bred credibility between them and their followers, as well as follower respect and trust based on their levels of integrity (Gardner et al., 2005; Walumbwa et al., 2008), and transmitted the same energy and aura of authentic engagement and liaison amongst themselves as employees (Gardner et al., 2005; Shamir & Eilam, 2005; Walumbwa et al., 2008).

Authentic leaders also facilitate and encourage open and honest communication, open leader-follower engagement sessions, providing crucial information as well as their thoughts and views about issues; provided and received feedback; and recognized and valued diversity in their teams. They also have an excellent ability to unearth others' talents and inspire them to achieve more (Luthans & Avolio, 2009).

To promote constructive divergence of views among their followers, these leaders would foster networks of collaborative relationships with them, which would eventually lead to them engaging authentically with their leader, their fellow employees and colleagues, customers, and other business stakeholders, thereby immolating their leader (Luthans & Avolio, 2009). This would promote diversity and inclusion structures,

as well as positive ethical climates, which could eventually become the organisation's cultural foundation (Avolio et al., 2004), and honest engagement between the leader and followers, resulting in a fundamental difference in the organisation's performance (Avolio & Gardner, 2005).

Podsakoff et al. (1990) advanced an argument that an important element of being an effective leader is recognizing and managing employee performance through individualised consideration based on unique personal attributes. This results in higher levels of employee engagement and commitment, low staff turnover, and retention of great talent, as well as overall organisational performance. Organisational performance is described as the ability to provide a service to a customer efficiently and effectively while maintaining excellent financial returns (Sethibe & Steyn, 2015).

As illustrated in the South African Excellence Model (see 2.8.2 above), organisations with a HPC had excellent leaders that encouraged followers to build a common understanding to achieve their strategic objective and mission (Van der Walt, 2004). A few studies have begun to investigate how actual leaders can have a substantial impact on team procedures and outcomes, as previously stated. Mutual trust, according to Clapp-Smith et al. (2009), has a positive impact on AL and organisational performance, and it completely mediates the relationship between psychological capital and organisational performance.

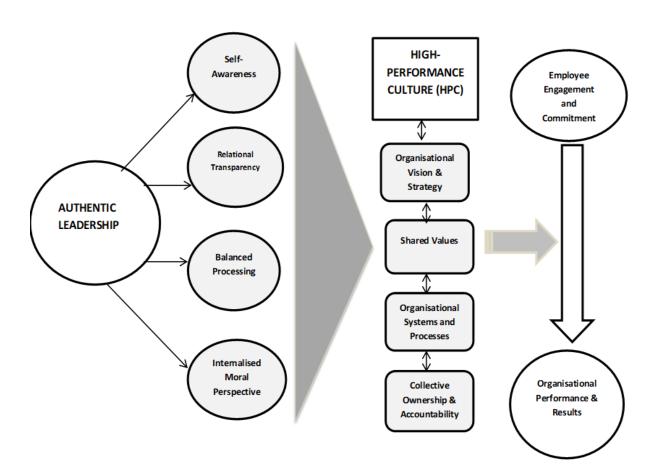
Hannah et al. (2011) established that there is a strong body of evidence based on empirical studies that suggests that when a leader acts and behaves authentically, they can transfer and reciprocate that level of authenticity to their followers, which predicts improved team and organisational performance. Hmieleski et al. (2012) argued that senior leadership and management teams that used AL were directly linked to the organisation's enhanced and sustained success. Hsieh and Wang (2015) also discovered that in teams, mutual and reciprocal trust modulated the association between team AL and team helpful behaviour.

Figure 2.9 illustrates a theoretical relationship between AL and a HPC. The combined constructs of AL, which encompassed Self-Awareness, Rational Transparency, Balanced Processing, and Internalized Moral Perspective, instilled confidence and

trust in employees' hearts and minds. The organisation's appealing vision and strategy, shared values, internal organisational system, and processes, as well as accountability and ownership, all contributed to overall organisational performance and results.

Figure 2.9

The Theoretical Relationship Between Authentic Leadership and a High-Performance Culture



*Note:* Compiled by the author based on the research by various scholars discussed above.

# 2.12 CHAPTER SUMMARY

This chapter defined and conceptualised the concepts of AL and a HPC. The chapter began with a brief history and explanation of leadership before delving into several leadership theories, with an emphasis on AL. A theoretical examination and definition of the notion of OC, distinct forms of OC, and current understanding of a HPC were discussed in the second part of the chapter. The chapter concluded with a discussion of the theoretical relationship between AL and a HPC.

The following chapter will offer the Article for Publication, which comprises the study's Research Design and Research Method.

**CHAPTER 3: ARTICLE** 

((This chapter was compiled in accordance with the standards for a journal article published

by the South African Journal of Industrial Psychology (SAJIP), and it will be submitted to the

SAJIP for publication upon approval of this dissertation.)

The relationship between authentic leadership and a high-performance

culture

**Author:** Mr Shakes Ramoroalo

Co-author: Dr B.H. Olivier

**Affiliation:** 

Department of Industrial and Organisational Psychology, College of Economic and

Management Sciences, University of South Africa, Pretoria, South Africa

**Corresponding author:** 

ramoroaloshakesgmail.com

**Orientation:** The relationship between authentic leadership (AL) and a high-performance culture

(HPC) in the Fast-Moving Consumer Goods (FMCG) industry can provide guidance to

organisations regarding their leadership development strategies to ensure a HPC, and thus

ultimately increased organisational performance.

**Research purpose:** The purpose of the present study is to establish the relationship between the

concepts of AL and a HPC in a South African FMCG organisation.

**Motivation for the study:** Employees in the FMCG industry, especially the alcohol consumption

industry, are faced with numerous challenges such as the devastating effects of Covid-19 and the

subsequent national lockdown, long working hours and highly competitive business environment.

In return, these challenges have adverse effects on their organisational commitment, productivity,

and performance outputs. An effective form of leadership is essential to steer the ship and ensure

that the workforce continuously upholds high ethical standards and that it remained motivated,

committed, and engaged, contributing to a HPC in the organisation. This study attempted to close

a void in the literature regarding the link between AL and a HPC in general and in the FMCG

industry in particular.

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Research design, approach and method: This study applied a quantitative research approach utilising a cross-sectional survey design to collect data from employees in a alcohol consumption company in the FMCG industry. The Authentic Leadership Questionnaire (ALQ) and Highperformance Culture Questionnaire (HPCQ) were administered to a random sample of 161 employees out of a population of 350. Participants consisted of managerial and non-managerial personnel at various levels in the organisation. Descriptive statistics were computed to describe the sample while the internal consistency of the measurement instruments was determined by a reliability analysis. The statistical relationship between AL and a HPC was determined by a correlation analysis while linear regression analysis was performed to determine whether AL could predict HPC.

**Main findings:** The results of this study found a statistically significant relationship between a Composite AL Score and a Composite HPC Score (r = .78; p < .50) while it was found that a Composite AL Score could statistically significantly predict a Composite HPC Score in an alcohol consumption company in the FMCG industry.

**Practical and managerial implications:** The main findings suggest that FMCG organisations can improve their organisational performance if leaders strive to be more authentic, as this will result in the elevation of trust between leaders and employees as well as among co-workers themselves. Consequently, a HPC can be developed and sustained leading to an overall increase in organisational performance.

**Contribution or value add:** This study provided evidence of the link between AL and a HPC. This knowledge can assist organisations to develop a HPC and thus improve their performance by introducing appropriate leadership development strategies.

#### Introduction

The fast-moving consumer goods (FMCG) business exists and functions in a highly dynamic and competitive environment marked by weak economic development and frequent legal restrictions (Bala & Kumar, 2011). Extended working time, high rate of absenteeism, excessive attrition rate, and fatigue, affect the FMCG industry (Africa, 2017). Employees must also continue to produce high-quality items at a competitive pace while maintaining the organisation's high standards. Bala & Kumar (2011) argued that business leaders are faced with a mammoth task to lead and manage the organisation and to ensure that the workforce

continuously upholds high ethical standards and that it remains committed and engaged. In this regard, leadership teams have a duty to positively influence and motivate the workforce to the extent that their personal values are aligned to values held by the organisation's leaders while emulating the example set by leaders in pursuit of the attainment of organisational goals and overall business performance.

# Research purpose

The purpose of this study is to establish the relationship between AL and a HPC in a South African FMCG organisation.

#### What will follow

The article begins with a review of the pertinent literature on AL and a HPC, as well as the link between the two variables. The research methodology is then described, followed by a discussion of the results. The article is then concluded with a discussion of the study's limitations, recommendations for further research, and management implications.

#### Literature review

#### **Authentic leadership**

Since the early 2000s, the concept of authenticity has been included into contemporary leadership theories in the business literature (Harter, 2002). (Avolio et al., 2004; Gardner et al., 2005; Luthans, 2002; Luthans & Avolio, 2003). This is due to the rising desire for action-based leadership based on concepts like transparency, consistency, balance, and integrity (Avolio & Luthans, 2006), which are commonly regarded as cornerstones of constructive, responsible, and long-term organisational projects (George, 2003; George & Sims, 2007; George et al., 2007). The principle behind authenticity is that a leader must own their personal experiences while acting and behaving in a way that reflects their true inner self. (Gardner et al., 2005; Leroy et al., 2012).

Authentic leadership has been researched in a variety of organisations since its inception as a concept. According to Avolio (20014), authentic leaders are those who are highly self-aware, who know their values and beliefs, and who behave in accordance with their beliefs and values while interacting with others. Leroy (2012) argued that AL occurred when individuals enacted their true selves in their role as a leader. George (2003) postulated that authentic leaders are those that lead with purpose and with their hearts, practicing solid values; such leaders are

committed to building long-term relationships with people and are self-disciplined. AL is defined by Walumbwa et al (2008) as a pattern of leader behaviour that draws on and promotes both positive psychological capacities and a positive ethical climate to foster greater self-awareness, an internalized moral perspective, balanced information processing, and relational transparency on the part of leaders working with followers, fostering self-development.

# **High-performance culture**

A HPC is a type of culture that promotes high-performance business operation. As a result, a HPC can be defined as a culture in which leaders can effectively communicate and cascade a compelling vision and purpose to their employees (Van Heerden & Roodt, 2007). In such a HPC, where processes, systems, and policies are established and positioned to support the organisation's purpose and strategic objectives, employees are held accountable, engaged, and committed to improving their individual and team performance for the benefit of the organisation (Van Heerden & Roodt, 2007).

Sorensen (2002) posited that a high-performance organisation must have a strong positive organisational culture to exist and be sustained. According to Kirby and Kummerow (2013), there is a link between an organisation's HPC and its performance, A HPC can also be seen of as an extension of an organisation's current culture (Van Heerden & Roodt, 2007). Schein (2004) presented an argument that organisational culture is an all-encompassing assessment and evaluation of an organisation based on a pattern of common beliefs and assumptions that the group has learned as it has created positive outcomes.

## The relationship between authentic leadership and a high-performance culture

Avolio et al. (2004) concluded that authentic leaders can increase followers' engagement, motivation, commitment, contentment, and involvement to continuously improve job and performance outcomes. According to Kark and Shamir (2002), AL influenced followers in such a way that it boosted individual and organisational performance by building personal identification with leaders and social connections with the organisation, resulting in a high-performance culture. Leroy and Gardner (2012) observed a .48 correlation between need fulfilment and AL in another study.

According to Sorensen (2002) and Kirby and Kummerow (2013), there is a clear link between a HPC and organisational performance. On the other hand, Gardner et al. (2011) discovered a clear link between AL and organisational outcomes. The link between AL and a HPC, on the other hand, has received minimal attention, and no studies studying the link between AL and a HPC in an alcohol consumption company in the FMCG business can be found. The purpose of this study is to determine whether there is a relationship between the concepts of AL and a HPC. The outcomes of this study can aid organisations in their leadership development programmes, ensuring a HPC and, as a result, improved organisational performance.

From the literature review the following research hypotheses are formulated:

**Hypothesis 1:** There is a statistically significant relationship between a Composite AL Score and a Composite HPC Score.

**Hypothesis 2**: There is a statistically significant relationship between the four AL constructs of (1) Self-awareness, (2) Relational transparency, (3) Balanced processing and (4) Internalised moral perspective and a Composite HPC Score.

**Hypothesis 3**: There is a statistically significant relationship between a Composite AL Score and the 12 HPC constructs of (1) Vision & Strategy, (2) Leadership, (3) Core Capability: Organisation, (4) Core Capability: Group/Team, (5) Core Capability: Individual; (6) Reward System; (7) Performance Management; (8) Policies and Procedures; (9) Stakeholder Satisfaction: Customer; (10) Stakeholder Satisfaction: Supplier; (11) Stakeholder Satisfaction: Community; (12) Stakeholder Satisfaction: People.

**Hypothesis 4:** A Composite AL Score can predict a Composite HPC Score.

#### Research design

#### Research approach

To collect primary data from the sample, a cross-sectional quantitative research approach was adopted. This entailed employing an online self-report questionnaire to allow statistical analysis of the data to determine correlations between the variables.

#### Research method

#### **Research setting**

The study was carried out in a large alcohol consumption company in the South African FMCG industry, a leading producer and distributor of ready-to-drink (RTD) beverages, ciders, spirits and a wide range of wines. The organisation has a strong African and international footprint with business expansions in Brazil, the United Kingdom, and United State of America, Asia and the Middle East. The organisation also has various corporate and operational and production sites spread across Southern Africa.

#### Research participants and sampling

The population consisted of 350 permanent and temporary managerial and non-managerial employees, and probability sampling was used to select a random sample of 161 employees (151 permanent and 10 temporary), yielding a sample size of 46 percent, which is considered larger than the acceptable size for such a study (Sekaran, 2003). The sample's makeup is listed in Table 3.1.

The sample consisted of 53.4 percent males and 41.0 percent females, according to Table 3.1, with 5.6 percent not specifying their gender. The bulk of those who responded (29.2%) were between the ages of 41 and 50. Only 5.6 percent of those who responded were between the ages of 18 and 24. White respondents made up 41.0 percent of the total, followed by Africans at 29.2 percent and Coloureds at 23.6 percent.

Table 3.1 also shows that many participants (54%) had a bachelor's degree, and that the research sample's management and non-managerial personnel were the same (47.8 percent). Respondents were either new to the company (0-3 years' service = 29.8%) or had been there for a long time (11+ years = 32.9%).

**TABLE 3.1:** *Composition of the research sample* (n = 161)

Item	Category	Frequency	Percentage
Gender	Male	86	53.4
	Female	66	41.0
	Not specified	9	5.6
Age	18 - 24	9	5.6

Item	Category	Frequency	Percentage
	25 - 30	21	13.0
	31 - 34	22	13.7
	35 - 40	35	21.7
	41 - 50	47	29.2
	51+	26	16.1
	Not specified	1	.60
Race	White	66	41.0
	African	47	29.2
	Coloured	38	23.6
	Indian	6	3.7
	Not specified	4	2.5
Educational	Grade 11 + 12	28	17.4
qualification	Technical level	2	1.2
	Certificate level	1	0.6
	Diploma level	38	23.6
	Bachelors level	38	23.6
	Honours level	32	19.8
	Masters level	14	8.7
	Doctoral level	1	0.6
	CA (SA)	2	1.2
	Not specified	5	3.1
Position in the	Top management	5	3.6
organisation	Senior management	16	9.9
	Middle management	56	34.8
	Non-management	77	47.8
	Not specified	7	4.3
Years of service in	0 - 3	48	29.8
the organisation	4 - 7	26	16.1
	8 - 10	30	18.6
	11+	53	32.9
	Not specified	4	2.5

# **Measuring instruments**

# **Biographical Questionnaire**

To acquire demographic information about the composition of the sample, a Biographical Questionnaire (BQ) was developed and employed. Gender, age, race, educational qualification, position in the organisation, and years of experience in the organisation were all included in the BQ.

# Authentic Leadership Questionnaire (ALQ)

The Authentic Leadership Questionnaire (ALQ), developed by Walumbwa et al. (2008) was used to assess the four constructs of AL: self-awareness, relational transparency, balanced processing, and moral viewpoint (2008). The ALQ was shown to have an overall reliability of .91 in a study conducted by Walumbwa et al. (2008). The ALQ had a total of 16 items, with four items measuring each construct. The researcher used a five-point Likert scale, with 1 representing Highly Unlikely and 5 representing Highly Likely. The employees in the sample were asked to rate their immediate line managers by completing the ALQ.

## **High-performance Culture Questionnaire (HPCQ)**

The organisation's culture was assessed using Van Heerden and Roodt's (2007) High-Performance Culture Questionnaire (HPCQ), which had an internal reliability value of r = .95. Van Heerden and Roodt (2007) performed a two-level factor analysis on the HPCQ, followed by iterative item analysis, to determine its validity, which they found satisfactory. The HPCQ was designed to assess the 12 constructs of a HPC: Leadership; Vision & Strategy; Organisation is a core capability. Group/Team Capability is a core capability. Individual; Reward System; Performance Management; Policies and Procedures; Core Capability: Customer Satisfaction; Stakeholder Satisfaction: Stakeholder Satisfaction: Stakeholder Satisfaction; Stakeholder satisfaction; Stakeholder satisfaction; Stakeholder satisfaction; Stakeholder satisfaction; Stakeholder satisfaction of Stakeholders: Community Satisfaction of Stakeholders: The HPCQ had a total of 12 questions, with 5–7 items measuring each construct. A five-point Likert scale was utilized, with 1 representing Very Negative and 5 representing Very Positive.

#### Research procedure and ethical considerations

For the current study, permission was obtained to conduct the research in the targeted

organisation from the Head of Human Resources. Once this permission was obtained, ethical clearance was requested and granted by the Ethics Committee in the Department of Industrial and Organisational Psychology at the University of South Africa (Unisa). Thereafter a communication in the form of an e-mail was sent to the Head of Human Resources at the targeted company with the Ethics Clearance Certificate from Unisa attached and with a request for the contact details of all 350 employees for the purpose of the research project.

A random sample of 161 employees was identified and contacted by e-mail, requesting their participation in the study. A brief synopsis of the research project was outlined in the e-mail and the identified sample was requested to complete an electronic informed consent form if they consented to partake in the study. Once the signed consent form was received an online link was sent to the sample with clear instructions as to how to complete the survey questionnaires.

According to De Vos et al. (2011), ethics is defined as a set of moral principles which refer to the quality of research procedures with regard to adherence to professional, legal and social obligations to the research participants. All ethical obligations such as anonymity and confidentiality were consequently adhered to

Sekaran (2003), argued that the researcher must address the following fundamental ethical issues when carrying out a study:

- The respondents' information must be kept entirely confidential as part of the research endeavour. To comply with this, all questionnaires were completed online using Survey Monkey, which ensured and enhanced the data collection's anonymity.
- All research participants must give their consent freely and voluntarily, and not coerced
  into partaking in the study. This was adhered to by requesting participants to complete
  an Informed Consent Form indicating their willingness to participate in the study on a
  voluntary basis. They were also given the option to drop out of the study at any time
  with no ramifications.
- The study's participants must not be compensated in any way for their participation.

This was adhered to by clearly stating to participants that no incentives would be given to anyone for participating in the study.

• The research must be conducted with objectivity in mind, and there must be no bias against the subjects. This was adhered to by giving all participants the freedom to complete the survey questionnaires anonymously, and the questionnaires used were all reliable and valid, which also eliminated any bias towards the participants.

#### Statistical analysis of data

The Statistical Package for Social Sciences (SPSS) version 23 was used to analyse all of the data (IBM, 2015). Descriptive statistics were used to obtain the mean, standard deviation, and frequency of replies. On a rating scale of 1–5, a recommended mean cut-off score of 3.2 was used to distinguish between potential positive and negative responses, with scores of 3.2 and above indicating a positive perception and scores below 3.2 indicating a negative perception of that construct for the purposes of this study. The Human Sciences Research Council (HSRC) discovered that an average of 3.2 is a good guideline for discriminating between positive and potential negative perceptions when using a 5-point scale (Castro & Martins, 2010).

Cronbach's alpha coefficients were used to determine the internal consistency of the two measuring instruments, while correlation coefficients were used to determine the statistical association between AL and a HPC, and the statistical significance cut-off point was set at p < .05. (Sekaran, 2003). Finally, to see if AL could predict a HPC, a standard linear regression analysis was performed (Sekaran, 2003).

#### **Results**

#### **Descriptive statistics**

Descriptive statistics were calculated for both the ALQ and the HPCQ.

#### **Authentic Leadership Questionnaire (ALQ)**

Table 3.2 outlines the four ALQ constructs and the obtained means and standard deviations (SD). Ratings were on a 5-point Likert scale.

**TABLE 3.2:** Descriptive statistics for the ALQ (n = 161)

AL constructs	Mean	SD
Relational transparency	3.59	1.123
Internalised moral perspective	3.62	1.174
Balanced processing	3.49	1.158
Self-awareness	3.48	1.192
Composite AL Score	3.54	1.099

The mean scores of the ALQ constructs ranged from 3.48 to 3.62, as shown in Table 3.2. Internalised moral perspective received the highest mean score (M = 3.62 or 72%), followed by Relational transparency (M = 3.59 or 72%), Balanced processing (M = 3.49 or 69.8%), and finally Self-awareness (M = 3.48 or 69.6%). Internalised moral perspective (M = 3.62 or 72 percent) received the highest score from respondents, indicating that they believe their leaders demonstrate good self-control and personal moral standards in their roles. The average Composite AL Score was 3.54, or 71 percent, indicating that respondents thought their leaders were above average in terms of AL.

#### **High-performance Culture Questionnaire (HPCQ)**

Table 3.3 outlines the 12 HPCQ constructs and the obtained means and standard deviations (SD). Ratings were on a 5-point Likert scale.

**TABLE 3.3:** Descriptive statistics for the HPCQ (n = 161)

HPC constructs	Mean	SD
Vision and strategy	3.40	0.984
Leadership	3.65	0.960
Core capability: Organisation	3.53	0.979
Core capability: Group/Team	3.64	0.947
Core capability: Individual	3.87	0.910
Reward system	3.41	1.090
Performance management	3.59	1.054
Policies and Procedures	3.63	0.933
Stakeholder satisfaction: Customer	3.74	0.937
Stakeholder satisfaction: Supplier	3.50	0.970

Stakeholder satisfaction: Community	3.65	1.102
Stakeholder satisfaction: People	3.48	1.017
Composite HPC Score	3.56	

Table 3.3 indicates that Vision and strategy received the lowest score (M = 3.40 or 68) followed by Rewards (M = 3.41 or 68%) and Stakeholder satisfaction: People (M = 3.48 or 70%). Core capability – Individual scored the highest (M = 3.87 or 77%) and Stakeholder satisfaction – Customer the second highest (M = 3.74 or 75%). The Composite HPC Score was 3.56 or 71% which indicated that respondents considered their organisation to have an above average HPC.

#### Reliability of the Authentic Leadership Questionnaire (ALQ)

Table 3.4 shows the four ALQ constructs, the number of items, Cronbach's alphas, and the acceptable degree of reliability.

**TABLE 3.4:** Reliability statistics for the ALQ (n = 161)

ALQ constructs	No of items	Cronbach's alpha	Acceptable level
Rational transparency	5	.93	Excellent
Internalised moral perspective	4	.93	Excellent
Balanced processing	3	.89	Excellent
Self-awareness	4	.94	Excellent
Composite AL Score	16	.96	Excellent

Table 3.4 demonstrates that the reliability scores for the four constructs of the ALQ ranged between .89 for Internalised moral perspective as the lowest and Self-awareness as the highest at .94. One of the most used indicators of a questionnaire's internal consistency or reliability is Cronbach's alpha coefficient. Pallant (2013) argued that ideally, the Cronbach alpha coefficient of a questionnaire and its scales should be above .7. The results thus indicate that the Composite AL Score obtained by the ALQ (.96) as well as all the scores for its sub-scales have excellent levels of internal consistency, as all Cronbach alpha's are higher than Pallant's (2013) suggested cut-off score of .70.

#### Reliability of the High-Performance Culture Questionnaire (HPCQ)

Table 3.5 outlines the 12 HPCQ constructs, number of items, Cronbach's alphas, and the reliability acceptable level.

**TABLE 3.5:** Reliability statistics for the HPCQ (n = 161)

HPCQ constructs	No of items	Cronbach's alpha	Acceptable level
Vision and strategy	6	.93	Excellent
Leadership	7	.93	Excellent
Core capability: Organisation	7	.93	Excellent
Core capability: Group/Team	7	.93	Excellent
Core capability: Individual	9	.94	Excellent
Reward System	5	.93	Excellent
Performance Management	7	.93	Excellent
Policies and Procedures	6	.91	Excellent
Stakeholder satisfaction: Customer.	5	.92	Excellent
Stakeholder satisfaction: Supplier	4	.90	Excellent
Stakeholder satisfaction: Community	3	.91	Excellent
Stakeholder satisfaction: People	11	.95	Excellent
Composite HPCQ Score	77	.97	Excellent

Table 3.5 indicates that the reliability scores for the constructs of the HPCQ ranged between r = .90 and r = .95 while the reliability of the Composite HPCQ Score was r = .97. The results thus indicate that the HPCQ (r = .97) as well as all the sub-scales of the HPCQ have excellent levels of internal consistency, being higher than Pallant's (2013) suggested cut-off score of r = .70.

#### **Correlation coefficients**

Correlation coefficients are often used to explore the relationship between different variables (Pallant, 2013). Table 3.6 shows the inter-correlations between a Composite HPC Score and its 12 constructs (as measured by the HPCQ) and a Composite AL Score and its four constructs (as measured by the ALQ). There is a statistically significant relationship of r=.777 between a Composite AL Score and a Composite HPC Score (p<0.05), as shown in Table 3.6. The results also show that all four AL constructs have a statistically significant relationship with a Composite HPC Score (Rational transparency: r=.740; Internalised moral viewpoint: r=.744; Balanced processing: r=.702; Self-awareness: r=.753; all at the 0.05 level of significance). Furthermore, the relationship between a Composite AL Score and its four constructs, as well as all 12 HPC constructs, is statistically significant (p<0.05 level).

**TABLE 3.6:** Correlation between a Composite AL Score and its constructs and a Composite HPC Score and its constructs (n = 161)

		1.	2.	3.	4.	5.	6.	7.	8.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.
1.	Rational transparency	1																	
2.	Internalised moral perspective	$.870^{*}$	1																
3.	Balanced processing	.837*	.858*	1															
4.	Self-awareness	.844*	.855*	.897*	1														
5.	Composite AL Score	.937*	.947*	.949*	.951*	1													
6.	Vision & Strategy	.624*	.621*	.580*	.647*	.654*	1												
7.	Leadership	.735*	.732**	.688*	.744*	.766*	.877*	1											
8.	Core capability – Organisation	.690*	.691*	.661*	.711*	.727*	.841*	$.889^{*}$	1										
10.	Core capability – Group/Team	.735*	.748*	.706*	.769*	.782*	.815*	$.870^{*}$	.875*	1									
11.	Core capability – Individual	.755*	$.770^{*}$	.692*	.727*	.778*	.743*	.814*	.836*	.814*	1								
12.	Reward system	.699*	.692*	.657*	.707**	$.728^{*}$	.786*	.834*	.835*	.827*	.818*	1							
13.	Performance management	.737*	.743*	.708*	.761*	$.780^{*}$	.766*	.853*	.827*	.830*	.827*	.854*	1						
14.	Policies & Procedures	.625*	.630*	.585*	.640*	.655*	.758*	.815*	.846*	.785*	.780*	.803*	.850*	1					
15.	$Stakeholder\ satisfaction-Customer$	.586*	.597*	.557*	.576*	.612*	.744*	.749*	.782*	.713*	.751*	.743*	.729*	.803*	1				
16.	$Stakeholder\ satisfaction-Supplier$	.611*	.575*	.599*	.629*	.638*	.736*	.773*	.794*	.712*	.759*	.789*	.773*	$.800^{*}$	.779*	1			
17.	$Stakeholder\ satisfaction-Community$	.556*	.582*	.540*	.571*	.594*	.676*	.756*	.763*	.701*	.708*	.730*	.742*	.792*	.776*	.685*	1		
18.	Stakeholder satisfaction – People	.664*	.668*	.621*	.665*	.692*	.798*	.842*	.882*	.820*	.817*	.858*	.841*	.853*	.803*	.803*	.842*	1	
19.	Composite HPC Score	.740*	.744*	.702*	.753*	<b>.</b> 777*	.881*	.931*	.940*	.902*	.892*	.915*	.916*	.913*	.865*	.869*	.851*	.941*	1

<sup>\* =</sup> Correlation is significant at the 0.05 level (2- tailed). \*\* = Correlation is significant at the 0.01 level (2- tailed).

#### **Simple Regression analysis**

The findings of the simple regression analysis conducted with a Composite AL Score as the independent variable and a Composite HPC Score as the dependent variable are shown in Table 3.7. The aim of this regression analysis was to see if a Composite AL Score could predict a Composite HPC Score, as well as how strong the correlations between the dependent and independent variables were (Pallant, 2013). According to Table 3.7, a Composite AL Score explained 60% of the variation in a Composite HPC Score (adjusted  $R^2 = 0.601$ ). The significance of the F-value in the ANOVA computation (F = 241,593; p < .001) supported this conclusion. This shows that a Composite AL Score is a statistically significant predictor of a Composite HPC Score.

**TABLE 3.7:** Standard linear regression analysis with a Composite AL Score as the independent variable and a Composite HPC Score as the dependent Variable

	Model summary				ANO	VA		
$R   R^2$	Adjusted			Sum	df	Mean	F	Sig.
	$\mathbb{R}^2$			of		square		
				Squares	3			
			Regression	76,822	1	76,822	241,593	.000
.777 0,0	<b>0,601</b>	0,56390	Residual	50,559	159	0,318		
			Total	127,381	160			
			Coeffic	ients				
M 11	TT . 1 1'	1	C. 1	1. 1	95.0% Co	nfidence		
Model	Unstandardi	sea	Standard		Interval fo			
	Coefficients		Coeffici	ents				
D 11 4	D							
Predictors	В							_
(Constant)	1,362	0,150		0,000	1,065		1,659	Const
AL	0,630	0,041	0.777	0,000	0,550		0,711	AL

#### **Discussion**

The purpose of this study was to determine the relationship between AL and its four constructs and a HPC and its 12 constructs and this was achieved by fulfilling the following research objectives:

- To measure the concept of AL and its constructs by means of the Authentic Leadership Questionnaire (ALQ).
- To measure the concept of a HPC and its constructs by means of the High-Performance Culture Questionnaire (HPCQ).
- To determine whether there is a statistically significant relationship between a Composite AL Score and its constructs and a Composite HPC Score and its constructs.
- To determine whether a Composite AL Score can predict a Composite HPC Score.
- To propose recommendations for the field of Industrial and Organisational Psychology regarding the relationship between AL and a HPC.
- To propose recommendations for the field of Industrial and Organisational Psychology regarding the relationship between AL and a HPC.

To achieve these goals, descriptive and reliability statistics for the two measuring instruments were calculated, and a sample of 161 managerial and non-managerial personnel were asked to fill out questionnaires for their leaders and their company. According to the descriptive statistics, the average Composite AL Score was 3.54, or 71%, indicating that respondents thought their leaders applied above-average AL in their company. The average Composite HPC Score was 3.56, or 71.2%, indicating that respondents thought their company had a higher-than-average HPC. The results also showed that the ALQ (r = .96) and HPCQ (r = .97) had excellent internal consistencies according to Pallant's (2013) guidelines when utilised within a South African FMCG company.

**Hypothesis 1** evaluated empirical evidence to draw a conclusion on whether there is a statistically significant relationship between a Composite AL Score and a Composite HPC Score. The results of the current study (see Table 3.6) produced a correlation coefficient of r = .777 (p < 0.05) between a Composite AL Score and a Composite HPC Score, confirming this

relationship. This result supports similar studies by Illies et al. (2005) and Peterson (2012) who also found a statistical significant relationship between AL and a HPC. In these studies, it was established that AL created a positive work environment which improved employee performance and engagement, leading to a high-performance culture (Illies et al., 2005; Peterson, 2012). As such Hypothesis 1 is accepted.

**Hypothesis 2** evaluated empirical evidence to draw a conclusion on whether there is a statistically significant relationship between the four AL constructs of Relational transparency, Internalised moral perspective, Balanced processing and Self-awareness, and a Composite HPC Score. The results of the current study (see Table 3.6) produced correlation coefficients of r = .740 between Relational transparency and a Composite HPC Score, r = .744 between Internalised moral perspective and a Composite HPC Score, r = .702 between Balanced processing and a Composite HPC Score and r = .753 between Self-awareness and a Composite HPC Score (all statistically significant at the p < 0.05 level), confirming these relationships. These result support a similar study by Avolio and Garner (2005) who also found a statistical significant relationship between the constructs of AL and a HPC. In the study by Avolio and Garner (2005), it was concluded that the constructs of AL led to a sustainable followership and a high-performance organisational outcome. As such Hypothesis 2 is accepted.

**Hypothesis 3** evaluated empirical evidence to draw a conclusion on whether there is a statistically significant relationship between a Composite AL Score and the 12 HPC constructs. The results of the current study (see Table 3.6) produced statistically significant correlation coefficients between a Composite AL Score and all the constructs of a HPC, ranging between a low of r = .851 for Stakeholder satisfaction: Community and a high of r = .941 for Stakeholder satisfaction: People (all on the p < 0.05 level), confirming these relationships. These findings support a similar study by Avolio et al. (2004) who also established a statistical significant relationship between the constructs of AL and a HPC. The Avolio et al. (2004) study demonstrated that the concept of AL enhanced motivation and commitment as well as high individual and group and organisational performance outcomes. As such Hypothesis 3 is accepted.

**Hypothesis 4** evaluated empirical evidence to draw a conclusion on whether a Composite AL Score is a statistically significant predictor of a Composite HPC Score. The results of the linear regression analysis (see Table 3.7) indicated that a Composite AL Score accounted for 60% of

the variance of a Composite HPC Score in a FMCG organisation in South Africa. These result support a similar study by Walumbwa et al. (2010), who also found a statistical significant relationship between the concepts of AL and a HPC. The Walumbwa et al. (2010) study reached a conclusion that AL had a positive influence on employee behaviour, commitment and a high-performance culture in an organisation. As such Hypothesis 4 is accepted.

This study is important as it is aimed to establish the relationship between the concepts of AL and a HPC and most importantly, to determine if AL can predict a HPC. The study will contribute to the existing body of literature on AL and a HPC. It will also add to the literature about the relationship between AL and a HPC in the FMCG industry sector in South Africa.

#### Limitations and recommendations for future studies

There are several limitations to the current study that should be noted. Firstly, both the ALQ and the HPCQ were administered electronically via a link and only employees with access to computers qualified to complete the questionnaire and others were excluded. Secondly, the questionnaires were administered in English and most participants' first language was Xhosa and Afrikaans and this could have had an effect in their comprehension of the instructions and statements. Thirdly, the study was conducted during the height of Covid -19 pandemic in South Africa at the time there was a level 5 national lock down. This implied limited movement activities in the country and there was a high level of anxiety due to the Covid-19 pandemic and respondents were preoccupied about keeping safe and surviving the deadly effects of Covid-19. Fourth, the survey was done at the year-end of the participating organisation, which included, among other things, end-of-year performance reviews, and most employees were hesitant to participate due to their busy schedules and the necessity to be in trade and other operational centres. Finally, the study was limited to one FMCG company in one South African region, making generalisations to other companies difficult. Future research should look at the ideas of AL and HPC, as well as their relationship, to add to the scarce literature on the subject. Comparative studies with other FMCG companies and other industries are also necessary. Future research could look at the moderating effect of biographical characteristics on the link between the two variables of AL and a HPC.

#### **Practical Implications for management**

The current study has shown that there is a causal relationship between AL and a HPC. Practical implications of these results are that organisations need to review their current leadership

recruitment, selection, development, and promotion policies to ensure that AL is incorporated within organisational policies. There is a need to develop authentic leaders who by their actions can contribute to the development of a HPC.

#### **Conclusion**

The current empirical study's findings support the existence of a statistically significant association between AL and a HPC. Organisations in South Africa should foster the development of authentic leaders to contribute to a HPC and, as a result, to the efficient operation of their businesses.

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# **CHAPTER 4: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS**

#### 4.1 INTRODUCTION

The study's conclusions, limitations, and proposed recommendations will be discussed in this final chapter of the dissertation. The chapter starts with a discussion of the conclusions made regarding the aims of the study, after which the study's limitations will be discussed. The chapter concludes with recommendations on the relationship between Authentic Leadership (AL) and a High-Performance Culture (HPC) for both the participating organisation and the discipline of Industrial and Organisational Psychology (IOP).

#### 4.2 CONCLUSIONS REGARDING THE AIMS OF THE STUDY

# 4.2.1 Conclusion regarding the specific theoretical aims of the study

The specific theoretical objectives of the study were the following:

- To conceptualise AL and its constructs.
- To conceptualise a HPC and its constructs.
- To investigate the theoretical relationship between AL and a HPC.

# 4.2.1.1 The first theoretical aim: To conceptualise AL and its constructs from a theoretical perspective

The first theoretical aim was achieved in Chapter 2 of this study and the following conclusions can be made:

- Various theories of contemporary leadership, like AL, have evolved over time emphasizing the importance of followers' involvement in leadership (Daft, 2015).
- AL is founded on originality, genuineness, dependability, and trustworthiness (Ozkan & Ceylan, 2012).

- The concept of authenticity has been in existence for long in the Western literature and since the early 2000's been included into contemporary theories in the field of leadership in the business literature (Harter, 2002).
- Authentic leaders are self-disciplined and driven to creating long-term relationships with others. They lead with a purpose and from the heart, exhibiting strong convictions (George, 2003; Walumbwa et al., 2008).
- AL is characterised by four constructs: (1) self-awareness, (2) rational transparency, (3) balanced processing, and (4) internalized moral perspective (Walumbwa et al., 2008).
- AL has a good impact on businesses, teams, and people (Avolio & Walumbwa, 2014).
- Supervisor-rated job performance, organisational citizenship behaviour, and work engagement are all positively connected to AL behaviour (Walumbwa et al., 2010).
- 4.2.1.2 The second theoretical aim: To conceptualise a HPC and its constructs from a theoretical perspective.

This theoretical aim was also achieved in Chapter 2 and the following conclusions can be made:

- It's difficult to give a precise definition to the concept of a HPC because
  the words High Performance Organisations, World Class Organisations,
  and Organisational Performance Excellence are all used
  interchangeably in the literature (Clemmer, 2005; Van Heerden & Roodt,
  2007).
- A high-performance culture (HPC) is one in which leaders can communicate a compelling vision to employees, where the system and policies in place are designed to assist the organisation in achieving its strategic goals, and where employees are held accountable, engaged,

and committed to improving their performance for the company's benefit (Van Heerden & Roodt, 2007).

- A HPC is influenced by quality, pushed by change and technology, and promotes and subscribes to innovation and creativity (Schneider et al., 2014).
- Individuals and organisations in a HPC are willing to go above and beyond the call of duty to ensure that the strategic goals and objectives are met and that business results are achieved (Van Heerden & Roodt, 2007).
- The six (6) main constructs of an Integrated HPC Model usually used to depict a HPC were (1) vision and strategy, (2) leadership, (3) core capabilities, (4) delivery process, (5) stakeholder satisfaction, and (6) organisational performance (Van Heerden & Roodt, 2007).
- To properly quantify a HPC in an organisation, a measuring instrument called a High-Performance Culture Questionnaire (HPCQ) has been designed and validated. It consists of the constructs of the Integrated HPC Model (Van Heerden & Roodt, 2007).
- 4.2.1.3 The third theoretical aim: To investigate the theoretical relationship between AL and a HPC.

This theoretical aim was also achieved in Chapter 2 and the following conclusions can be made:

• There is considerable empirical evidence that AL and a HPC have a theoretical relationship, and AL has been connected to a variety of favourable organisational outputs and results at various levels (Giallonardo, 2010; Hannah et al., 2011; Peterson et al., 2012).

- Individual performance, self-motivation and work engagement, originality and creativity, and job happiness all improved as a result of AL (Giallonardo, 2010).
- AL characteristics emerge from leaders' actions and are intimately linked to follower job success (Peterson et al., 2012).
- AL was viewed as a direct result of followers' satisfaction with line managers, organisational commitment and brand engagement, and employees going above and beyond the call of duty, as well as team effectiveness (Peus et al., 2012).
- Shared AL has a positive indirect impact on the company's overall performance (Hmieleski et al., 2012).
- Affective commitment, engagement, and greater performance in individual and team roles are all linked to AL (Leroy et al., 2012).
- When a leader acted and behaved authentically, the followers were able to transfer and reciprocate the levels of authenticity, which predicted improved team and organisational performance (Hannah et al., 2011).
- The application of AL by senior leadership and management teams was directly linked to the organisation's increased and sustained success (Hmieleski et al., 2012).

# 4.2.2 Conclusions regarding the specific empirical aims of the study

The specific empirical objectives of the study are the following:

 To measure the concept of AL and its constructs by means of the Authentic Leadership Questionnaire (ALQ).

- To measure the concept of a HPC and its constructs by means of the High-Performance Culture Questionnaire (HPCQ).
- To determine whether there is a statistically significant relationship between a Composite AL Score and its constructs and a Composite HPC Score and its constructs.
- To determine whether a Composite AL Score can predict a Composite HPC Score.
- To make recommendations for the field of IOP regarding the relationship between AL and a HPC.
- 4.2.2.1 The first empirical aim: To measure the concept of AL and its constructs by means of the Authentic Leadership Questionnaire (ALQ).

The first empirical aim was met by employing a 5-point Likert scale to quantify AL and its four aspects, namely (1) Self-awareness, (2) Relational transparency, (3) Balanced processing, and (4) Internalised moral perspective, using the 16-item Authentic Leadership Questionnaire (ALQ). A total of 161 employees were chosen at random from a population of 350 and asked to rate their immediate managers on the ALQ. The following inference can be made from the data collected by the ALQ:

- The ALQ has an excellent level of internal consistency (r = .96), which is higher than Pallant's (2013) suggested cut-off score of r = .70. This supports the reported overall reliability for the ALQ of r = .91 reported by Walumbwa et al. (2008).
- Leaders in the participating organisation were rated as mostly authentic with an above average AL mean score of 3.54 or 70%.
- The mean scores of the four ALQ constructs were all above average and ranged from 3.48 or 70% to 3.62 or 72.4%.

- Internalised moral perspective (M = 3.62) received the highest mean score, followed by Relational transparency (M = 3.59), Balanced processing (M = 3.49), and finally Self-awareness (M = 3.49).
- The respondent with the highest score on Internalised moral viewpoint
   (3.62 or 72.4 percent) expressed confidence in their leaders' ability to
   demonstrate great self-control and personal moral standards in their
   responsibilities.
- Employees in the participating organisation thus rated their leaders as being authentic as these means are all above the HSRC suggested 3.2 cut-off score for positive perceptions on a 5-point scale (Castro & Martins, 2010).
- 4.2.2.2 The second empirical aim: To measure the concept of a HPC and its constructs by means of the High-Performance Culture Questionnaire (HPCQ).

The second empirical aim was met by employing a 5-point Likert scale to gauge a HPC and its 12 characteristics with the 97-item High Performance Culture Questionnaire (HPCQ). On the HPCQ, a random sample of 161 employees from a population of 350 were asked to rank their company. The following conclusions can be drawn from the data collected by the HPCQ:

- The HPCQ has an excellent level of internal consistency (r = 0.97), which is higher than Pallant's (2013) suggested cut-off score of r = 0.70. This supports the overall reliability for the ALQ of r = .95 reported by Van Heerden and Roodt (2007).
- Respondents rated their organisation as having an above average HPC with a mean score of 3.6 or 72%.
- The mean scores of the 12 HPCQ constructs were all above average and ranged from 3.40 to 3.87.

- Vision and strategy scored the lowest (M = 3.40) followed by Rewards (M = 3.41) and Stakeholder satisfaction: People (M = 3.48). Core capability: Individual scored the highest (M = 3.87) and Stakeholder satisfaction: Customer the second highest (M = 3.74).
- Thus, employees in the participating organisation rated their organisation as having a mostly HPC, as all the means of the HPCQ are above the HSRC suggested 3.2 cut-off score for positive perceptions on a 5-point scale (Castro & Martins, 2010).
- 4.2.2.3 The third empirical aim: To determine whether there is a statistically significant relationship between a Composite AL Score and its constructs and a Composite HPC Score and its constructs

The third empirical aim was met by computing the correlation coefficients between a Composite AL Score and its four constructs, as well as a Composite HPC Score and its twelve constructs, with a p < 0.05 cut-off point for statistical significance (Howell, 1999). The following conclusions can be drawn from these calculations:

- The relationship between a Composite AL Score and a Composite HPC
   Score is statistically significant (r = .777; p < .05).</li>
- This finding supports the findings from Illies et al. (2005) and Peterson (2012) who identified a statistically significant link between AL and a HPC. AL was found to promote a pleasant work atmosphere that enhanced employee performance and engagement, resulting in a high-performance culture, according to this research (Illies et al, 2005; Peterson, 2012).
- The four constructs of AL and a Composite HPC Score have a statistically significant relationship. The current study found correlation coefficients of r = .740 for Relational transparency, r = .744 for Internalised moral viewpoint, r = .702 for Balanced processing, and r =

.753 for Self-awareness (all at the 0.05 level), validating these relationships. These findings support those of Avolio and Garner (2005), who discovered a statistically significant link between the constructs of AL and a HPC in a comparable study. The components of AL were found to lead to long-term followership and high-performance organisational outcomes in this study (Avolio & Garner, 2005).

- All 12 constructs of a HPC have a statistically significant relationship with a Composite AL Score, ranging from r = .851 for Stakeholder satisfaction: Community to r = .941 for Stakeholder satisfaction: People (all at the p 0.05 level), confirming these relationships. These findings support those of Avolio et al. (2004), who discovered a statistically significant association between the constructs of AL and a HPC in a comparable study. The research found that the AL component improved motivation and commitment, as well as individual, group, and organisational performance (Avolio et al., 2004).
- 4.2.2.4 The fourth empirical aim: To determine whether a Composite AL Score can predict a Composite HPC Score in the Fast-Moving Consumer Goods organisation.

The fourth empirical aim was met by performing a standard linear regression analysis using the Composite AL Score as the independent variable and the Composite HPC Score as the dependent variable (Babbie, 2010). The following conclusions can be drawn:

- A Composite AL Score is a statistically significant predictor of a Composite HPC Score.
- A Composite AL Score is able to explain 60% of the variance of a Composite HPC Score (adjusted R<sup>2</sup> = 0.601). This finding is confirmed by the significance of the F-value in the ANOVA calculation (F (1;159) = 241.593; p < 0.001). Similar studies exploring the predictive ability of AL

on a HPC in similar circumstances to this research could not be found against which to compare these results.

- Organisations can use AL to improve their selection and development practices to ensure a HPC.
- 4.2.2.5 The fifth empirical aim: To make recommendations for the field of IOP regarding the relationship between AL and a HPC.

These recommendations are addressed under section **4.4 RECOMMENDATIONS** below.

# 4.2.3 Conclusion regarding the general aim of the study

The general aim of the study was to determine the relationship between the concepts of AL and a HPC. The general aim of the study was achieved as the empirical findings of the study has shown that there was a statistically significant relationship between a Composite AL Score and a Composite HPC Score.

# 4.2.4 Conclusions regarding the research hypotheses

The following conclusions were made regarding the hypotheses based on the empirical results of the study (see Table 3.6 in Chapter 3):

*Hypothesis 1:* There is a statistically significant relationship between a Composite AL Score and a Composite HPC Score. The current study produced a correlation coefficient of r = .777 (p < 0.05) confirming this relationship. As such hypothesis 1 is accepted.

*Hypothesis 2:* There is a statistically significant relationship between the four AL constructs of Relational transparency, Internalised Moral perspective, Balanced processing and Self-awareness and a Composite HPC Score. The current study produced correlation coefficients of r = .740 for Relational transparency, r = .744 for

Internalised moral perspective, r = .702 for Balanced processing, and r = .753 for Self-awareness (all at the p  $\leq$  0.05 level). As such Hypothesis 2 is accepted.

*Hypothesis 3*: There is a statistically significant relationship between AL and the 12 HPC constructs. The current study produced correlation coefficients between a Composite AL Score and all the constructs of a HPC ranging between a low of r = .851 for Stakeholder satisfaction: Community and a high of r = .941 for Stakeholder satisfaction: People (all on the  $p \le 0.05$  level), confirming these relationships. As such Hypothesis 3 is accepted.

Hypothesis 4: A Composite AL Score can predict a Composite HPC Score. The results of the standard linear regression analysis indicated that a Composite AL Score accounted for 60% of the variance of a Composite HPC Score in a FMCG organisation in South Africa, and Hypothesis 4 was thus accepted.

#### 4.3 LIMITATIONS OF THE STUDY

The present study had several limitations associated with the literature review and the empirical findings.

#### 4.3.1 Limitations of the literature review

- There is limited research on the relationship between AL and a HPC within a South African context, which made it onerous to establish the theoretical relationship between the two concepts.
- The limited research on the relationship between AL and a HPC within a South African context made it laborious to compare the findings of the current research to other, similar research.
- A number of the sources used are older than 10 years.

# 4.3.2 Limitations of the empirical study

- The study was carried out in one alcohol consumption company in the FMCG industry in one province in South Africa, and as such the results should be generalised to other industries in South Africa with caution.
- Both questionnaires (the ALQ and the HPCQ) were administered electronically via a link and only employees with access to computers and the internet were able to participate in the study, and employees without these resources were excluded from the study.
- Both questionnaires were administered in English while the first language of most employees in the targeted organisation were Xhosa and Afrikaans. This could have influenced their comprehension of the instructions and statements, and thus on their responses.
- The study was conducted during the height of the Covid -19 pandemic when a Level-5 national lockdown was in force. This implied limited movement and activities in the country and there were high levels of anxiety amongst employees due to the Covid-19 pandemic, which could have affected their interests to participate in the survey. Respondents were more preoccupied about keeping safe and surviving the deadly effects of Covid-19.
- The study was conducted during the targeted organisation's' year-end which among others involved year-end Performance Reviews. As such most employees were hesitant to take part in the research due to their hectic schedules and the need for them to be in trade and other operational centres. This made the obtaining of a sufficient number of responses a challenge.

#### 4.4 RECOMMENDATIONS

## 4.4.1 Recommendations for further research

The following recommendations are made for future research:

- The relationship between AL and a HPC should be researched in other
   FMCG organisations besides the targeted organisation.
- The relationship between AL and a HPC should be researched in other industries besides the FMCG industry.
- The questionnaires should be translated and validated for Xhosa and Afrikaans, and the study should be repeated in the targeted organisation using these first-language customised questionnaires. The results can then be compared to the results obtained from the current study to determine whether the first language of respondents had any effect on the results of the study. This could then play a major role in future studies in which English was not the first language of respondents.
- The moderating effect of the biographical variables used in the current study (gender, age, race, educational qualifications, position in the organisation, years of service in the organisation and employment type) on the strength of the relationship between AL and a HPC should be investigated.

# 4.4.2 Recommendations for the participating organisation

The following recommendations are made for the participating organisation:

 The existing leadership development strategy should be revised to include the development of AL and its four constructs, namely Selfawareness, Relational transparency, Balanced processing, and Internalised moral perspective. This will ensure that a HPC will be maintained in the organisation.

- AL should be maintained and enhanced through various organisational learning and development interventions.
- AL should be included in the organisation's recruitment strategy.

# 4.4.3 Recommendations for the field of industrial and organisational psychology regarding the relationship between AL and a HPC

The following recommendations are made for the field of IOP regarding the relationship between AL and a HPC:

- As AL and a HPC are important concepts in the field of IOP, more research should be conducted on these two concepts and their relationship.
- Interventions should be developed to assist organisations in developing
   AL and its constructs.
- As a HPC has been shown to increase organisational effectiveness, interventions should be developed to assist organisations in developing such a culture.

#### 4.5 CHAPTER SUMMARY

The study's conclusions, limitations, and proposed recommendations were discussed in this final chapter of the dissertation. The chapter started with a discussion of the conclusions made regarding the aims of the study, after which the study's limitations were discussed. The chapter concluded with recommendations on the relationship between Authentic Leadership (AL) and a High-Performance Culture (HPC) for both the participating organisation and the discipline of IOP.

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