Psychological Capital and the Relationship Between Authentic Leadership and Employee Well-Being

Bianca Cardenas
Walden University

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Dr. Monny Sklov, Committee Member, Psychology Faculty
Dr. Samuel Taylor, University Reviewer, Psychology Faculty

Chief Academic Officer and Provost
Sue Subocz, Ph.D.
Abstract

Psychological Capital and the Relationship Between Authentic Leadership and Employee Well-Being

by

Bianca Cardenas

MA, Southern New Hampshire University, 2019
BS, University of Rio Grande Valley, 2016

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Abstract

It is not known whether authentic leadership predicts employee well-being, and whether psychological capital moderates the relationship between authentic leadership and employee well-being. The purpose of this correlational study was to determine the extent that authentic leadership predicted employee well-being and whether psychological capital had a moderating effect on the relationship between authentic leadership and employee well-being. The two theoretical frameworks that supported this study included the authentic leadership theory and social exchange theory. The research design consisted of a quantitative, correlational study using multiple and hierarchical regression analysis. The two research questions that guided this study examined whether perceived authentic leadership predicted employee well-being and whether psychological capital moderated the relationship between authentic leadership and employee well-being. The Authentic Leadership Questionnaire (ALQ), Job-Related Affective Well-Being (JAWS), and Psychological Capital Questionnaire (PCQ) were used to collect data from employee participants (n = 150) surrounding their perception of authenticity among their leaders. The results revealed that the authentic leadership core component of relational transparency was a significant predictor of employee well-being. Additionally, the interaction of authentic leadership and psychological capital significantly influenced employee well-being. Organizational leaders may benefit from the results of this study to promote positive social change by incorporating authenticity training within the leadership development curriculum to improve well-being and psychological capital among employees.
Dedication

I dedicate this study to all the resilient employees forced to endure dysfunctional leaders.

I also dedicate this study to my mom – who always knew I would achieve extraordinary things.

Most importantly, I dedicate this study to my stepfather that recently passed, Dr. Rajiv Sinha. I know you are watching over me as I transition from a student to Dr. Cardenas. Thank you for everything you have done for me. Your memory will forever live on in these pages.
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Chapter 1: Introduction to the Study

Authentic leadership (AL) has generated increasing interest amongst academic researchers (Inceoglu et al., 2018); however, there is limited research surrounding the relationship between AL and employee well-being (EWB) as a primary outcome (Inceoglu et al., 2018). A lack of research surrounding EWB as a primary outcome is problematic to employees and organizations. EWB plays a significant role within the organizational environment including reducing the risk of mental health issues and affecting many work-related outcomes such as performance, quality of work relationships, motivation, and engagement (Kun et al., 2017). The research conducted on the relationship between AL and EWB is ambiguous. The primary focus of this study was to determine the extent that AL predicted EWB and whether psychological capital (PsyCap) moderated the relationship between AL and EWB within the organizational context. This study may contribute to current gaps in research surrounding a predictor relationship between AL and EWB and PsyCaps' moderating effect on the relationship between AL and EWB. The positive social change implications involve authentic leaders' positive affect on EWB, which generalizes to essential areas of the employees' lives.

This chapter contains an examination of the background and problem statement, the knowledge gap in the literature, and contemporary, relevant problems linked with AL, EWB, and PsyCap. The study's objective, research questions and hypotheses, and theoretical frameworks are described. The study's nature, definitions, assumptions, constraints, and restrictions are examined. The relevance of the study is also discussed.
Background

A consensus among leadership scholars is that effective leadership encourages positive attitudes and behaviors among employees (Avolio et al., 2004). This consensus highlights an essential aspect of AL. Song (2015) contended that authentic leaders communicate authenticity through words and behavior. Leaders will most effectively cultivate positive outcomes by relating authentically with employees within the organizational environment (Park et al., 2017). Conversely, inauthentic leaders who fail to provide a supportive environment adversely affect EWB, contributing to psychological distress among employees (Bhandarker & Rai, 2019). The significance of these findings reveals the leaders' responsibility in directing the organizational climate and the well-being of employees.

The ramifications of inauthentic leadership are detrimental to the overall well-being of employees, which negatively affects work-related outcomes (Hyson, 2016). A significant correlation was present between inauthentic leadership and decreased job performance and involvement, motivation, and well-being, resulting in the increased likelihood of frequent absenteeism, turnover, and low productivity (Hadadian & Sayadpour, 2018; Morris, 2019). The association between inauthentic leadership and adverse employee outcomes reveals a leader's potential role in affecting employee outcomes. Previous studies revealed that inauthentic leaders negatively correlated with employees' attitudes towards the leader, well-being, and performance, and positively correlated with turnover, resistance, and counterproductive work behavior (Eisele, 2020). These findings are significant because they exemplify inauthentic leaders' specific effect
on positive and adverse employee outcomes. Inauthentic leaders adversely affect employee attitudes and work-related behavior (Hyson, 2016).

Organizational leaders are becoming cognizant of authentic leaders' relationship to positive employee outcomes, ranging from increased helping behaviors to decreased burnout and turnover (Hirst et al., 2015; Spence Laschinger & Fida, 2014). Authentic leaders affect employers' future while indirectly affecting society by cultivating positive employee attitudes and behaviors (Kiersch & Peters, 2017). For example, in one study, employees who experienced authentic relationships of emotional support and trust with leaders were more satisfied with work and experienced higher well-being (Audenaert et al., 2017). AL has a profound effect beyond the bottom line: increasing hope, trust, positive emotions, and optimism amongst employees (Avolio et al., 2004). Authentic leaders directly affect job satisfaction and organizational commitment, critical components of organizational effectiveness (Hong, 2011; Hwang & Lee, 2015). AL is positively related to employee attitudes and work-related behavior, which affects EWB.

AL is a root component that consists of influential leaders fostering supportive work environments that promote EWB (Wong & Cummings, 2009). A supportive work environment consists of authentic employee relationships while fostering active engagement. AL facilitated high-quality relationships while actively engaging employees, resulting in higher job satisfaction, productivity, well-being, and performance (Avolio et al., 2004). Read and Laschinger (2015) found that authentic leaders developed empowering work environments that fostered relational social capital and EWB.
Authentic leaders’ relationship with positive employee attitudes suggests that a predictive relationship between AL and EWB is plausible.

Researchers have cited that poor well-being leads to burnout among employees, negatively affecting their ability to contribute meaningfully to personal and professional goals (Barnes, 2005). Employees who cannot contribute to the organization can negatively affect organizational performance. AL is positively related to employee attitudes. Researchers found that AL is related to several positive attitudes, such as commitment, EWB, engagement, satisfaction, PsyCap, and performance (Avolio et al., 2004; Semedo et al., 2016). Since EWB is a crucial component of organizational effectiveness, the scholarly community would benefit from understanding the relationship between AL and EWB.

PsyCap is a positive psychological state of development that consists of the confidence to complete tasks, making positive attribution about success, persevering towards goals, and bouncing back from failures that reside within employees (Luthans et al., 2007). PsyCap consists of four core psychological characteristics: self-efficacy, optimism, hope, and resilience. Employees with higher PsyCap have shown positive expectations at work, believed success could be manufactured and were more resistant to failures than employees with lower PsyCap (Virga & Paveloni, 2015). Similarly, researchers have determined that employees in positive states reported higher self-efficacy (Schuettler & Kiviniemi, 2006), had optimistic perceptions, and set achievable goals for themselves (Erkutlu, 2014). PsyCap has a profound influence on positive employee attitudes and behavior. A meta-analysis revealed that PsyCap was a predictor
of desirable employee attitudes, such as satisfaction, commitment, and well-being (Avey et al., 2011). PsyCap may play a potential role in the relationship between AL and EWB.

Leaders and employees rely on each other to accomplish personal and organizational goals (Norman et al., 2019). The symbiotic relationship between the leader and employees causes authentic leaders to be influential within the organizational context. An authentic relationship between leader and employee built on mutual recognition is associated with increasing EWB (Clarke & Mahadi, 2017). However, research examining the extent that AL predicted EWB and whether PsyCap plays a moderating role in the relationship between AL and EWB is unknown. This study was required to understand AL's predictive influence on EWB and whether PsyCap has a moderating effect between AL and EWB.

**Problem Statement**

Leaders play a critical role within the organizational environment, and their behavior has a significant effect on the well-being of employees (Avolio et al., 2009). EWB has importance surrounding leadership, and the lack of importance placed on EWB was the central basis for this study. A gap in the research regarding EWB as an outcome of importance emphasized employee performance as a primary outcome (Grant et al., 2007). When included in leadership research, EWB is either a secondary outcome or mediator that explains the leader-performance relationship (Montano et al., 2017). The importance of linking a leader's characteristics and behaviors to organizational performance indicators and employee performance (Montano et al., 2017) is the primary
objective of the majority of research studies. It is currently unknown whether a predictive relationship exists between AL and EWB.

The relationship between AL and EWB is ambiguous. A current gap in the research surrounds limited research that supplements organizational data to understand potential processes between AL and EWB (Inceoglu et al., 2018). This study found the AL core component of relational transparency to significantly predict EWB. The addition of the AL and PsyCap interaction significantly influenced EWB. Further research could examine a more robust measurement of well-being, including physiological measurement while combating issues of standard methods bias (Podsakoff et al., 2012). Organizational leaders may emphasize authentic leadership development, influencing EWB, and improving organizational effectiveness. Understanding whether AL predicts EWB may increase awareness among organizational leaders, resulting in higher quality relationships, trust, and collaboration.

PsyCap appears to have a positive association with EWB. Researchers have found that EWB affects all four core psychological resources of PsyCap, such as hope (Snyder et al., 2006), resiliency (Keyes, 2007), self-efficacy (Meier et al., 2008), and optimism (Carver et al., 2005). There is limited research on how PsyCap can leverage AL for positive outcomes, such as EWB (Stander et al., 2015). Researchers have also identified the gap of PsyCap concerning AL and well-being (Adil & Kamal, 2016; Park et al., 2017). PsyCap is an essential component associated with positive employee and organizational outcomes. PsyCap provided employees with positivity, which also contributed to positive organizational behavior responsible for the development of
individuals and helped them achieve a competitive advantage within the workplace (Venkatesh & Blaskovich, 2012). It is not known whether PsyCap moderated the relationship between AL and EWB.

**Purpose of the Study**

The purpose of this quantitative study that used multiple and moderated regression analyses was to determine a predictive relationship between the predictor variable of AL and the outcome variable of EWB. A second purpose was to identify the extent that the moderator variable of PsyCap had a moderating effect on AL and EWB. The target population consisted of nonsupervisory employees among organizations within the USA.

**Research Questions and Hypotheses**

AL, EWB, and PsyCap characteristics are the foundation for the research questions and hypotheses. The four core characteristics of authentic leaders included self-awareness, relational transparency, internalized moral perspective, and balanced processing (Walumbwa et al., 2008). The two dimensions of EWB consisted of high arousal, positive emotions. PsyCaps' four core psychological resources included self-efficacy, optimism, hope, and resilience. The following research questions guided the objective for this quantitative study:

Research Question 1 (RQ1): Does perceive authentic leadership as measured by the Authentic Leadership Questionnaire predict employee well-being?

Null Hypothesis ($H_01$): Perceived authentic leadership does not predict employee well-being
Alternative Hypothesis ($H_{a1}$): Perceived authentic leadership predicts employee well-being

Research Question 2 (RQ2): Does psychological capital as measured by the Psychological Capital Questionnaire moderate the relationship between authentic leadership and employee well-being?

Null Hypothesis ($H_02$): Psychological capital does not moderate the relationship between authentic leadership and employee well-being

Alternative Hypothesis ($H_{a2}$): Psychological capital moderates the relationship between authentic leadership and employee well-being

**Theoretical Frameworks**

The theories considered essential in comprehending the predictor variable of AL, the outcome variable of EWB, and the moderating variable of PsyCap included AL theory and social exchange theory. AL theory emphasized that an authentic leader demonstrates the four core characteristics of self-awareness, relational transparency, internalized moral perspective, and balanced processing (Walumbwa et al., 2008). AL relies on high levels of authenticity among the leader and employee relationship (Hinojosa et al., 2014). Once employees feel valued as team members while sharing an authentic, open relationship with the leader, increases in well-being may occur (Braun & Peus, 2018). Covelli and Mason (2017) claimed that as employees perceive their leader to be authentic, a solid relationship built on mutual trust and respect will develop, influencing EWB. AL theory provided theoretical, foundational knowledge towards the first research question in understanding whether AL predicts EWB.
In the social exchange theory, the leader-employee relationship results from an exchange process and is determined using cost-benefit analysis (Homans, 1958). If a leader can affect employee perception of higher rewards than costs associated with the leader-employee relationship, increases in EWB will be experienced (Crossman, 2020). Similarly, researchers revealed that leaders' mentorship and support resulted in more substantial commitment and productive work behavior among employees (Chughtai, 2013). The application of the social exchange theory has led to predictions on positive outcomes of employee perception of leadership (Bedi et al., 2016). Due to the dyadic relationship between the leader and employee, social exchange theory and the theoretical explanation of the exchange process were essential for this study.

**Nature of the Study**

The purpose of this quantitative correlational study was to determine the extent that the predictor variable of AL predicted the outcome variable of EWB and whether the moderating variable of PsyCap moderated the relationship between AL and EWB. A quantitative approach that used a correlational research design was ideal for examining how participants assessed their leader's level of authenticity (Whitehead & Brown, 2011). Correlation analysis determined a predictive relationship between AL and EWB. Seeram (2019) claimed that a correlational, predictive design attempted to predict the level of the outcome variable from the measured values of the predictor variables. The predictor variable assessed the four core AL characteristics and used the Authentic Leadership Questionnaire (ALQ). The moderator variable assessed the four core PsyCap resources and used the Psychological Capital Questionnaire (PCQ). Lastly, the outcome variable
assessed the two dimensions of EWB and used the Job-Related Affective Well-being Scale (JAWS).

Participants were collected via SurveyMonkey’s Participant Pool and Amazon’s Mechanical Turk. Data collection consisted of collecting respondent entries for all three questionnaires: ALQ, JAWS, and PCQ. In quantitative research, the main objective of questionnaires is to gather relevant data reliably and validly (Taherdoost, 2016). This correlational study that used multiple regression analysis examined and predicted the relationship between AL and EWB. The sample selection criteria will involve adult respondents over 25 who had 2 years of experience working under their leaders and were employed within the USA.

**Definition of Terms**

*Authentic Leadership:* “a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development” (Walumbwa et al., 2008, p. 94).

*Employee Well-Being:* All aspects of the working life; how employees feel about work, the working environment, the climate, and the organization (Tuzovic & Kabadayi, 2020).

*Psychological Capital:* as an employee's positive psychological state of development that consists of having the confidence (self-efficacy) to complete objectives, create positive attribution (optimism) about success, persevere towards goals while
redirecting paths to achieve those goals (hope), and bouncing back from setbacks (resilience; Luthens et al., 2007).

**Assumptions**

I assumed that participants would be honest in their responses to the questionnaires. It was also assumed that the participants would adequately represent the population. Further, I assumed that the questionnaires used would appropriately measure the variables of interest and that participants developed the proper amount of experience working under leadership to answer their level of authenticity objectively. Last, it was assumed that surveying employee participants among various organizations within the USA with nonsupervisory positions would yield reliable responses.

**Limitations**

This study contained limitations based on how data was collected. Third-party websites compensated respondents in exchange for participation, which may have impacted reliable responses. A second limitation is how the AL construct has been criticized regarding construct validity and measurement based on immaturity (Iszatt-White & Kempster, 2018).

**Delimitations**

A delimitation is that the population included a leader-employee relationship of at least 2 years. The population excluded consisted of individuals who did not have a leader-employee relationship of at least 2 years and were under 25 years old. Additionally, I only surveyed individuals in nonsupervisory roles.
Significance of the Study

The importance of understanding whether AL predicted EWB might influence positive social transformation. This research was critical to advancing societal change since previous research has demonstrated that a genuine leader-employee connection significantly influences EWB, resulting in beneficial work and psychological results (Chida & Steptoe, 2008; Howell et al., 2007). Positive behavioral modeling by authentic leaders may assist employees in developing internal control, which can result in improved positive attitudes, well-being, and performance. (Rahimnia & Sharifirad, 2015; Walumbwa et al., 2008). Authentic leaders have an impact that transcends corporate success; they play an essential role in society by handling public policy concerns and resolving social challenges. (George, 2003). AL recognized and appreciated diversity among employees, developed unique skills, and translated those talents into strengths. The findings of this study may have a favorable impact on the family environment (Morganson et al., 2017) because authentic leaders acknowledged and valued differences among employees, developed individual talents, and transformed those talents into strengths, which, in turn, became generalized to all aspects of the employees’ life (Luthans & Avolio, 2003).

Previous research has found that employees with higher levels of well-being performed more effectively at work, was more cooperative, had higher-quality relationships, had lower levels of burnout, increased in self-control, self-regulation, and coping (Diener & Seligman, 2002; Chida & Steptoe, 2008; Howell et al., 2007; Segerstrom, 2007). The authentic leader-employee relationship may also positively affect
the employees' immediate environment by increasing work-life balance, motivation, and well-being (Covelli & Mason, 2017). Since this study has shown that AL predicts EWB, this study may promote positive social change by fostering AL development to promote positive employee outcomes and organizational effectiveness.

This study may advance knowledge within academic literature surrounding the relationship between AL and EWB. Since the lack of EWB as an essential outcome has resulted in an underdeveloped and narrowly focused understanding of leaders’ influence on EWB (Inceoglu et al., 2018), the results of this study may fill that gap. Similarly, this study may also advance knowledge surrounding PsyCap’s moderating influence on the relationship between AL and EWB. Park et al. (2017) claimed additional empirical research in assessing psychological capital four dimensions (self-efficacy, optimism, hope, and resilience) is required to fully comprehend potential influences on authentic leadership and employee well-being.

**Summary**

During this study's introduction, a current gap within the literature consisted of the lack of EWB as a primary outcome and potential implications. It is currently not known whether AL predicts EWB. Because the relationship between AL and EWB is ambiguous, the importance placed on EWB is the foundation for this study. An additional gap included PsyCap as a moderator of AL and EWB, which is currently unknown. This study may help scholarly communities understand the relationship between AL and EWB and whether PsyCap influences AL and EWB. The essential theories to answer both research questions consist of AL theory and social exchange theory.
The purpose of this quantitative correlational study was to determine whether the predictor variable of AL predicted the outcome variable of EWB and whether the moderating variable of PsyCap influenced the relationship between AL and EWB. The ALQ assessed the perception of participants on leaders' level of authenticity. The JAWS assessed participants' well-being levels, and the PCQ assessed the four core psychological resources. Participants consisted of nonsupervisory employees among organizations in the USA who were at least 25 years old. Employee participants must have had 2 years of experience working under leadership. Data collection consisted of collecting respondent entries from all three psychological questionnaires: ALQ, JAWS, and PCQ.

Some research had shown that an authentic leader-employee relationship has a significant effect on employee well-being, which resulted in positive work and psychological outcomes (Chida & Steptoe, 2008; Howell et al., 2007). This study can inform organizational leaders about the importance of implementing authenticity training to facilitate higher-quality relationships with employees, positively influencing organizational effectiveness. This study may promote positive social change by inspiring AL development among organizational leaders, influencing positive employee outcomes, such as increasing attitudes, well-being, and performance (Rahimnia & Sharifirad, 2015). Societal implications consisted of authentic leaders positively influencing employees’ well-being and immediate environment. Authentic leaders acknowledged valuable differences among employees, developed individual employee talents and transformed those talents into strengths, which generalized to all aspects of the employee's life.
(Luthans & Avolio, 2003). This study is essential because the literature has not considered EWB a critical outcome, resulting in an incomplete understanding of authentic leaders’ influence on EWB.
Chapter 2: Literature Review

Authenticity is an essential component of effectiveness among interpersonal organizational relationships (Emmerich et al., 2019). Superior leaders exhibit behaviors that will foster trust and openness among employees. Illies et al. (2005) claimed that leaders who displayed relational authenticity cultivated trustful and open associations with employees. Authentic behavior is an adequate baseline that leadership should adhere to during interpersonal relationship development. However, organizations continue to face challenges surrounding inauthentic behavior among leadership. An example of inauthentic behavior consists of the former CEO of Enron taking part in the conspiracy, securities fraud, and insider trading (Department of Justice, 2004). Researchers began to assess inauthentic leadership due to organizational scandals occurring more frequently within society (Chandler, 2009). As a result of these scandals, leaders sought a renewed leadership style and the need for authenticity among leadership was identified (Avolio & Gardner, 2005). This need for authenticity among leadership resulted in additional research surrounding leadership styles.

A leader who exhibits authentic and moral characteristics is the crux of AL and organizational effectiveness. Research has shown that leaders who displayed high authenticity and ethics were critical for organizational legitimacy (Mendonca, 2001); fostered confidence and loyalty (Aronson, 2001); established transparent role modeling processes (Schein, 1992; Sims & Brinkman, 2002); and enhanced the overall moral climate for employees (Schminke et al., 2005; Trevino et al., 2003). These findings could have resulted from employees’ perception of leaders authentically aligning behaviors
with words. A notable characteristic that differentiates AL from other positive leadership styles is relational transparency. Leadership behavior that exhibits relational transparency has been proven to be associated with higher job satisfaction, increased organizational commitment, improved EWB, greater empowerment, and higher individual, team, and organizational productivity (Cummings et al., 2010). Leaders exhibit openness with thoughts and beliefs that may contribute to the development of trust among employees. Relational transparency is considered a critical construct that results in positive organizational outcomes and trust among employees. As leaders exhibit authenticity and morality, positive employee outcomes and the organizational climate may improve.

An additional component that differentiates AL from other leadership styles is the level of authenticity that a leader exhibits. If leaders displayed higher levels of authenticity, more heightened self-awareness and self-regulated positive leader behaviors followed, which contributed to positive self-development among leaders and employees (Gardner et al., 2005). Similarly, Walumbwa et al. (2008) indicated that authenticity among leaders promotes positive psychological outcomes such as an ethical climate, an increase in self-awareness, and internalized moral perspective, all of which results in higher transparency and relational work among employees. These results illustrate that authenticity may contribute to self-development and positive psychological outcomes in organizational environments. A leader's level of authenticity is an essential AL component that contributes to positive organizational results.

The purpose of this study was to determine the extent that AL predicted EWB and whether PsyCap moderated the relationship between AL and EWB. There has been
limited research emphasizing EWB as a primary outcome in the relationship with AL (Inceoglu et al., 2018). Although there is limited research on the relationship between AL and EWB as a primary outcome, the literature supports the relationship between AL and positive employee outcomes (Avolio et al., 2004; George, 2003; Luthans & Avolio, 2003; Walumbwa et al., 2001). According to previous research, an association between AL and EWB may be plausible. This study has identified a predictive relationship between AL and EWB.

This literature review consists of central themes highlighted among the leadership literature regarding AL and EWBs’ positive employee and organizational outcomes. This literature review also comprises information on potential moderating effects PsyCap has on AL and EWB. With this review, I aimed to provide a foundation and background that supports why this research was necessary. The organization of this review includes my literature search strategy, theoretical foundations, historical overview, current research findings for AL, EWB, PsyCap, and a summary.

**Literature Search Strategy**

I used various databases and searched terms during the literature review search. Walden University library provided access to the following databases: ProQuest Central, SAGE Journals, Emerald Insight, Business Source Complete, ABI/INFORM Collection, SocINDEX, APA PsycArticles, PsycINFO, and dissertations among the library database within Walden University. I also used Google Scholar to locate relevant, restricted articles to search within the Walden University library databases. The key search terms and appropriate combinations included: *Authentic leaderships*+well-being+resiliency,
positive psychological capital, historical overview+authentic leadership, leadership behavior+employee outcomes, antecedents of authentic leadership, psychological capital+well-being, authentic leadership characteristics+empowering leadership+toxic leadership, psychological capital+positive employee outcomes, authentic leadership+mediator+psychological capital+authentic leadership theory, social exchange theory+PsyCap moderating authentic leaders, PsyCap moderating employee well-being, PsyCap mediating authentic leadership+employee well-being, ethical leadership+authentic leadership, employee well-being outcomes, authentic leadership outcomes, PsyCap outcomes, employee well-being+resiliency, and authentic leadership+job satisfaction.

Primary sources for the literature review consisted of peer-reviewed articles, journals, dissertations, research on questionnaires surrounding theoretical frameworks, AL, EWB, and PsyCap. This literature review examined seminal literature from 1850 to 2016, which surrounded the origins of AL theory and social exchange theory. This literature review included peer-reviewed relevant scholarly resources from 2016 to 2020, emphasizing employee and organizational outcomes due to AL, EWB, and PsyCap. Two gaps in the literature surrounded limited research on the relationship between AL and EWB as a primary outcome and the moderating influence PsyCap played on AL and EWB (Inceoglu et al., 2017). I addressed these gaps by assessing multiple research findings surrounding ALs influence on positive employee and organizational outcomes and PsyCaps' moderating influence on AL and EWB. The identified gaps in the literature
prompted my study, which surrounded a potential correlation between AL and EWB and the moderating influence that PsyCap had on the relationship between AL and EWB.

**Theoretical Foundation**

Two central psychological theories were foundational to understanding the relationship between AL, EWB, and PsyCap. AL theory was essential in understanding how the four core authenticity characteristics were developed and implemented among leaders. Additionally, AL theory highlighted four authentic core characteristics that positively influenced employees, organizations, and leadership. Social exchange theory was also essential in understanding the leader-employee relationship and the underlying influences that drive interpersonal interactions within organizational environments. The two psychological theories were needed to offer context for this investigation, which earlier data confirmed. Valid theories are essential in research because they give meaning to what has been seen and validated by earlier studies (Costley, 2006). The AL and social exchange theories provided a theoretical framework for the fundamental purpose of this investigation.

The AL theory was an essential theoretical framework for this study. Authentic leaders emphasize positive aspects that should be implemented in the organizational environment to allow employees to flourish (Luthans et al., 2001; Avolio & Gardner, 2005). The rationale for selecting the AL theory on the expectation of positive outcomes from AL included performance increases (Moshavi et al., 2003), attitudes, and behaviors (Avolio & Garnder, 2005). Based on the AL theory and these findings, AL may predict EWB. The AL theory related to this study because it aligned with the notion that an
authentic relationship between leaders and employees may increase EWB (Braun & Peus, 2018). Research has revealed that a leader-employee relationship built on mutual trust and respect will develop once employees perceive authenticity among leaders, which increases EWB (Covelli & Mason, 2017). The rationale for selecting AL theory aligned with the central premise of this study.

Social exchange theory emphasized that social behavior resulted from the exchange process, and leader-employee interactions used cost-benefit analysis. Research has found that positive social interactions among the organizational environment determined social exchange theory, reciprocity, and trust (Blau, 1964). The relationship between positive social interaction, social exchange theory, reciprocity, and trust is significant because it is related to the premise of this study, which emphasizes authentic relationships predicting EWB. Social exchange theory related to this study aligned with the notion that employees will positively respond to leadership by engaging in reciprocating behaviors if employees perceive more benefits associated with leaders (Cropanzano et al., 2017). The notion of reciprocity resulting from benefits associated with leaders highlighted the rationale within this study, which assumed EWB would reciprocate an authentic leader's behavior. The rationale for selecting social exchange theory aligned with the central premise of this study.

The difference between authentic and inauthentic leadership is crucial in investigating the relationship between AL and EWB. Avolio et al. (2004) view authentic leaders as individuals who have developed high degrees of authenticity exhibit more profound knowledge of themselves, values, and beliefs while aligning those views during
interactions with others. The level of self-awareness is critical because if a leader does not honestly know themselves, they cannot exhibit authenticity to others. Authentic leaders also have a strong understanding of the external environment. Authentic leaders are cognizant of their environment, have a clear vision, integrate ethical behavior into their professional and personal lives while creating a climate that helps employees recognize their inherent worth (May et al., 2003). AL awareness of the external environment highlights authentic leaders' capability to influence the organizational environment, which directly affects employees positively. AL utilizes authentic modes of influence while motivating employees. Authentic leaders' mode of influence consists of inspirational motivation, intellectual stimulation, and individualized consideration, which positively influences employees (May et al., 2003). An authentic leader's positive mode of influence is crucial to differentiating AL from inauthentic leaders. Authentic leaders exhibit a deep understanding of themselves, other individuals, and the organizational environment while exhibiting altruistic intentions towards themselves and others.

Inauthentic leaders exhibit authentic characteristics but are differentiated based on underlying intentions. For instance, inauthentic leaders are excellent at imitating AL qualities, but the underlying goal is to seek control (Conger & Kanungo, 1998). Additionally, inauthentic leaders tend to operate under employees’ conscious awareness. Inauthentic leaders thrive on employees’ unawareness by projecting false morality and positive intent (May et al., 2003). This false projection of positive intent allows inauthentic leaders to influence behavior. Inauthentic leaders are considered ego-centric rather than employee-centric. Inauthentic leaders’ source of motivation is to enhance their
image and convince employees to do what is best for the organization when it only truly benefits the leader (May et al., 2003). Inauthentic leaders operate under the guise of altruism towards employees, which may appear somewhat similar to authentic characteristics. However, inauthentic leaders’ mode of influence differs significantly from AL. Inauthentic leaders' core methods of influence are conspiracy, illusion, excuses, and anxiety (Bass & Steidlmeier., 1999). A leader’s true intentions differentiate an AL from an inauthentic leader.

**Authentic Leadership Theory**

AL is a new type of positive leadership style that Bill George originated in 2003. The construct of authenticity is not new, but there has been a resurging interest in AL within the applied literature (Inceoglu et al., 2018) and academic leadership literature (Alilyyani et al., 2018). As interest in AL continues to transpire, the need for additional AL research in an organizational context is also progressing. According to the AL theory, for a leader to be considered authentic, the employee must perceive alignment with four core characteristics: self-awareness, internalized moral perspective, balanced processing of information, and relational transparency.

**Authentic Leadership**

One essential component differentiating positive leadership styles from other leadership styles emphasizes morality and ethical responsibility. For instance, Gardner et al. (2005) claimed that any theory of AL development would be misguided if it does not emphasize increased awareness of the inherent ethical responsibilities of a leadership role. An updated definition of AL by Walumbwa et al. (2008) is defined as
a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development. (p. 94)

What differentiates AL from other leadership styles is the level of authenticity the leader exhibits. George (2010) cited that the extent of a leader’s authenticity is an essential element of AL, regardless of leadership style. The level of authenticity is a critical core characteristic required for leaders to be considered authentic. A leader who exhibits the self-discipline to use their leadership style is considered an authentic leader. AL theory claims that leaders have the freedom to adapt their leadership style if it is consistent with their authentic character and values (Johnson, 2019). Authenticity requires a leader to remain true to their individualistic style of leadership. An additional distinguishing component that differentiates AL from other leadership styles is self-awareness. Authentic leaders have a deep knowledge of self, including their strengths and weaknesses (Covelli & Mason, 2017), and can provide authentic relationships while leading with purpose, meaning, and values (Yavuz, 2019). A leader cannot lead without a deep understanding of self. Lastly, authentic leaders distinguish themselves from other known leadership styles by exhibiting a more employee-centric approach than an ego-centric one (Luthans & Youssef, 2007; Luthans et al., 2007). An employee-centric emphasis is what makes a leader authentic. A central theoretical proposition based on the AL theory suggested that level of authenticity, self-awareness, self-discipline, and the
personification of an employee-centric approach consists of characteristics that transform a leader into an authentic leader.

**Authenticity**

In terms of the organizational context, Luthans and Avolio (2003) defined authenticity in the organizational context as leadership that increases self-awareness and self-regulating behaviors that result in the expansion of self-development. This conceptualization of authenticity grants accountability to the leader in fostering positive psychological characteristics among employees. According to the AL theory, the determination of authenticity within the organizational context consists of two factors: developmental significance and an inherent moral component (Avolio et al., 2005). Developmental significance is a leader’s dedication to cultivating positive developmental levels in personal growth. Eigel and Kuhnert (2005) claimed the importance of authentic leaders’ ability to master personal leadership before leading employees and the organization, as complexities in leading vary at each level. An inherent moral component requires a leader to exhibit self-discipline and align values and behavior as one. Research has found that the achievement of authenticity among leadership requires an advanced level of moral development (Garner et al., 2005; Chan et al., 2005). These findings are significant because they define the necessary prerequisites for developing authenticity among leadership. Leadership requires developmental significance and an inherent moral component to be considered authentic.
**Self-Awareness**

A leader’s ability to know their character, values, morals, and principles is one of the most differential components of AL. Authenticity can only be achieved by “knowing thyself.” The shift from inauthenticity to authenticity begins in developing self-awareness and identifying one’s purpose rather than being influenced by external pressures (George, 2003). Once a leader fully integrates awareness of self, awareness of others becomes a priority. Self-awareness is an ongoing process in which leaders understand their own and others’ strengths, weaknesses, values, morals, and perspectives (Johnson, 2019). Without a thorough comprehension of oneself, a leader cannot exhibit employees' awareness, which may negatively influence a leader’s ability to lead authentically. Self-awareness is an essential characteristic that will result in the development of authenticity.

Self-awareness positively affects leadership, employee, and organizational outcomes. Researchers has revealed that higher levels of self-awareness have positively influenced leadership competence (Fletcher, 1997), organizational and individual performance (Moshavi et al., 2003), employee attitudes and behaviors (Avolio & Gardner, 2005), and emotional intelligence (Higgs & Dulewicz, 2002). These findings emphasize that a leader’s capacity to embody self-awareness may positively develop in other essential areas within the organizational environment. High levels of authenticity, self-discipline, and self-awareness are essential prerequisites essential during the initial steps of AL development.
**Self-Discipline**

An additional component of ALs is self-discipline, a leader’s ability to align words and behaviors. The presence of self-discipline grants leaders the ability to focus on goals, even in failures (Northouse, 2017). Failures are an inevitable part of leadership, and leaders must exhibit resiliency during failures. Consistent behavior among leaders is an essential component for the development of authenticity. Simons (2002) claimed a leader’s integrity is through the alignment of words and actions. The alignment of words and behaviors may contribute to developing trust among employees. Researchers found that employee trust diminished based on a leader’s inconsistent behavior, resulting in disrespectful behavior towards the leader (Johnson, 2019). Trust is a vital prerequisite in the ability of a leader to lead employees effectively, which emphasizes the importance of self-discipline among leadership. Trust and respect will develop over time once employees perceive the leader as exhibiting self-discipline by aligning words and behaviors.

Self-discipline is associated with various positive employee and organizational outcomes. Research has revealed that self-discipline in leadership correlates with trust, job performance, and organizational citizenship behavior (Simons et al., 2015). Similar findings found that self-discipline positively affected job performance, self-efficacy, and job satisfaction while minimizing negative strain (Neck & Houghton, 2006; Unsworth & Mason, 2012). These findings illustrate the importance of a leaders’ alignment based on employee perception and the benefit of positive perception of self-discipline among
leadership. An authentic leader must exhibit self-discipline while interacting with employees, stakeholders, and customers within the organizational environment.

The AL theory applied in similar ways relating to this study. Research has revealed the influence of leadership and the well-being of employees. Significant correlations have been found between authentic leaders and emotional happiness (Jensen & Luthans, 2006) and between authentic leaders and psychological well-being (Bamford et al., 2012). These findings relate to the central premise of this study, which is to determine a potential correlation between AL and EWB. Previous studies revealed that authentic leaders influence the psychological well-being of employees. With the application of the AL theory, authentic leaders could affect the psychological well-being of employees (Nelson et al., 2014; Abraham & Duraisamy, 2016). Authentic leaders' effect on employees’ psychological well-being highlights the potential for AL to predict EWB, which is related to this study. AL theory application to previous research revealed a correlation between AL, happiness, and psychological well-being.

Based on current research findings, the relationship between AL and EWB appears to be ambiguous (Inceoglu et al., 2017; Perko, 2019). Although employees’ perceptions of leadership and well-being are interrelated phenomena, research examining the extent to which AL is related to EWB is still limited (Perko, 2017). The limited research between AL and EWB is significant to the importance of this study, as it illustrates the need for additional research on ALs association with EWB. Despite limited research conducted between AL and EWB, there is a gap in the research surrounding EWB as a primary outcome. Previous research examining the influence of AL behavior
on EWB emphasized narrow aspects of well-being. At the same time, the application improved employee performance rather than well-being itself (Skakon et al., 2010). Research has also focused on specific leadership styles and outcomes without analyzing the processes that constitute the relationship between a leader’s behavior and well-being (Arnold, 2017; Harms et al., 2017; Montano et al., 2017). The limited research on AL and EWB as a crucial outcome exemplifies the need for research emphasizing well-being as a primary outcome, which is the main objective of this study. This study will address the gaps surrounding AL association with EWB as a primary outcome.

**Social Exchange Theory**

It would be ideal for conceptualizing and defining potential sources of perceptions and behaviors, making social exchange theory an essential framework to help define these sources (Aydin, 2017; Düger, 2020). Social exchange theory has been a central theoretical perspective in social psychology since the 1960s. The central premise of social exchange theory involves exchanging social and financial resources, which encompasses the fundamental dynamics of human interaction (Cook et al., 2013; Blau, 1968). The principal founder who contributed to this theory's origin viewed social exchange as exchanging tangible or intangible activities that could be rewarding or costly between at least two individuals (Homans, 1961). Homans based this social exchange theory on the constructs of equilibration, expectancy, and distributive justice (Homans, 1961). The origin of social exchange theory emphasized a cost-benefit analysis during social interaction.
Shortly after, Blau also contributed to the origin of the social exchange theory and suggested that the interpersonal exchange filtered through an economic perspective. Blau (1964) perceived social exchange as the voluntary act of individuals motivated by the perceived returns expected from the interaction with others. Both theories contain an essential difference; Homan utilized psychological instrumental behavior, while Blau considered economic analysis during social exchange theory (Emerson, 1976). A central theoretical proposition based on social exchange theory suggested that any interpersonal exchange maximizes reward while minimizing costs.

**Interpersonal Exchange**

Homan’s conceptualized the social exchange theory within the sociology field in the 1960s. Homans (1961) was the first sociologist to emphasize interpersonal exchanges and viewed this concept as the individual behavior of actors during interaction with one another. Much of Homans work on interpersonal exchange resembled B.F. Skinner’s reinforcement principles of reward and punishment. Homan (1961) suggested that rewarded behavior and behavior that results in positive consequences will most likely continue. This finding emphasizes the importance of positive reinforcement among the interpersonal exchange. Homans (1974) has argued that individuals can become irate when they do not receive a fair return. Reciprocity is one of the central premises of social exchange theory. Homan's perceptions highlight the importance of positive reinforcement and reciprocity within the social exchange theory.

More recently, social exchange theory views a more self-efficacy perspective than a behavioral perspective. Social exchange theory claims that individuals rationally
maximize positive experiences while minimizing negative experiences through social interaction (Cropanzano et al., 2017) while weighing the rewards versus the costs. This perspective grants an individual’s accountability, as the efficacy of each individual is responsible for the cost-benefit assessment rather than relying on automatic, unconscious processing. Bandura (1997) claimed efficacy expectations determined the extent of expended effort and time in which individuals contributed to the face of aversive experiences; the more substantial the self-efficacy, the more effort expended. Social exchange theory emphasizes interpersonal exchanges to maximize rewards while minimizing costs.

**Reward and Cost**

In social exchange theory, each interpersonal exchange assesses rewards and costs by both parties involved in the exchange. Weiss and Stevens (1993) claimed interpersonal interactions have rewards and costs for both individuals involved. For an interpersonal interaction to remain successful, both individuals must associate lower costs with higher rewards. Rewards are positive incentives for behavior and consist of money, awards, a personal sense of well-being, gain in self-esteem, and status (Weiss & Stevens, 1993). Costs are negative incentives for behavior and consist of time expended, anxiety, failure, and disengagement in other valuable activities (Weiss & Stevens, 1993). The relationship will most likely terminate once costs begin to outweigh rewards in any interpersonal exchange.

According to social exchange theory, an individual’s assessment of reward and cost can influence various outcomes. Under social exchange theory, research revealed
findings that emphasized that both cost and reward perceptions influenced the behavior of individuals (Ma et al., 2021). This finding signifies the power that perception may have on behavior. The reward and cost analysis may also affect the interpersonal exchange itself. Research revealed that individuals actively interacted with others if those individuals obtained any form of perceived benefits (Hsu & Lin, 2008). This study highlights the importance individuals place on rewards in any social interaction.

Individuals place high regard on the concept of reciprocity during an interpersonal exchange. The repayment obligation is contingent upon the actual value of the benefits received, and if the repayment obligation consistently fails to meet expectations, the relationship is bound to terminate (Gouldner, 1960; Cook et al., 2013). The reward and cost analysis may influence behaviors, interpersonal exchange, and perceptions of reciprocity.

**Leadership**

Social exchange theory has been applicable within the leadership literature within the last few decades. The application of social exchange theory predicts positive outcomes based on employee perception of leadership and work-related outcomes (Bedi et al., 2016), such as increases in job satisfaction (Avey et al., 2012), trust in leadership (Brown et al., 2005) and a decrease in counterproductive work behaviors (Den Hartog & Belschak, 2012). Social exchange theory may be generalized to various contexts to predict positive outcomes. As social exchange theory among leadership evolved, the findings revealed various outcomes associated with higher rewards in the organizational environment.
Social exchange theory has generated findings that may predict successful organizational, interpersonal exchanges. Researchers suggest that social exchange theory, reciprocity, and trust may determine positive social interactions in the workplace environment (Blau, 1964). The antecedent of positive social interaction consisted of reciprocity and trust based on the social exchange theory. Similarly, when employees perceived more benefits associated with leadership behavior, they felt the need to reciprocate through positive attitudes and actions (Fao & Dao, 1980; Gouldner, 1960). These findings identified a potential correlation between the importance of reciprocity during the interpersonal exchange of leadership and employees. However, current research has found a direct relationship between positive interpersonal leadership exchange, trust, and reciprocity. These positive types of exchanges result from honesty, authenticity, and transparent communication among leadership that cultivates high levels of trust, which causes employees to reciprocate in a mutually beneficial manner (Brown et al., 2005). Researchers have found that if leaders provide employees with feedback, mentorship, and support, employees respond with commitment to the leader and more productive behavior (Chughtai, 2013; Joo, 2012). These findings exemplify the powerful influence of authenticity and reciprocity on positive social exchanges in organizational environments. Based on current research findings, positive interpersonal leadership exchange is directly associated with trust and reciprocity.

AL core characteristics may contribute to employee perceptions of higher rewards associated with the relationship, resulting in positive social exchanges. The core characteristic of relational transparency, such as honesty and openness, resulted in
positive social exchange among work relationships (Ilies et al., 2005). Leadership’s capacity to be open and transparent may contribute to trust among the interpersonal exchange. Authentic leaders lead with an internal moral perspective, which influences employees to perceive a high level of self-discipline by exhibiting consistent behavior among leadership, contributing to positive social exchange (Brown & Trevino, 2006; Zhang et al., 2012). Self-discipline is an essential authentic component and generates trust amongst employees. Lastly, balanced processing seeks employee input, which develops positive social exchange by increasing collaborative leader and employee interaction (Dienesch & Liden, 1986). The relationship between balanced processing and positive social exchanges highlights the powerful influence of collaborative behavior on positive social exchange outcomes. Research has shown that the core characteristics of relational transparency, internal moral perspective, and self-discipline is associated with positive social exchange outcomes within the organizational context.

Social exchange theory is applicable in similar ways that relate to this study. Per social exchange theory, the development of trust will contribute to an increase in EWB. Researchers have revealed a positive and significant correlation between leadership and employee trust (Zhu & Akhtar, 2014; Newman et al., 2014). This finding is significant because previous research has shown that trust is associated with EWB (Oliveira et al., 2020). With the application of social exchange theory, research has found that an employee’s willingness to trust leadership by the actions and character of that leader (Heyns & Rothmann, 2015). Once leadership's actions and character are perceived as authentic, this will generate trust among the leader-employee relationship. Previous
studies have revealed a correlation between AL and trust. Authentic leaders exhibit authenticity and enhance respect, dignity, integrity, and trust among employees (Bamford et al., 2013). With this rationale, authentic leaders will develop trust within the leader-employee relationship, contributing to EWB. The application of social exchange theory revealed a correlation between AL and trust, which may positively influence EWB.

**Summary of Theoretical Framework**

Within the 20th century, AL theory has emerged as a critical theoretical framework among leadership research (Gardner et al., 2011). Since then, the application of AL theory in numerous leadership studies has been due to the accuracy of predicting positive outcomes. Authentic leaders align with their values and strive to achieve openness among work relationships (Gardner et al., 2005). The described traits align with the AL core characteristics known as self-awareness and relational transparency. Authentic leaders inspire employees by modeling and transferring a solid sense of responsibility to positive work-related outcomes (George, 2003). An authentic leader's sense of responsibility toward positive work-related outcomes aligns with the AL core characteristic, internalized moral perspective. An essential requirement for leadership to be considered authentic is the perception of authenticity from employees. A leader is authentic if employees perceive those behaviors align with the four core characteristics, self-awareness, transparency, balanced processing, and internalized moral perspective (Gill & Caza, 2018). Although the construct of authenticity is not new, its application among leadership and EWB is limited, which is why this study was necessary.
Social exchange theory is an essential theoretical framework for fully conceptualizing and defining employee attitudes and behavior. Social exchange theory emphasizes the importance of reward-cost analysis among the interpersonal exchange for every social interaction. The exchange of socioeconomic resources and the concept of reciprocity play a vital role within the social dynamic, which applies to the leader-employee relationship (Pattnaik, 2018). This notion is significant for this study due to the importance placed on reciprocity, which may be valuable during the observation of leader-employee interaction. There is consistent empirical evidence linking AL to positive social exchanges (Hsiung, 2012; Walumbwa et al., 2010; Wang et al., 2014; Wong et al., 2010). Authentic leaders achieve positive social exchange using the core characteristics. The core characteristics demonstrate integrity and trustworthiness from the authentic leader (Illies et al., 2005), which constitute the elements of high-quality exchange relationships (Avolio et al., 2004; Blau, 1964; Illies et al., 2005). These findings are significant during the assessment of social exchange by having a baseline based on empirical research for this study. Social exchange theory is an applicable theoretical framework that supports the observation of interactions between AL and EWB.

**Literature Review**

This study addressed the previously mentioned research gaps by examining the relationship between AL and EWB and assessing PsyCaps' moderating influence on AL and EWB. The literature review discusses current research surrounding the predictor variable AL, outcome variable EWB, and the moderating variable PsyCap related to AL.
and EWB. A historical overview describes the historical foundation for each variable. At the same time, the section on current findings will illustrate recent empirical research for each variable, gaps in the literature, and why this study was necessary.

**Historical Overview**

**Authentic Leadership**

Although authenticity in the organizational context is a relatively new concept, the philosophical meaning of authenticity has existed for generations. Greek Stoics proposed the construct of authenticity as a moral response to a dismissal of civic and religious values (Baumeister, 1987). The field of positive psychology has made a significant contribution to the evolution of the authenticity construct. Seligman (2002) conceptualized authenticity as retaining one’s experiences, perceptions, emotions, needs, or beliefs while exhibiting a deep comprehension of oneself. Seligman’s conceptualization of authenticity contributed to the more recent construct of authenticity within the organizational context. Since then, researchers have emphasized a more developmental view of AL (Avolio et al., 2005) by emphasizing a process derived from positive organizational capacities while fostering self-awareness of leaders and employees to manifest positive outcomes (May et al., 2003). The core characteristic of self-awareness has contributed to authenticity in an organizational context.

The first application of authenticity among leadership emerged within the 19th century in sociology and education (Hannah & Chan, 2004). The application of authenticity among leadership was a significant point of time, as the work of Seeman (1960) emphasized research surrounding inauthentic leadership. Authenticity has become
an essential construct within the organizational context. Luthans and Avolio (2003) define AL as…

   a process that draws from both positive psychological capacities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviors on the part of leaders and associated, fostering positive self-development. (p. 243)

   This current definition of AL is crucial because it emphasizes positive outcomes resulting directly from leadership behavior rather than employees. Sustainable change may be achievable as organizations shift accountability from employees to leaders. Authentic leaders have been conceptualized and defined in a multitude of contexts by leadership scholars. While definitions of AL may vary, common occurrences among the literature reveal that authentic leaders were true to themselves, behaved consistently to who they are, and strongly influenced employees (Liu et al., 2018). Self-awareness and self-discipline are crucial components that distinguish authentic leaders from other types of leadership. These two core components allow authentic leaders to motivate employees positively and consistently using relational transparency. Authentic leaders were more interested in the empowerment of employees to create significant contributions by fostering high-quality relationships based on the principles of social exchange (Illies et al., 2005), which exhibits a superior level of authenticity. Authentic leaders exhibit altruism and concern for all individuals, influencing employee attitude and outcomes. Researchers found that authentic leaders had respect for diversity and concern for employees’ positive outcomes that yielded exceptional employee motivation, satisfaction,
and objectives (Johnson, 2019). The capacity to exhibit high levels of authenticity appears to be an essential AL characteristic. The level of authenticity among leadership positively influences all members of the organizational environment. Researchers found that authenticity exhibited by leaders influenced both leader and employee well-being while positively affecting the self-concept (Illies et al., 2005). This finding validates the rationale behind identifying and exploring potential issues among leadership, which is why this study is essential.

Among the historical literature, central themes surrounding AL are apparent. An example of a central theme is authentic leaders exhibiting a high moral component, positively influencing the employee and organizational climate. Researchers highlighted that AL reasoned and acted with a sense of morality, which motivated an ethical climate and the employee’s moral perspectives (May et al., 2003; Walumbwa et al., 2008). This finding illustrates the role of authenticity while cultivating a positive organizational environment. The empirical literature has identified moral antecedents for AL, which consisted of competencies such as integrity, a strong moral identity, and mature levels of cognitive moral development (Sumanth & Hannah, 2014). Similar findings revealed that authentic leaders fostered and exhibited mature moral perspective-taking, with an intense motivation to act in alignment with their internal sense of morality (Olsen & Espevik, 2017). These findings emphasize the importance of a moral component in cultivating an affirming organizational environment. A robust moral component is required for a leader to be considered authentic.
An additional central theme is mastery of a balanced decision-making process before deciding. Authentic leaders exhibited balanced processing by assessing various sides of an issue and taking the appropriate measures to analyze relevant information before coming to a decision (Walumbwa et al., 2008; Avolio & Gardner, 2005). If leadership incorporated employees within this balanced decision-making process, it may develop collaboration and trust. The two core characteristics, an internalized moral perspective, and balanced processing have been associated with employee trust. Researchers have found that authentic leaders exhibited a superior internalized moral perspective and balanced processing, which helped develop trust within the organizational environment (Guenter et al., 2017). Internalized moral perspective and balanced processing are required authentic characteristics, which results in the cultivation of trust among employees.

Authentic leaders positively contribute to organizational outcomes in various contexts. An example consists of the effect AL has within the medical field. Research has revealed that authentic leaders improved nurse motivation, job satisfaction, and support, which resulted in more quality patient care (Wong & Giallonardo, 2013). This finding exemplifies the notion that AL indirectly affects patient care, positively influencing the organization. Authentic leaders have a positive influence in the hospitality industry. Studies reported a statistically significant relationship between employee perception of authenticity among leadership and job satisfaction within the hospitality sector (Ayça, 2019). This study highlights the importance of employee perception of authenticity for AL to affect. Authentic leaders positively influence EWB within the construction
industry. Authentic leaders correlated significantly with psychological well-being in the construction sector (Toor & Ofori, 2009). The significant correlation between AL and psychological well-being provides empirical evidence of an association between AL and EWB, which is the central premise of this study. Similar findings in government institutions are present (Maric et al., 2017). AL is positively associated with government employees’ psychological empowerment, especially self-determination (Maric et al., 2017). These findings illustrate authentic leadership's influence on positive outcomes, which can be generalized in various organizational contexts.

**Employee Well-Being**

Well-being is not a new construct in the literature. Contemplations surrounding well-being have been occurring for several millennia, with the first theoretical formulation attempt dating back to ancient Greece (Hart, 2019). Ancient Greece philosophers ponder which constructs comprised well-being and which constructs are required to achieve well-being (Stoll, 2014). The work of Socrates and Aristotle was the first to determine what individuals required to achieve happiness and well-being (Hart, 2019). Socrates and Aristotle laid the foundation for the evolution of the construct of well-being. Historically, hedonism assessed aspects of well-being, with the goal of the pursuit of pleasure. The measurement of well-being was through a hedonic lens which emphasized constructs such as happiness, positive affect, low negative affect, and satisfaction with life (Bradburn, 1969; Diener, 1984; Kahneman et al., 1999). The measurement of well-being through the hedonic lens is essential because the constructs associated with the hedonic perspective are standard variables in the measurement of
well-being today. Research on EWB within the organizational context conceptualized in
the 1960s (Hart, 2019); the research conducted by Wilson (1967) on the correlates of
avowed happiness is considered the initial empirical study of well-being and the first
attempt in the conceptualization of well-being. The historical importance of well-being
remains significant in the organizational context at this moment in time.

According to Forgeard et al. (2011), a lack of consensus among the literature for
the definition of well-being has resulted in ambiguous and overly broad definitions of
well-being. However, researchers have not reached a consensus on an exact definition of
well-being in the literature (Page & Vella-Brodrick, 2009). A lack of consensus on a
definition of well-being is problematic because it has resulted in various misconceptions
surrounding the construct. Historically, Ryff (1989) identified core dimensions of well-
being: autonomy, environmental mastery, positive relationships, purpose in life, the
realization of potential, and self-acceptance. Recent research has emphasized differences
in well-being, which are the ability to fulfill goals (Foresight Mental Capital and Well-
being Project, 2008), happiness (Pollard & Lee, 2003), and life satisfaction (Seligman,
2002). However, the two conceptualizations of well-being contain similarities in
happiness, emphasizing dimensions of well-being rather than operational definitions
(Christopher, 1999). Dodge et al. (2012) proposed a universal definition of well-being
achieved when individuals have psychological, social, and physical resources needed to
meet a particular challenge. The definition developed by Dodge et al. (2012) reduced the
ambiguity experienced by the scholarly community regarding an agreed-upon definition
for well-being.
The construct of well-being has attracted high recognition in the scholarly literature, yet, researchers have dedicated minimal attention to well-being as a primary outcome among leadership studies. The introductory study of well-being derived from motivational theories explain why individuals behave as they do and the mechanisms that drive behavior (Krainz, 2015). EWB is an essential construct in the leadership literature and has attracted more attention from researchers in recent decades. EWB is associated with all aspects of the working life, from how employees feel about work, the working environment, the climate at work, and the organization (Lahtinen & Salmivalli, 2020; Tuzovic & Kabadayi, 2020). EWB is an essential outcome because employees spend most of their time at work. Specific requirements contribute to positive EWB in the organizational environment. Researchers have found that indices of EWB in the workplace consisted of the feelings of being accepted by leaders and coworkers, a supportive working environment, quality relationships, and opportunities for personal development (Akanni et al., 2020). As employees feel fulfillment among each of these arenas, EWB will increase. Due to EWB's importance in the organizational environment as it considers EWB a primary outcome amongst the relationship with AL.

For several decades, emotions in the organizational context have been disregarded and viewed as irrational. There has been an emotional affective revolution in organizational behavior research, which aimed to investigate the roles emotions played within the organization (Fisher, 2019). A vital distinction surrounding EWB is that the context must reside within the organizational environment. Siegrist and Rodel (2006) claimed that EWB dealt with employees' work-life and perceived psychological status
within the organizational context. The role of EWB within the organizational context may be a contributing factor to the gap in the leadership literature. It is crucial to define EWB within the context of this study. Keeman et al. (2017) defined EWB as the employee’s perception of positive feelings and work satisfaction. To achieve EWB, employees must perceive optimism about the specific job role and organization. Researchers highlighted that work must be satisfying, and positive emotions must be present for employees to experience well-being (Bakker & Oerlemans, 2011; Diener, 2000). Satisfying work and positive emotions experienced at work emphasize the employees' own subjective experience within the organizational environment. The aforementioned conclusions are important connotations about the outcome variable of EWB for this specific study.

The construct of EWB contains some ambiguity in the literature. Yet, EWB remains a crucial component in the organizational environment, despite the lack of consensus on its exact meaning. EWB is associated with personal and organizational effectiveness (Taris & Schaufeli, 2014). Researchers revealed that EWB largely influenced organizational effectiveness, which resulted in positive work-related outcomes (Taris & Schaufeli, 2014). Dijkhuizen et al. (2018) conducted a two-year longitudinal study, and the results confirmed that positive well-being predicted financial and personal entrepreneurial success. EWB is beneficial towards employee performance. Braun and Kloss (2017) found that positive well-being developed endorphins, contributing to productive employees. Highly productive employees will likely attract positive results from leadership and the organization. These findings suggest that EWB plays an essential
role in various aspects of the organizational environment, so EWB should be considered a primary outcome in the leadership literature.

Since EWB is a subjective emotional experience, accurate assessment is vital to the success of this study. It is essential to accurately assess EWB to attain valid conclusions on the role emotion plays within the organizational environment (Mäkikangas et al., 2007). Previous research has developed a framework to accurately assess emotions, referred to as the circumplex model of emotions. Warr et al. (2014) emphasized that emotions are assessed along two dimensions to predict overall well-being; valence consists of the level of pleasantness that generates either positive or negative emotions, while arousal is the intensity of emotions that ranges from calm (low) or excited (high) (Bestelmeyer et al., 2017). Prior studies have validated the appropriateness of the circumplex model of emotions during the assessment of emotions. An empirical study conducted by Zanfirescu et al. (2017) validated the support of the circumplex model of effects and its alignment with EWB. Similarly, Basińska et al. (2014) suggested that high arousal positive emotions measure EWB. This study will utilize the model of two dimensions of emotion, using the Job-Related Affective Well-being Scale (JAWS).

**Psychological Capital**

PsyCap is a relatively new construct that emerged within positive psychology in the 21st century. PsyCap is an employee’s positive state of development encompassing the psychological and potential self (Luthans et al., 2008, p. 223). This definition of PsyCap consists of acknowledging the employee's potential by utilizing psychological
resources that are readily available. The work of Luthans contributed to the combination of the construct PsyCap to the field of organizational management (Wang et al., 2021). The work of Luthans also initiated the foundation for this study of positive psychological resources within the organizational context. PsyCap consists of four positive psychological resources: self-efficacy, optimism, hope, and resiliency. These four positive psychological resources will be assessed in this study and are a second-order core construct that can predict outcomes more effectively than individual means (Luthans, 2012). Luthans et al. (2007) proposed that PsyCap offers a more comprehensive framework for utilizing psychological resource assets in the organizational context (Avolio & Luthans, 2006). PsyCap is an essential construct to assess in the organizational environment. This knowledge could be advantageous for organizations to implement. However, current research is limited in knowledge surrounding PsyCap. Luthans (2012) claimed additional research on PsyCap potentially playing a moderating role is required to further contribute to the leadership literature. Additional research is required to fully comprehend the complexities of PsyCaps' influence within the organizational environment.

Although the construct PsyCap is relatively new, considering other forms of positivity is present. Historically, the benefits of construct positivity conceptualized since ancient Greek philosophy with eudaimonia, or happiness (Sihvola, 2008). More recently, Seligman (2002) developed positive psychology and the construct PsyCap, which facilitated Luthans (2004) research to introduce positive psychology within the organizational context. The work of Luthans provided the foundation of PsyCaps'
influence among employees in the organizational context. Based on the research conducted by Luthans, researchers have made contributions to the literature surrounding PsyCap. Jiang and Zhao (2007) proposed a four-dimensional structure of PsyCap, which included self-efficacy, hope, optimism, and resilience. Comparatively, Tian (2007) proposed a five-structure model of PsyCap, which consists of self-efficacy, hope, optimism, resilience, and positive abilities. However, these models do not take precedent over the work of Luthans. Leadership scholars generally agree upon Luthans (2008) operational definition of PsyCap, a type of positive psychology that is present in the individual’s development processes which included: having confidence (self-efficacy) during challenges, having positive attribution (optimism) for future success, adjusting approaches when struck (hope), and recovering from adversity (resilience). This research will align with Luthans' conceptualization of PsyCap.

Despite limited empirical knowledge of PsyCap's influence, it is an essential component within employees. PsyCap influences positive employee outcomes. Meta-analysis revealed a significant positive relationship between PsyCap and positive employee attitudes (satisfaction, commitment, EWB), employee citizenship, and performance (Avey et al., 2011). Similarly, Sesen and Ertan (2019) claimed that employees with higher PsyCap reacted to adverse situations with optimism, which increased motivation levels. This finding is significant due to PsyCap’s potential influence on employees’ attitudes and behavior, which deserves more exploration. The absence of PsyCap may also contribute to adverse effects such as psychological distress, which results in negativity and emotional discomfort that impedes daily tasks (Al-Zyoud
& Mert, 2019). The relationship between a lack of PsyCap and adverse effects illustrates potential detrimental effects. However, the research on PsyCap is limited based on its almost exclusive emphasis on work-related outcomes rather than EWB as a primary outcome (Choi & Lee, 2014). Similarly, Park et al. (2017) suggested that more empirical research in the analysis of PsyCap is required to fully understand its influence within the workplace environment. Additional research would be ideal in detecting a potential correlation between PsyCap and EWB.

PsyCap is positively associated with AL. Researchers considered PsyCap a fundamental asset of AL (Luthans & Avolio, 2003; Walumbwa et al., 2008), enabling authentic leaders to transform organizations into sustainable, high-performing, and desirable places to work (Toor & Ofori, 2008). These findings illustrate the importance of PsyCap's potential influence on positive outcomes that resulted from AL. Although PsyCap has been researched extensively since its inception, there is a lack of consensus on the moderating role PsyCap plays on AL. Walumbwa et al. (2010) suggest more profound research is required between PsyCap and positive leadership styles to examine the interaction between leaders’ behaviors and employees' PsyCap. Plessis and Boshoff (2018) suggested that more research should examine the moderating role PsyCap plays based on its predictive properties associated with employee outcomes. The lack of research dedicated to the moderating role of PsyCap is essential because it highlighted the central premise of this study. This study has contributed to the gap in research surrounding PsyCap and its potential influence on the relationship between AL and EWB.
The construct of authenticity has been used as far back as the ancient Greece era but has applied to the organizational context. The critical component that differentiates AL from other positive leadership styles is the authenticity exhibited by leaders. A leader can only embody authenticity with a deep knowledge of self. Authentic leaders exhibit a deep understanding of themselves, their needs, feelings, personality, and internal values (Walumbwa et al., 2010). Once a leader understands themselves, understanding others becomes a priority. AL is a relatively new construct that is applicable among the organizational contexts. The developing inception of AL as a leadership model in the 1990s (Lloyd-Walker & Walker, 2011). AL consists of four core components: self-awareness, relational transparency, internalized moral perspective, and balanced processing (Walumbwa et al., 2008). Employees must perceive these four core components among leadership before a leader is considered authentic. Researchers have identified positive outcomes associated with the presence of AL in the organizational environment, which included the development of an ethical climate, open communication, and trust among employees. Additional research is required to fully comprehend the influence AL has on EWB, which is the objective of this study.

The construct of EWB is subjective and focuses on emotional dimensions. Research on EWB was first considered the organizational context in the 1960s (Hart, 2019) and is applicable by assessing high arousal positive emotions (Basińska et al., 2014). EWB is an essential component of employee effectiveness within the organizational environment. Previous studies examining the extent to which EWB is related to AL is limited (Perko, 2017), with research emphasizing performance as a
primary outcome rather than well-being (Inceoglu et al., 2018). The lack of studies on the relationship between AL and EWB is significant because EWB is associated with positive employee and organizational outcomes, such as improved satisfaction, performance, engagement, and overall effectiveness. This study will contribute to the gap in research about EWB as a primary outcome among the relationship between AL.

PsyCap comprises four positive psychological dimensions: self-efficacy, hope, optimism, and resiliency (Luthans et al., 2007). The four dimensions of PsyCap are a single-core construct. Researchers have found that PsyCap is a second-order core construct measured validly (Luthans et al., 2007). Previous research has shown a positive association between PsyCap and AL, but its moderating influence is limited. Additional research examining the potential moderating role that PsyCap may play is required (Luthans, 2012). The need for additional research on PsyCaps moderating influence is essential because PsyCap results in positive employee attitudes and increased motivation. This study aims to contribute to the gap in research surrounding PsyCap’s potential moderating role in the relationship between AL and EWB.

**Current Findings**

The current research on AL emphasized positive employee outcomes and EWB, which directly influenced sustainable organizational effectiveness. The current research surrounding EWB emphasized employee resiliency, job performance, and a potential relationship with AL. Lastly, current research has shown that PsyCap has played a moderating role on AL, EWB, and positive organizational and employee outcomes.
**Authentic Leadership**

Current research revealed that leadership's alignment of the four core AL components resulted in AL development and trust among employees. Longitudinal qualitative research analysis on AL development found that authentic leaders consist of four core concepts: consciousness, competence, confidence, and congruency (Fusco et al., 2015). These four components closely resemble the four core components cited by Walumbwa et al. (2008): self-awareness, relational transparency, internalized moral perspective, and balanced processing. The four core components affect job satisfaction. Researchers assessed the four core dimensions, and results suggested that high levels of self-awareness, balanced processing, relational transparency, and internalized moral perspective increased job satisfaction (Baquero et al., 2019). Trust is a significant outcome of AL development. Research conducted by Beddoes-Jones and Swailes (2015) found that the core components of AL encompassed trust. These findings align with the study conducted by Agote et al. (2016), which revealed that authentic leaders' behavior based on core values while aligning with thoughts resulted in positive emotional reactions from employees and fostered trust. These results are significant because research has demonstrated that AL characteristics contributed to developing trust amongst employees, which can positively affect the organizational environment.

Relational transparency is essential for transparent communication, and employees are keen to perceive this core characteristic. Research conducted by Jiang and Men (2015) revealed that employees who worked under authentic leaders perceived transparent communication within the organization (Jiang & Men, 2015). Trust is a direct
result of transparent communication. Jiang and Luo (2017) found that authentic leaders positively influenced employee trust through transparent organizational communication. Relational transparency displayed by the authentic leader promotes trust and optimism among employees (Wei et al., 2018). As employees perceive interpersonal transparency among leadership, positive attitudes and behavior reciprocity may occur. These findings are essential because they illustrate the influence relational transparency has on positively influencing transparent communication, resulting in trust, optimism, and reciprocity.

An internalized moral perspective affects employee optimism and efficacy. Srivastava and Dhar (2019) cited that morally and ethically enhanced authentic leaders increased employee optimism and efficacy levels, which assisted employees during moral dilemmas. Once leadership exhibits a solid moral component, employees are more likely to adopt similar behaviors, positively influencing the organizational environment.

Similarly, authentic leaders' strong moral perspective indirectly influences employee and customer interaction. Research revealed that authentic leaders' internalized moral perspective positively affected employees’ interaction with customers, which is the highest predictor of customer care quality (Puni & Hilton, 2020). As authentic leaders’ model moral behavior, employees mirror similar behaviors, positively influencing customer interaction. An internalized moral perspective increased employee optimism and efficacy while indirectly influencing customer interaction quality.

AL positively affects employee psychological empowerment, which indirectly affects proactive behavior and creativity. Research has revealed that AL extends beyond the organization and positively influences employees' psychological empowerment.
Previous studies have found a correlation between authentic leaders' feedback and appreciation towards employee contributions and the development of psychological empowerment (Javed et al., 2019). Once employees exhibit psychological empowerment, this may result in PsyCap’s total development. Authentic leaders indirectly affect proactive behavior through psychological empowerment. Zhang et al. (2018) found that AL influenced employees' proactive behavior through psychological empowerment. Psychological empowerment indirectly influences employee creativity. Imam et al. (2020) revealed that authentic leaders' cultivation of psychological empowerment amongst employees resulted in higher creativity. These findings are significant because they highlight potential positive organizational outcomes resulting from psychological empowerment facilitated by authenticity among leadership. AL may contribute to psychological empowerment among employees, which indirectly affects proactive behavior and increased creativity.

Authentic leaders facilitate positive organizational citizenship behavior (OCB). A study conducted by Joo and Jo (2017) found that if employees perceived authenticity among leadership, this significantly increased OCB among employees. Iqbal et al. (2018) supported these findings by revealing that AL positively predicted employee concern for the welfare of coworkers and OCB. These findings are essential because they illustrate positive behaviors that authenticity incites among employees. Authenticity has the potential to decrease employees’ intention to seek employment. Olckers et al. (2020) found that organizations increased OCB and decreased intention to quit if employees perceived authenticity among leadership. This outcome signifies the positive influence
authenticity has on employee loyalty to the leadership and the organization. As employees perceive authenticity among leadership, OCB, concern for coworkers’ welfare, and retention rates become positively influenced.

Authentic leaders appeared to significantly affect PsyCap, psychological climate, and positive employee attitudes. A study conducted by Munyaka et al. (2017) found that authentic leaders had a significant effect on PsyCap and psychological climate, increasing organizational commitment and decreasing intention to quit. This finding is significant because it highlights the power of fostering the psychological perspective of employees. Research has found a correlation between AL and employee attitudes. Authentic leaders predict employee happiness and affective commitment (Semendo et al., 2019). The relationship between AL, employee happiness, and affective commitment may support the association between AL and positive employee attitudes. Current research on AL revealed a positive effect on EWB, PsyCap, psychological climate, organizational commitment, intention to quit, employee attitudes.

Once leaders emphasize employee outcomes, this may also directly influence organizational effectiveness. Research conducted by Oh and Oh (2017) found that AL had a negative effect on employee turnover through increases in levels of affective commitment. Similarly, research has found that AL positively influenced the learning organization. Milić et al. (2017) revealed that AL capabilities affected employee affective commitment, which positively influenced the learning organization at the organizational level. The relationship between AL capabilities and affective commitment reveals that employee retention allows loyalty and learning behavior. AL influences performance and
prosocial behavior. Wei et al. (2018) revealed that AL was positively related to employee job performance, which increased OCB among the organizational environments. Authentic leaders' relationship to job performance and OCB is significant because authentic leaders may influence performance, directly benefiting the organizational environment. This study is crucial because it will assess the association between AL and EWB, positively affecting organizational effectiveness.

**Employee Well-Being**

EWB is positively associated with employee resilience within the organizational environment. Researchers found that higher levels of EWB were an antecedent of resiliency among employees (Kuntz et al., 2016). EWB as an antecedent of resiliency is essential because it exemplifies the role that EWB plays as a prerequisite to positive employee outcomes. A well-being intervention by Tonkin et al. (2018) found that small increases in employee resilience and well-being resulted from the intervention. A similar intervention by Näswall et al. (2017) revealed that employees became more resilient post-intervention, contributing to organizational outcomes. These results provide empirical support towards the notion that EWB plays an essential role in resiliency, which is vital for this study. Positive emotions have contributed to organizational resilience. Brunetto et al. (2019) discovered that organizational resilience also increased as the ability to utilize positive emotions increased. Researchers have supported the notion that as positive emotion and well-being increase, employee resilience is likely to increase (Näswall et al., 2017; Tonkin et al., 2018).
EWB also has a positive effect on employee job performance and productivity. Research by Alvi (2017) determined that EWB is a valuable component for increasing employee job performance in projectized and non-projectized organizational structures. The relationship between EWB and job performance is essential because EWB can be generalized to various organizational contexts and effectively increase employee performance. Similarly, experimental research has provided empirical evidence that an increase in EWB strongly correlated with increased job productivity of up to 12% (Oswald et al., 2015). A meta-analysis conducted by Krekel et al. (2019) confirmed these results, as the analysis revealed a significant correlation between EWB, employee productivity, and performance. These findings provide quantitative support towards the role EWB has on employee performance, which is crucial for this study. Researchers have determined a significant association between EWB and job performance.

Quantitative research found a positive and significant relationship between positive well-being and job performance (Lune-Arocas & Danvila-del-Valle, 2020). EWB plays an essential antecedent role in employee performance and productivity. The relationship between AL and EWB as a primary outcome is scarce, yet previous studies have found that AL positively influenced EWB (Nelson et al., 2014; Rahimnia & Sharifirad, 2015). The influence of AL on EWB provides empirical support for a potential correlational relationship between AL and EWB, which is the primary basis for research question one, which assesses whether AL predicts EWB. Salleh et al. (2020) found that AL influenced EWB through meaningful work and nonfinancial incentives (Salleh et al., 2020). This outcome highlights the importance employees place on fulfillment within the
organizational context. Positivity in leadership has a powerful influence on EWB. Theoretical discussions of the moral component of organizational leadership have reached a consensus that confirmed a positive approach to leadership is the most effective (Luthans & Avolio, 2003; May et al., 2003). Researchers have found that employees who reported higher well-being across time reported more favorable leadership behaviors at both times, while changes in EWB projected changes in perceived leadership (Perko et al., 2015). This finding emphasizes leaders' role within this association and positive leaders' effect on EWB. However, Inceoglu et al. (2018) suggested that further research emphasizes authentic leaders' influence on EWB to improve the employee-organization relationship. Additional research for the potential association between AL and EWB is required, which this study has addressed.

**Psychological Capital**

PsyCap plays a moderating role in positive and negative employee attitudes. Avey et al. (2011) revealed that PsyCap correlated with positive employee attitudes (job satisfaction, commitment, and well-being) and negatively correlated with undesirable employee attitudes (cynicism, turnover, stress, and anxiety). This finding emphasizes PsyCaps' role within employee affective attitudes and outcomes. PsyCap can be cultivated, resulting in positive effects on behavior and well-being. Previous research has found that PsyCap can be a positive resource to increase employees' positive organizational behavior and well-being (Avey et al., 2010), highlighting PsyCaps' ability to increase well-being within the organizational environment. PsyCap is associated with AL and the leader-employee relationship. A meta-analytical review of empirical research
revealed that PsyCap had significant associations with AL and leader-employee exchange while influencing job satisfaction, employee attitude, and performance (Kong et al., 2018). The association between PsyCap, AL, and the leader-employee exchange is significant because this finding lends support to the credibility of PsyCap's potential association with AL and EWB. PsyCap is positively associated with employee attitudes, organizational behavior, EWB, AL, and the leader-employee relationship.

PsyCap positively influences job satisfaction and commitment, which minimizes turnover and stress. A study conducted by Salam (2017) found that the development of PsyCap increased job satisfaction and a decrease in turnover intentions. Similar findings revealed that an increase in PsyCap among employees increased job satisfaction and organizational commitment attitudes while exhibiting a decrease in levels of stress (Sen et al., 2017). Comparatively, PsyCap plays a role in the prevention of negative emotions experienced in the workplace. Demir (2018) conducted a study to assess the effect that PsyCap had on performance and found that PsyCap had a positive influence on employee’s job satisfaction through the effects of stress, anxiety, and burnout. The relationship between PsyCap and employee job satisfaction is significant because it reveals the minimized adverse outcomes with PsyCap. Researchers have found that the development of PsyCap resulted in positive employee outcomes. Idris and Manganario (2017) found that improving PsyCap led to higher organizational commitment, organizational citizenship behavior (OCB), job satisfaction, and decreased employee absenteeism. Previous research has cited PsyCap’s positive influence on job satisfaction,
turnover, commitment, OCB, and absenteeism, supporting the potential role PsyCap may have between AL and EWB.

PsyCap may be an important influence on AL and EWB. PsyCap is a positive psychological resource developed and fostered within employees (Luthans, 2008). PsyCap's influence on AL and EWB is essential information for organizations to acknowledge and use. Researchers revealed that organizational support and supportive climates (Au et al., 2009; Karademas, 2006) played a critical role in developing PsyCap among employees (Newman et al., 2018). Not only does PsyCap development positively influence employees, but it also fosters a positive organizational environment. Researchers have found that PsyCap influenced the relationship between organizational innovation climate and employee behavior (Hsu & Chen, 2017). This finding emphasizes the potential role that PsyCap can play among organizational environments. Research has cited that a leader should foster PsyCap and social resources using AL to enhance an innovative organizational climate (Hsu & Chen, 2017). This study is significant as it provided additional knowledge on the role PsyCap plays in conjunction with AL and EWB.

**Summary and Conclusions**

This literature review emphasized the predictor variable of AL, the outcome variable of EWB, and the moderating variable of PsyCap to provide a historical context, highlight gaps in the research, and discuss current findings related to each variable. This review also discussed two theoretical frameworks that helped guide this study: AL and social exchange theories. The central themes identified during this literature review
revealed that AL played a crucial role in developing trust, optimism, psychological empowerment, EWB, transparent communication, and OCB among employees. Based on the current leadership research, AL is significantly associated with positive well-being outcomes, indirectly affecting organizational outcomes.

AL is a recent construct that Bill George first introduced. AL foundations reside within positive psychology and are a moral-based leadership model (Avolio et al., 2010). The four core components of AL include self-awareness, relational transparency, internalized moral perspective, and balanced processing, which positively influences employee outcomes. For a leader to be considered authentic, employees must perceive the four core authentic components of leadership. Authentic leaders achieve this by exhibiting a deep understanding of their strengths and weaknesses while displaying their authentic self to promote mutual trust in the organizational environment (Wei et al., 2018). Researchers have revealed a positive correlation between AL and employee trust (Wei et al., 2018), performance (Clapp-Smith, 2009), and well-being (Rahimnia & Sharifirad, 2015). The relationship between AL, trust, performance, and EWB is significant because it highlights the critical role AL has on employee well-being outcomes, which is the central premise of this study.

Trust is also a significant factor contributing to well-being, and authentic leaders are associated with developing trust among employees. Previous empirical research revealed a positive correlation between AL and employee trust (Clapp-Smith et al., 2009; Hassan & Ahmed, 2011; Wesche et al., 2012; Wang & Hsieh, 2013). Similarly, Levesque-Côté et al. (2018) claimed that employees' perception of their leaders'
authenticity was positively associated with trust. However, there is a current gap in the research regarding authentic leaders' relationship with EWB. Researchers have shown the importance of AL on positive employee well-being outcomes and the need for additional research in this area. AL positively correlates with performance among the organizational contexts. AL played a critical role in influencing performance by facilitating interpersonal processes like trust (Clapp-Smith et al., 2009). Research has found that authentic leaders contributed to employee job performance, which helped foster OCB among the organizational environment (Wei et al., 2018). AL accomplished this by creating an organizational climate that helps employees recognize their value and worth within that environment (May et al., 2003). AL influences employee motivation, which may contribute to overall EWB.

As employees perceive authenticity among leadership, this may contribute to an influence on well-being. Researchers have found that employees’ perception of authenticity created a context for enhancing EWB (Rahimnia & Sharifirad, 2015). Similarly, Wang et al. (2014) found that AL improved employees' self-acceptance and personal growth, related to increased well-being. These results illustrate a potential relationship between AL and EWB. Authenticity among leadership has shown to be an infectious trait to employees. Previous research has found that positive modeling of authentic leaders increased employees' internal regulating processes, which resulted in higher well-being (Gardner et al., 2005). Similarly, authentic leaders may increase EWB by exhibiting authentic behavior, which indirectly inspires employees towards self-
development. These findings highlight the significance of this study, which was to determine the association between AL and EWB.

EWB is a subjective construct that applies to the organizational context. Researchers have revealed a lack of consensus on an operational definition, which has resulted in confusion among scholars. However, EWB consists of an employee’s high arousal positive emotions (Basińska et al., 2014). Employees must perceive their own subjective work-related experiences as positive to fulfill EWB. Work must be satisfying, and positive emotions must be presented (Bakker & Oerlemans, 2011). The subjective experience of employees will be assessed using the Job-Related Affective Well-being Scale (JAWS). Previous studies have found that EWB is positively related to employee resiliency and job performance. EWB positively influences employee resiliency in the workplace environments (Kuntz et al., 2016). Researchers have found that positive affect helps maintain EWB, strengthening resiliency (Cooper et al., 2013). These findings suggest a potential association between EWB and PsyCap. EWB also may contribute to the development of job performance. For instance, EWB plays a critical role in explaining the relationship between employee behavior and job performance (Parker, 2014). However, there is a gap in the research involving EWB as a primary outcome. Researchers have shown that EWB is a significant component in positive employee outcomes. This study may contribute to the gap in research surrounding EWB as a primary outcome.

PsyCap emerged within positive psychology around the 21st century and quickly became extensively studied by leadership scholars. Luthans conceptualized PsyCap
within the organizational management context (Wang et al., 2021) and is a form of positive psychology that involves an employee’s development process (Luthans, 2006). PsyCap consists of four positive psychological resources: self-efficacy, optimism, hope, and resiliency (Luthans et al., 2007). The Psychological Capital Questionnaire (PCQ) assesses these four positive psychological resources. Researchers have found that PsyCap played a moderating role on AL and proactive employee behavior (Hu et al., 2018), creativity (Zubair & Kamal, 2017), innovative work behavior (Novitasari et al., 2020), and work engagement (Plessis & Boshoff, 2020). PsyCap influences the relationship with EWB and perceived organizational support (Roemer & Harris, 2018), control at work (Gupta & Shaheen, 2018), and leadership support (Nielsen et al., 2016). These results emphasize PsyCap’s potential role in the relationship between AL, EWB, and positive employee outcomes. There is a gap in the research about PsyCap’s relation to AL and EWB. Researchers have suggested a potential moderating role PsyCap has between AL and EWB, which was significant for this study.

The main objective of this study was to assess the association between AL and EWB while identifying the moderating role that PsyCap has between AL and EWB. Despite AL being a relatively new construct, there is empirical support surrounding the relationship between AL and positive EWB outcomes. The research examining AL and EWB as a primary outcome is limited (Inceoglu et al., 2017). This study was critical in identifying AL’s influence in the development of EWB and the extent to which EWB influences employees in positive organizational outcomes. A quantitative, correlational research design that used multiple and hierarchical regression analysis identified the
extent AL predicted EWB and determined the moderating role PsyCap has in the relationship between AL and EWB.

This study used a correlational research design to fully comprehend the relationship between the predictor variable AL, the outcome variable EWB, and the moderating variable PsyCap, discussed in more detail in chapter three. This study differentiated itself from prior and current research because it addressed the current research gap surrounding the lack of correlational research on associations between AL and EWB (Inceoglu et al., 2018). This study emphasized EWB as a primary outcome in the relationship with AL among the organizational contexts. Prior research on EWB has focused on individual traits and abilities rather than the organizational context of well-being (Guest, 2017). This study has contributed to the research gap by examining a correlational relationship between AL and EWB as a primary outcome.
Chapter 3: Research Method

The purpose of this study was to investigate if AL predicted EWB. A second purpose was to assess if PsyCap influences the relationship between AL and EWB. Authenticity is a contributing factor in cultivating a positive organizational environment. The goal of this study was to determine a statistically significant predictor relationship between AL and EWB. An additional goal of this study is to determine the extent PsyCap played a moderating role in the relationship between AL and EWB. Based on the current literature, PsyCap has been shown to contribute to organizational and employee outcomes (Ciftci & Erkanli, 2020). PsyCap’s development capability exemplified its potential relationship to EWB, which is an additional premise of this study.

This chapter begins with a brief description of the research design, its rationale for use, and relevance to the research questions. This study's methodology section includes the study's target population, sample strategy, sampling procedure, recruitment techniques, participation, data collection, and required resources. The operational variable, as well as the data analysis approach, are discussed. Finally, threats to validity are considered, as are ethical procedures and recommendations for how to proceed.

Methodology

Research Design and Rationale

This study consisted of a non-experimental, quantitative, correlational study that used linear regression analysis. A correlational study was the most appropriate research design for this study because authentic leaders influence in predicting EWB was assessed. Correlational research can determine prevalence and relationships among
variables and predict events from current data (Curtis et al., 2016). Similarly, correlational research can be helpful in the prediction of relationships or theoretical testing models of relationships (Sheilds & Smyth, 2016). Multiple regression analysis is one of the effective statistical analysis methods employed to assess the strength of association between the outcome variable and the predictor variable (Shieh, 2013). Multiple regression analysis in research aims to generate a linear relationship that creates a line that fits the data adequately and achieves relatedness in the model (Jeon, 2015).

Since the central objective of this study was to determine a predictive relationship between AL and EWB, a correlational design was the most appropriate research method for understanding this relationship. Similarly, testing the association between the predictor variable AL and outcome variable EWB made multiple regression an appropriate statistical analysis method.

In this correlational study, the three questionnaires that were used consisted of the Authentic Leadership Questionnaire (ALQ), Job-Related Affective Well-being Scale (JAWS), and the Psychological Capital Questionnaire (PCQ). The ALQ assessed employees’ rating of their leader’s level of authenticity based on the four core characteristics: self-awareness, transparency, balanced processing, and moral characteristics (Avolio et al., 2008). Data collection occurred by collecting respondent entries from the ALQ surrounding the four core authentic characteristics. The JAWS is a self-report measure that assessed employees' positive and negative emotional assessments within the context of their specific job. The data was collected by gathering respondent entries from the JAWS, which emphasized the self-perception of emotional ratings along
two dimensions: pleasurableness and arousal. The PCQ is a self-report measure that assessed the four positive psychological resource levels among participants: self-efficacy, optimism, hope, and resilience. Data collection consisted of gathering respondent entries from the PCQ concerning the self-perception of each of the basic psychological resources. A limitation surrounded response delay because data collection required participants to complete three surveys at one period. An additional limitation in this investigation was the time expended during data transformation.

Population

The target population for this study included nonsupervisory employees among organizations within the USA. Potential participants for this study were identified through SurveyMonkey’s Standing Participant Pool and Amazon's Mechanical Turk. Power analysis determined that a sample size of 85 participants was required to maintain statistical power at .80. The sample size for this study consisted of 150 participants, which increased generalizability.

Sampling and Sampling Procedure

The sampling method consisted of nonprobability sampling, which is a sampling technique that does not give participants equal chances of being selected (Etikan et al., 2016). Nonprobability sampling is a convenient method of selection for research (Elfil & Negida, 2017). Nonprobability sampling is less costly, less complex, and can be applied to the research design of this study, which made it an ideal sampling method (see Showkat & Parveen, 2017). As such, due to time and cost considerations, a nonprobability sampling technique to collect potential participants was used.
Convenience sampling is a nonprobability sampling technique in which participants are selected based on defined criteria, such as accessibility and availability (Dörnye, 2007), making convenience sampling an effective nonprobability sampling procedure. A nonprobability sampling technique that used a convenience sampling method was adequate for participant selection for this study. However, a limitation involved the generalizability of findings to the population of interest (Showkat & Parveen, 2017). To address this limitation, an additional 70 participants were recruited for this investigation.

The sampling frame for this study consisted of nonsupervisory adult employee participants from SurveyMonkey’s Standing Participant Pool and Amazon's Mechanical Turk. The sample selection criteria included adult participants over 25, with at least 2 years of experience working under their leader, and 3 years’ experience working for their organization. Since internet-based questionnaires were the sole method during data collection, additional inclusion criteria included having an electronic device that could access the internet. Exclusion criteria consisted of participants under 25, with less than 2 years working under their leaders, less than 3 years working for their organization, and did not have access to the internet.

Effect size is a statistic that approximates the magnitude of an effect between variables (Nakagawa & Cuthill, 2007). An effect size of 0.15 was adequate for assessing the magnitude of association between the outcome and predictor variables in correlational research (Ferguson, 2009). Additionally, the alpha level assessed the probability of making a type I error, rejecting the null hypotheses when they are true and is historically set at 0.05% in correlational research (NCSS, n.d.). Beta is the probability of making a
type II error, and the power of 80% is a fair value commonly used in correlational studies (Bujang & Baharum, 2016). This study used a medium effect size \( r = 0.15 \), an alpha level set to 5\% \( \alpha = 0.05 \), and a power level of 80\% \( 1 – \beta = .80 \).

**Procedures for Recruitment, Participation, and Data Collection**

Participant recruitment was initiated through SurveyMonkey's Standing Participant Pool and Amazon's Mechanical Turk. SurveyMonkey (2021) is a website that allows you to create and distribute web-based surveys. Participants were provided with a SurveyMonkey web link that directed them to the consent form. The participants had to read the consent form and answer two questions: “Are you over the age of 25?” and “Do you have 2 years of experience working under your leader?” Participants were provided access to the following pages to complete the ALQ, PCQ, and JAWS if they acknowledged the terms mentioned in the consent form and met the inclusion criteria. The consent form contained a LinkedIn profile that posted an announcement with this study's findings. Participants were able to withdraw from this research at any time by exiting the session. At the conclusion of the survey, a demographic section requested information on participants' gender and age groupings.

**Instrumentation**

**The Authentic Leadership Questionnaire**

The ALQ was selected to measure the predictor variable of AL. Avolio, Gardner, and Walumbwa contributed to the development of the ALQ in 2007 (Walumbwa et al., 2008). The ALQ was used to assess participants' perception of authenticity among leadership. AL is operationally defined as an honest leader with high moral and ethical
regard and acts consistently with their values (Kim 2018). The ALQ consisted of a 16-item self-report questionnaire based on a five-point Likert scale that ranged from 1 = \textit{strongly disagree} to 5 = \textit{strongly agree} (Mind Garden, 2019). The ALQ was selected for this study because it is a self-report instrument that directly assessed employee’s perception of authenticity among leader behavior based on the four core components: self-awareness (4 items), relational transparency (5 items), balanced processing (3 items), and an internalized moral perspective (4 items; Avolio et al., 2018). Spector et al. (2003) found a $\alpha = 0.88$ for negative emotion and $\alpha = 0.90$ for positive emotion. Confirmatory factor analysis was conducted on the 20-item JAW, which resulted in an acceptable fit (Basinska et al., 2014).

Previous researchers have assessed and validated the ALQ psychometric properties. During the initial development of the ALQ, Walumba et al. (2008) demonstrated the four-factor structure using confirmatory factor analysis (CFA) and gained advanced support for the psychometric properties. Similarly, a second study was completed, which generated additional support for the relationship between the four constructs of the ALQ, found a complementary overlap between AL and transformational leadership, and confirmed positive outcomes that supported predictive validity (Walumbwa et al., 2008). These findings were significant because they attested to the psychometric adequacy of the ALQ for this study. Researchers have provided evidence of the reliability of the ALQ. 11 studies tested for reliability using internal consistency and reported significant results (Darvish & Rezaei 2011; Hsiung 2012; Leroy et al. 2012; Nielsen et al. 2013; Peus et al. 2012; Qian et al. 2012; Walumbwa et al. 2008; Wang &
Bird 2011; Wong & Laschinger 2012). The validation of ALQs reliability is essential because it will ensure the ALQ measured what it was intended to measure in this study. The ALQ is generalizable across various industries and cultures. Roof (2014) confirmed the ALQ predictive validity, reliability, and generalizability across various work industries, cultures, and languages. The ALQ was a reliable and valid psychological instrument that assessed AL in this study.

The Job-Related Affective Well-Being Scale

The JAWS measured the outcome variable of EWB. The two dimensions affective well-being framework was developed by Warr in 1987 and the JAWS by Spector in 2000. JAWS defined job-related affective well-being by two dimensions of pleasure and arousal. Based on these two dimensions, Warr (1994) conceptualized both content and intensity of feelings associated with a job and depicted affective well-being along three dimensions: displeased-pleased, anxiety-comfort, and depression-enthusiasm. The JAWS was selected for this study to measure employees’ perception of their own emotional experiences within the organizational context. The operational definition of EWB is in alignment with the hedonic perspective, which emphasizes happiness among life satisfaction, the presence of a positive mood, and the absence of a negative mood (Diener et al., 1998; Ryan & Deci, 2001). The JAWS is a 20 item self-report questionnaire that used a five-point Likert scale which ranged from 1 = never to 5 = extremely often. The JAWS is a pure measure of emotional affect rather than an attitudinal measure such as job satisfaction (Ha, 2018). A study conducted by Katwyk et al. (2000) claimed that the advantage of JAWS is its ability to assess a wide range of
affective states and distinguish patterns of affective experiences, such as negative or positive valence experiences at high or low levels of arousal.

Warr (1990) tested the framework for different aspects of affective well-being among the workplaces. Analysis revealed that a significant nonlinear component could be present with the relationship between job characteristics and well-being (Warr, 1990). The studies conducted by Spector generated support for the two-dimensional model of job-related affective well-being first conceptualized by Warr in 1987 (Katwyk et al., 2000). Correlation analyses determined Warr’s two-dimensional model of job affect provided a comprehensive perspective of emotional states among the workplace compared to current measures of job satisfaction (Katwyk et al., 2000). Spector introduced the JAWS and demonstrated significant internal consistency reliability and validity (Katwyk et al., 2000). Hsiung (2012) found a $\alpha = 0.96$ and Leroy et al. (2012) reported $\alpha = 0.95$ for the scale. Construct validity was tested using confirmatory factor analysis, which showed Cronbach’s alpha scores for self-awareness ranging from .78 to .89, relational transparency ranging from .80 to .82, internalized moral perspective ranging from .77 to .89, and balanced processing ranging from .74 to .90 (Bakari & Hunjra, 2017). Researchers in differing cultures have proven the JAWS to be reliable and valid (Basińska et al., 2014; Gouveia et al., 2008; Mielniczuk & Laguna, 2018). The JAWS was a reliable and valid psychological instrument that assessed EWB in this study.

**Psychological Capital Questionnaire**

The PCQ measured the moderating variable of PsyCap. Luthans developed the PCQ in 2007. The PCQ was selected for this study because it was a valid and
straightforward predictor of work outcomes and a widely used self-report measure of PsyCap (Harms & Luthans, 2012). Luthans et al. (2006) operationally defined PsyCap as an individual's positive psychological state of development that is characterized by: (1) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks; (2) making a positive attribution (optimism) about succeeding now and in the future; (3) persevering toward goals, and when necessary, redirecting paths to goals (hope) to succeed; and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resiliency) to attain success. (p. 388).

The PCQ consisted of 12 items and was scored based on a six-point Likert scale ranging from 1 = strongly disagree to 6 = strongly agree. The PCQ assessed the four dimensions of PsyCap, which included: self-efficacy (6 items), hope (6 items), optimism (6 items), and resilience (6 items). The PCQ has been tested through extensive psychometric analyses and received support from samples representing service, manufacturing, education, tech, military, and cross-cultural sectors (Mind Garden, 2019).

During the development and validation of the PCQ as a psychological instrument to assess PsyCap, Luthans et al. (2007) used CFA and found support for the PsyCap measure and evidence that PsyCap is state-like. CFA revealed support among employee participants in high-tech manufacturing and service (Luthans et al., 2007). Further psychometric testing was conducted on the PCQ and found adequate indices for the four-factor structure which each dimension loading significantly on their dimension (Luthans et al., 2008). This measure provided enough evidence about the convergent validity of the
four sub-scales in efficacy, hope, optimism, and resiliency (Luthans et al., 2007), ranging from 0.82 to 0.87. Findings by Antunes et al. (2017) revealed statistically significant discriminant and convergent validity. Cross-cultural studies have validated the psychometric properties of the PCQ (Alessandri et al., 2015; Görgens-Ekermans & Herbert, 2013; Helder et al., 2018). The PCQ was a reliable and valid psychological instrument that assessed PsyCap in this study.

**Data Analysis Plan**

The main objective of this study was to determine whether the predictor variable AL predicted the outcome variable EWB and if PsyCap moderated the relationship between AL and EWB. The following research questions guided the objectives of this study:

Research Question 1 (RQ1): Does perceived authentic leadership as measured by the Authentic Leadership Questionnaire predict employee well-being?

Null Hypothesis ($H_01$): Perceived authentic leadership does not predict employee well-being

Alternative Hypothesis ($H_a1$): Perceived authentic leadership does predict employee well-being

Research Question 2 (RQ2): Does psychological capital as measured by the Psychological Capital Questionnaire moderate the relationship between authentic leadership and employee well-being?

Null Hypothesis ($H_02$): Psychological capital does not moderate the relationship between authentic leadership and employee well-being


Alternative Hypothesis ($H_{a2}$): Psychological capital does moderate the relationship between authentic leadership and employee well-being

A quantitative, correlational research method used multiple and moderator regression analyses to answer both research questions. A multiple regression analysis was conducted for the four AL subscales: self-awareness, relational transparency, moral perspective, balanced processing, and the average employee well-being score and EWB. The moderating variable PsyCap had four subscales: self-efficiency, optimism, hope, and resiliency, and entered on the second step of the hierarchical regression analysis. Lastly, an AL and PsyCap interaction variable was entered on the third step of the hierarchical analysis. The ALQ, JAWS, and PCQ were used to collect respondent entries. Sample and effect size was calculated by the software G*Power 3.1. Once data was collected, the software used during analysis consisted of IBM SPSS Statistics Version 25. IBM SPSS Statistics Version 25 was used to calculate descriptive statistics and conduct preliminary data screening and hypothesis testing before establishing a predictive relationship between AL and EWB. Assumption testing reduced the likelihood of making a Type I and Type II error. The impacts of the interaction effect of AL and PsyCap on EWB were analyzed once the data collection process was complete. More so, the listwise deletion approach resolved the missing data issue, which excluded the cases with missing data while examining the remaining data (Kang, 2013). Before running multiple regression analysis, statistically significant variations were corrected.

The statistical test used during the investigation of the predictive relationship between AL and EWB consisted of multiple regression analysis. Multiple regression
analysis assesses the strength of an association between an outcome and predictor variables while also assessing the predictor variable's significance to the overall relationship (Petchko, 2018). Four crucial assumptions for multiple regression analysis consisted of normal distribution, linearity, reliability, and homoscedasticity (Osborne & Waters, 2002). Assessment of histograms and scatter plots of residuals versus predicted values effectively tested the assumptions for normal distribution (Franzco & Farmer, 2014), homoscedasticity, and linearity (Osborne & Waters, 2002). Cronbach's alpha was used to validate reliability (Osborne & Waters, 2002). Data cleaning would have corrected a violation of normal distribution or linearity by eliminating outliers that were not normally distributed, whereas variable modification can correct a violation of heteroscedasticity. (Osborne & Waters, 2002). However, there were no violations found in this study.

The statistical test used to establish if PsyCap had an influence on the relationship between AL and EWB was hierarchical linear regression, which assessed changes in the strength of a relationship between a predictor and an outcome variable (Khaola, 2019). A fundamental assumption for hierarchical linear regression analysis was the homogeneity of error variance, which was the constant variance of the predictions (Knaub, 2007). Visual plots of the errors by regression predicted values tested the assumption for homogeneity of error variance (Osborne & Waters, 2002). If the assumption of homogeneity of error variance were violated, the J statistic would have been an adequate alternative for evaluating regression slope variances (Aguinis et al., 1999). Hierarchical
linear regression analysis was a practical assessment to determine whether PsyCap affected the relationship between AL and EWB.

**Threats to Validity**

External validity is the generalization of casual relationships to various individuals, environments and circumstances, which is an essential component of quantitative research (Steckler & McLeroy, 2008; Dekkers et al., 2010). Threats to external validity consisted of selection, sampling, and attrition bias (Khorsan & Crawford, 2014). In this study, data was collected to determine a predictive relationship between AL and EWB and whether PsyCap moderated the relationship between AL and EWB. The participants who fulfilled the inclusion criteria volunteered to participate in this study via SurveyMonkey’s Standing Participant Pool and Amazon’s Mechanical Turk. Participants were selected using a nonprobability sampling method and a representative sample. All participants who participated in this study received the same three questionnaires and were required to complete the questionnaires at one time, which reduces attrition bias.

Internal validity is the extent to which an association in the study sample responded to a causal effect from exposure to the outcome (Campbell & Stanley, 1963). Threats to internal validity can negatively impact causal analyses, which leads to a failure to meet the backdoor criterion (Glymour et al., 2008). Threats include history within the time of measurement, maturation of time, testing, and instrumentation, resulting in bias (Matthay & Glymour, 2020). In this study, participants were measured at one point,
eliminating history within measurement and maturation of time. The psychometric properties of each instrument have been validated and supported by previous research.

Construct validity refers to the extent to an instrument can measure a concept, trait, or theoretical entity (APA, 2020). Threats to construct validity threaten this study in the following ways: a mismatch between the construct and the operational definition (APA, 2020), the misapplication of tests, or the misinterpretation of score meaning (Henning, 1987). An additional threat to construct validity surrounded the immaturity of the AL construct. Iszatt-White and Kempster (2018) claimed engagement with existential and varying critiques had been limited surrounding AL construct robustness and application in practice. To counteract these threats, validated questionnaires were used in conjunction with operationalized definitions per construct and instructions for interpreting the data developed by the researchers.

**Ethical Procedures**

The Walden University Institutional Review Board (IRB) has authorized the research protocols for this study on November 17, 2021 (IRB approval number: 11-17-21-1042606f). After the IRB granted authorization to proceed, participant collection began with initiating third-party websites SurveyMonkey's Standing Participant Pool and Amazon's Mechanical Turk. Potential participants used SurveyMonkey to evaluate the consent form for participation. If participants acknowledged the terms on the consent form, they could proceed to the three surveys on the following pages. The consent form informed participants about the parameters, which included confidentiality, voluntary
participation, and the capability to withdraw from the study at any time without consequence.

The possibility of modifying the leader-employee relationship existed in this investigation, making confidentiality an important ethical factor. The consent form guarantees anonymity and does not require personal information from participants. For at least 5 years, all data is encrypted and safeguarded. The researcher used a two-factor authentication encrypted cloud server to store and back up data electronically. The two-factor authentication key will be accessible only to the researcher and remain valid for five years. The researcher will discard the data after five years.

**Summary**

The purpose of this quantitative correlational investigation was to determine if AL predicted EWB and whether PsyCap influenced the relationship between AL and EWB. The sample consisted of participants recruited from SurveyMonkey's Standing Participant Pool and Amazon's Mechanical Turk. Adult participants over the age of 25 with at least 2 years of experience working under leadership, 3 years of experience working for their organization, and access to the internet satisfied the inclusion criteria requirements. All three self-reported, internet-based surveys collected data from respondent entries: The ALQ assessed employees perceived rating of leadership's level of authenticity; the JAWS evaluated employees' perceptions of two aspects of work-related well-being elements; the PCQ measured all four positive psychological resources among participants. All three questionnaires were completed using SurveyMonkey. Participation was entirely voluntary, anonymous, and responses were kept confidential. The data was collected and
secured using two-factor authentication and encryption. The researcher is the only individual with access to the data until 2026. Multiple regression analyzed the relationship between the predictor variable AL and the outcome variable EWB. Hierarchical regression analysis determined whether PsyCap influenced the relationship between AL and EWB.
Chapter 4: Results

The primary purpose of this study was to determine the extent that AL predicted EWB and determine whether PsyCap moderated the relationship between AL and EWB. The questionnaires used in this study consisted of the ALQ developed by Walumbwa et al. (2008), which measured participants rating of leaderships level of authenticity; the JAWS was developed by Spector (2000) and assessed the participants’ perception of their emotional experience within the organizational context; and the PCQ was developed by Luthans (2007), which is a self-report measure of the four psychological dimensions of PsyCap: self-efficacy, optimism, hope, and resilience. Multiple regression analysis determined if AL predicted EWB, while hierarchical linear regression analysis identified if PsyCap moderated the relationship between AL and EWB. The research questions and hypotheses that guided this study consisted of:

Research Question 1 (RQ1): Does perceived authentic leadership as measured by the Authentic Leadership Questionnaire predict employee well-being?

Null Hypothesis \( (H_01) \): Perceived authentic leadership as measured by the Authentic Leadership Questionnaire does not predict employee well-being

Alternative Hypothesis \( (H_a1) \): Perceived authentic leadership as measured by the Authentic Leadership Questionnaire does predict employee well-being

Research Question 2 (RQ2): Does psychological capital as measured by the Psychological Capital Questionnaire moderate the relationship between authentic leadership and employee well-being?
Null Hypothesis ($H_02$): Psychological capital as measured by the Psychological Capital Questionnaire does not moderate the relationship between authentic leadership and employee well-being

Alternative Hypothesis ($H_a2$): Psychological capital as measured by the Psychological Capital Questionnaire does moderate the relationship between authentic leadership and employee well-being.

This chapter covers details regarding the study, the data collecting period, recruitment and response rates, changes in data collection tactics, and the sample’s stated demographic characteristics. The interpretation and outcomes of the data analysis, descriptive statistics, and effect sizes are also included in this chapter.

**Data Collection**

Data collection gathered respondent entries to all three psychological questionnaires from participants recruited through third-party websites, SurveyMonkey’s Standing Participant Pool and Amazon’s Mechanical Turk. A web link directed the participants to the consent form on SurveyMonkey. The consent form included information about the study's parameters and questions about the participant's years of experience working with their leader, organization, and age. Participants under 25, with less than 2 years of experience working under their leader, and less than 3 years of experience with their organization were excluded from participation. According to the consent form, participants could withdraw from the research at any moment without being penalized. The ALQ, JAWS, and PCQ were provided on the following page of SurveyMonkey if the participants acknowledged the consent form terms and fulfilled the
inclusion criteria. After completing the three surveys, a brief demographic component asked for gender and age grouping information. The data collection period began in November 2021 and lasted approximately 7 days. After 7 days, the response rate was 174 participants: 38 respondents from SurveyMonkey and 136 respondents from Amazon Mechanical. At least 150 participants were required to enhance generalizability. Missing data items were removed from the study to prevent skewing the results. The response rate for the overall study \( (n = 150) \) was 86.21%.

**Demographic Summary**

Gender and age grouping were among the demographic data collected from the 150 participants. In Table 1, there are two categories of demographics: gender and age grouping responses. As Table 2 illustrates, 62% were male participants \( (n = 93) \), while 38% were female \( (n = 57) \). Additionally, Table 3 illustrates the age grouping for the 150 participants, with 42.7% consisting of the age group 25-34 \( (n = 64) \); 32% consisting of the age group 35-44 \( (n = 48) \); 11.3% consisting of the age group 45-54 \( (n = 17) \); 8% consisting of the age group 55-64 \( (n = 12) \); and 6% consisting of the age group 65+ \( (n = 9) \).

**Table 1**

*Descriptive Statistics for Gender and Age Grouping*

<table>
<thead>
<tr>
<th></th>
<th>( N )</th>
<th>Minimum</th>
<th>Maximum</th>
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<td>1.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Age Grouping</td>
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<td>5.00</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 3

Frequency Table for Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
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<td>62.0</td>
<td>62.0</td>
</tr>
<tr>
<td>Female</td>
<td>57</td>
<td>38.0</td>
<td>38.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

This quantitative correlational study’s sampling approach focused on a specific population: adult nonsupervisory employees in firms across the United States. A total of 174 people were solicited via SurveyMonkey Participant Pool and Amazon’s Mechanical Turk to achieve an adequate sample size. This study's inclusion and recruitment criteria encompassed nonsupervisory employees working within the USA allowed for broad generalizations to the entire population. A response rate of 86.21% \( (n = 150) \) was determined for this study.

Results

In this investigation, three psychological instruments measured the predictor variable of AL, outcome variable of EWB, and moderator variable of PsyCap. The ALQ was used to examine the authentic leadership predictor variable; the JAWS measured the
EWB outcome variable, and the PCQ tested the PsyCap moderator variable. The ALQ was used in this study to assess employee participants’ perceptions of leader authenticity using the four key AL components: self-awareness, relational transparency, balanced processing, and internalized moral viewpoint (Walumbwa et al., 2007). The ALQ has 16 items on a Likert scale ranging from 0 to 4 (often, if not always). The average determined the total ALQ raw score calculation for each of the four fundamental AL components.

The PCQ was a self-reported assessment of employees’ psychological aspects of self-efficacy, optimism, hope, and resilience in the workplace, based on self-efficacy’s four psychological dimensions: optimism, hope, and resilience (Luthans et al., 2007). The PCQ has 12 items on a Likert scale, with 1 = strongly disagree and 6 = strongly agree. The four PCQ subscales were assessed by calculating the mean average of all the scale elements. For each of the four PCQ subscales, the average generated the overall PCQ raw score. Finally, the JAWS included four subscales to measure positive and negative emotions in the workplace (Spector, 1999), which include: high pleasurable-high arousal (HPHA), high pleasurable-low arousal (HPLA), low pleasurable-high arousal (LPHA), and low pleasurable-low arousal (LPLA). The JAWS comprised 20 items ranging from 1 to 5 on a Likert scale (1 = Never to 5 = Extremely Often). The JAWS was graded by adding the 20 items together to get a total score and then dividing the positive and negative items into positive and negative emotion subscales.

**Descriptive Statistics**

Descriptive statistics describe a group of observations so that a large quantity of information may be communicated as simply as feasible (Mishra et al., 2019). 174 people
responded to the survey, with 150 reaching adequate qualifications. Self-awareness, relational transparency, balanced processing, and internalized moral perspective included the four core components that the ALQ assessed. Table 4 shows that the average overall ALQ mean score was $M = 2.6$ ($n = 150$). The four subscales of EWB were assessed by the JAWS and included high pleasurable-high arousal (HPHA), high pleasurable-low arousal (HPLA), low pleasurable-high arousal (LPHA), and low pleasurable-low arousal (LPLA). The total JAWS mean score was $M = 2.8$ ($n = 150$), as shown in Table 4. Furthermore, the PCQ examined four psychological capital resources: self-efficacy, hope, optimism, and resilience. The mean score for the PCQ was $M = 4.7$ ($n = 150$). Table 5 illustrates all 12 subscales descriptive statistics reported. For the ALQ, the subscale Moral Perspective was the highest mean score ($M = 2.7$). The subscale Low Pleasure Low Arousal (LPLA) was the JAWS's highest mean score ($M = 3.4$). Lastly, for the PCQ, the subscale Hope was the highest mean score ($M = 4.8$).
Table 4

Descriptive Statistics for the Authentic Leadership Questionnaire, Psychological Capital Questionnaire, and Job Affective Related Well-Being Survey

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
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<th>Std. Deviation</th>
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<tr>
<td>JAWS</td>
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<td>2.11</td>
<td>3.83</td>
<td>2.8470</td>
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<td>Valid N (listwise)</td>
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Table 5

Descriptive Statistics for Each Subsection

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<th>Max</th>
<th>Mean</th>
<th>Std. Deviation</th>
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<td>.00</td>
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<tr>
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<tr>
<td>ALQ_SelfAwareness</td>
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<td>.00</td>
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<tr>
<td>JAWS_HPHA</td>
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<tr>
<td>JAWS_HPLA</td>
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</table>
Assumptions

Normal distribution, linearity, dependability, and homoscedasticity were the assumptions for regression analysis (Osborne & Waters, 2002). Data screening revealed no significant violations of normal distribution, linearity, dependability, and homoscedasticity assumptions. Figure 1 illustrates that the model’s Q-Q plots indicate that the linearity and normal distribution assumptions were not violated. Cronbach’s alpha was computed for all three psychological surveys to test the reliability assumption. The ALQ, JAWS, and PCQ were sent to 150 participants: the ALQ contained 16 items and a Cronbach’s Alpha value of $\alpha = .94$, which is considered excellent internal consistency; the JAWS contained 18 items and a Cronbach’s Alpha value of $\alpha = .87$, which is good internal consistency; lastly, the PCQ contained 12 items, and the Cronbach’s Alpha value of $\alpha = .88$, which is also considered strong internal consistency. Table 6 presents a Reliability Statistics table, which indicates that the reliability assumption was not violated. Figure 2 shows the plot of standardized residuals versus standardized predicted values shows no apparent signs of funneling, suggesting the assumption of homoscedasticity was not violated.

The homogeneity of error variance is a distinct assumption for hierarchical regression analysis. Figure 2 also illustrates that the new residual trend is centered around zero but randomly distributed variation around zero. The linearity assumption was not violated, according to the results.
Figure 1

Q-Q Plot for Authentic Leadership

Figure 2

Q-Q Plot for Employee Well-Being
Figure 3

*Q-Q* Plot for Psychological Capital

![Q-Q Plot for Psychological Capital](image)

Table 6

*Reliability Statistics for ALQ, JAWS, and PCQ*

<table>
<thead>
<tr>
<th>Psychological Questionnaire</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
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<tr>
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<td>.944</td>
<td>16</td>
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<tr>
<td>JAWS</td>
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<td>.865</td>
<td>18</td>
</tr>
<tr>
<td>PCQ</td>
<td>.876</td>
<td>.879</td>
<td>12</td>
</tr>
</tbody>
</table>
Figure 4

*Standardized Residuals Versus Standardized Predicted Values for Outcome Variable, Employee Well-being*

![Scatterplot](image)

**Results By Research Question**

The two research questions that guided this study consisted of: “Does perceived authentic leadership, as measured by the Authentic Leadership Questionnaire, predict employee well-being?” and “Does psychological capital, as measured by the Psychological Capital Questionnaire, moderate the relationship between authentic leadership and employee well-being?” This study tested four hypotheses to determine whether AL predicted EWB and if PsyCap moderated the relationship between AL and EWB.

- **$H_01$:** Perceived authentic leadership does not predict employee well-being.
- **$H_{a1}$:** Perceived authentic leadership does predict employee well-being.
Research Question 1

The first research question focused on a possible predictive relationship between AL and EWB: “Does perceived authentic leadership, as measured by the Authentic Leadership Questionnaire, predict employee well-being?” Based on AL’s four subscales of self-awareness, relational transparency, internalized moral perspective, and balanced processing, multiple regression analysis determined whether the individual subscales predicted EWB. With an adjusted $R^2$ of .258, a significant regression equation was revealed ($F(4,143) = 13.767, p = .000$). A large effect size used to get the approximate sample size was $\alpha = .80$. Post hoc analysis showed that a sample size of 85 individuals was necessary to establish statistical significance based on the modified effect size attained. Self-awareness, moral perspective, and balanced processing did not significantly predict EWB ($p > .05$), as shown in Table 8. Only 25.6% of the variability in a respondent's EWB score is explained by relational transparency. EWB was statistically predicted by the AL variable, relational transparency, $p = .000$; for every 1-unit rise in AL relational transparency, EWB will change by .116 units. It is possible to reject the null hypothesis $H_0$: Perceived authentic leadership does not predict employee well-being. Therefore, this study found that the AL variable relational transparency was a
significant predictor of EWB. Table 7 also includes an analysis of variance (ANOVA), and Table 8 includes the regression coefficients.

**Table 7**

*Model Summary for Multiple Regression for Predictor Variables (Authentic Leadership) and Outcome Variable (Employee Well-being)*

<table>
<thead>
<tr>
<th>Model</th>
<th>$R$</th>
<th>$R^2$</th>
<th>Adjusted $R^2$</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.527$^a$</td>
<td>.278</td>
<td>.258</td>
<td>.22732</td>
</tr>
</tbody>
</table>

*Note.* a. Predictors: (Constant), AL_SelfAwareness, AL_Moral, AL_BalancedProcessing, AL_Transparency.

b. Dependent Variable: EWB.

**Table 8**

*Multiple Regression Outputs: ANOVA$^a$*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>$df$</th>
<th>Mean Square</th>
<th>$F$</th>
<th>Sig. $^b$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>2.846</td>
<td>4</td>
<td>.711</td>
<td>13.767</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>7.389</td>
<td>143</td>
<td>.052</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>10.235</td>
<td>147</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note.* a. Dependent Variable: EWB.

b. Predictors: (Constant), AL_SelfAwareness, AL_Moral, AL_BalancedProcessing, AL_Transparency.
Table 9

Multiple Regression Outputs: Coefficientsa

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.342</td>
<td>.070</td>
</tr>
<tr>
<td>AL_Transparency</td>
<td>-.116</td>
<td>.052</td>
</tr>
<tr>
<td>AL_Moral</td>
<td>.002</td>
<td>.045</td>
</tr>
<tr>
<td>AL_BalancedProcessing</td>
<td>-.076</td>
<td>.047</td>
</tr>
<tr>
<td>AL_SelfAwareness</td>
<td>.006</td>
<td>.049</td>
</tr>
</tbody>
</table>

Note. a. Dependent Variable: EWB.

Research Question 2

The second research question focused on the moderator variable of PsyCap and its potential influence on the relationship between AL and EWB: “Does psychological capital as measured by the Psychological Capital Questionnaire moderate the relationship between authentic leadership and employee well-being?” A hierarchical linear regression analysis was conducted to determine if the predictor variable AL (self-awareness, relational transparency, internalized moral perspective, and balanced processing) and the moderator variable PsyCap (self-efficiency, hope, optimism, and resilience) predicted EWB. As shown in Table 9, internal reliability was assessed to ensure the AL and PsyCap interaction was accurate. According to Table 9, the ALxPsyCap interaction has an excellent internal reliability with AL ($\alpha = .960$), and a good internal reliability with PsyCap ($\alpha = .823$).

As illustrated in Table 10, the first block hierarchical linear regression analysis revealed the first model to be statistically significant $R^2 = .258$, $F(4, 143) = 13.767$, $p =$
Additionally, it was found that the AL subscale relational transparency significantly predicted EWB \((p = .027)\). The adjusted \(R^2\) value of .258 associated with this regression model suggests that the four subscales of AL account for 25.8% of the variation in EWB, which means that the subscales of AL alone cannot explain 74.2% of the variation in EWB. A similar outcome was found from the second block analysis.

The four subscales of PsyCap were added to the second block analysis, which revealed a statistically significant model \(R^2 = .256, F(8, 139) = 7.316, p = 000\). The change in \(R^2\) only increased by .002 (.2%) from the first block in the hierarchical linear regression model to the second block. Additionally, the results found that the AL subscale relational transparency significantly predicted EWB \((p = .044)\). Controlling for PsyCap, the regression coefficient \((\beta = .107, p < .05)\) associated with AL suggests that with each additional unit of relational transparency, EWB increases by approximately .107 units. The adjusted \(R^2\) value of .256 associated with this regression model suggests that the addition of PsyCap to the first block model accounts for 25.6% of the variation in EWB. Meaning 74.4% of the variation in EWB cannot explain AL and PsyCap alone. A similar outcome was found from the third block analysis.

The interaction between AL and PsyCap was added to the analysis for the third block analysis. The third block hierarchical linear regression analysis results revealed the model to be statistically significant \(R^2 = .300, F(9, 138) = 8.008, p = 000\). With the inclusion of the four PsyCap subscales, the \(R^2\) did not change from the original four AL subscales. However, with the addition of the AL and PsyCap interaction, \(R^2\) increased by .044 (4.4%), which is statistically significant. It was found that the AL subscales
relational transparency ($p = .001$), internalized moral perspective ($p = .035$), and balanced processing ($p = .001$) significantly predicted EWB. Controlling for PsyCap, the regression coefficient ($\beta = .120, p < .05$) associated with AL suggests that with each additional unit of internalized moral perspective, EWB increases by approximately .120 units. The regression coefficient ($\beta = .188, p < .05$) associated with AL also suggests that with each additional unit of balanced processing, EWB increases by approximately .188 units. The results also found that the PsyCap subscale optimism ($p = .014$) significantly predicted EWB. Controlling for AL, the regression coefficient ($\beta = .083, p < .05$) associated with PsyCap suggests that with each additional unit of optimism, EWB increases by approximately .083 units. The adjusted $R^2$ value of .300 associated with this regression model suggests that the interaction between AL and PsyCap to the second block model accounts for 30% of the variation in EWB, which means that 70% of the variation in EWB is not explained. Therefore, this study rejects the null hypothesis $H_{02}$: Psychological capital does not modify the association between authentic leadership and employee well-being.

Additional analysis was conducted for the statistically significant AL and PsyCap interaction. PsyCap was divided into two groups based on a median split, high PsyCap (PsyCapCat = 1) included respondents who scored above the mean, and low PsyCap (PsyCapCat = 0) included respondents who scored below the mean. As shown in Table 13, a multiple linear regression was conducted to predict EWB based on the four subscales of AL and the two categories of PsyCap. A statistically significant regression was found for both low PsyCap ($F(4, 69) = 11.177, p = .000, R^2 = .393$), and high PsyCap
\( F(4, 69) = 4.842, p = .002, R^2 = .219 \). The adjusted \( R^2 \) of .393 associated with this regression model suggests that the low PsyCap category accounts for 39.3% of the respondents' EWB score variability. Likewise, the adjusted \( R^2 \) of .219 associated with this regression model suggests that the high PsyCap category accounts for 21.9% of the respondents' EWB score variability. Table 14 shows that the only AL subscale that was statistically significant is relational transparency \( (p = .009) \) in the low PsyCap category. For every 1-unit increase in AL relational transparency in the low PsyCap category, EWB will change by .199 units.

**Table 10**

*Reliability Statistics for Authentic Leadership, Psychological Capital, Employee Well-Being, and the Interaction Between Authentic Leadership and Psychological Capital*

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>( N ) of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.230</td>
<td>.932</td>
<td>3</td>
</tr>
</tbody>
</table>

**Table 11**

*Inter-Item Correlation Matrix*

<table>
<thead>
<tr>
<th></th>
<th>ALxPsyCapInteract</th>
<th>PsyCap_Avg</th>
<th>AL_Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALxPsyCapInteract</td>
<td>1.000</td>
<td>.823</td>
<td>.960</td>
</tr>
<tr>
<td>PsyCap_Avg</td>
<td>.823</td>
<td>1.000</td>
<td>.678</td>
</tr>
<tr>
<td>AL_Avg</td>
<td>.960</td>
<td>.678</td>
<td>1.000</td>
</tr>
</tbody>
</table>
Table 12

Model Summary\textsuperscript{d} Hierarchical Regression Analysis with Authentic Leadership and Psychological Capital Interaction

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.527\textsuperscript{a}</td>
<td>.278</td>
<td>.258</td>
<td>.22732</td>
</tr>
<tr>
<td>2</td>
<td>.544\textsuperscript{b}</td>
<td>.296</td>
<td>.256</td>
<td>.22763</td>
</tr>
<tr>
<td>3</td>
<td>.586\textsuperscript{c}</td>
<td>.343</td>
<td>.300</td>
<td>.22073</td>
</tr>
</tbody>
</table>

\textit{Note.} a. Predictors: (Constant), AL\textunderscore SelfAwaress, AL\textunderscore Moral, AL\textunderscore BalancedProcess, AL\textunderscore Transparency.

b. Predictors: (Constant), AL\textunderscore SelfAwaress, AL\textunderscore Moral, AL\textunderscore BalancedProcess, AL\textunderscore Transparency, PSYC\textunderscore Resilience, PSYC\textunderscore Optimism, PSYC\textunderscore Selfefficiency, PSYC\textunderscore Hope.

c. Predictors: (Constant), AL\textunderscore SelfAwaress, AL\textunderscore Moral, AL\textunderscore BalancedProcess, AL\textunderscore Transparency, PSYC\textunderscore Resilience, PSYC\textunderscore Optimism, PSYC\textunderscore Selfefficiency, PSYC\textunderscore Hope, ALxPsyCapInteract.
### Table 13

**Hierarchical Regression Analysis Output: ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>2.846</td>
<td>4</td>
<td>.711</td>
<td>13.767</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>7.389</td>
<td>143</td>
<td>.052</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>10.235</td>
<td>147</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regression</td>
<td>3.033</td>
<td>8</td>
<td>.379</td>
<td>7.316</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>7.202</td>
<td>139</td>
<td>.052</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>10.235</td>
<td>147</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regression</td>
<td>3.511</td>
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<td>Residual</td>
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<td>.049</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>10.235</td>
<td>147</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note.* b. Predictors: (Constant), AL_SelfAwaress, AL_Moral, AL_BalancedProcess, AL_Transparency.

c. Predictors: (Constant), AL_SelfAwaress, AL_Moral, AL_BalancedProcess, AL_Transparency, PSYC_Resilience, PSYC_Optimism, PSYC_Selfefficacy, PSYC_Hope.

d. Predictors: (Constant), AL_SelfAwaress, AL_Moral, AL_BalancedProcess, AL_Transparency, PSYC_Resilience, PSYC_Optimism, PSYC_Selfefficacy, PSYC_Hope, ALxPsyCapInteract.
### Table 14

**Hierarchical Regression Analysis Output: Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.342</td>
<td>.070</td>
<td>47.426</td>
</tr>
<tr>
<td></td>
<td>AL_Transparency</td>
<td>-.116</td>
<td>.052</td>
<td>-.345</td>
</tr>
<tr>
<td></td>
<td>AL_Moral</td>
<td>.002</td>
<td>.045</td>
<td>.005</td>
</tr>
<tr>
<td></td>
<td>AL_BalancedProcess</td>
<td>-.076</td>
<td>.047</td>
<td>-.231</td>
</tr>
<tr>
<td></td>
<td>AL_SelfAwareness</td>
<td>.006</td>
<td>.049</td>
<td>.020</td>
</tr>
<tr>
<td>2</td>
<td>(Constant)</td>
<td>3.388</td>
<td>.132</td>
<td>25.584</td>
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<tr>
<td></td>
<td>AL_Transparency</td>
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<td>-.318</td>
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<tr>
<td></td>
<td>AL_Moral</td>
<td>-.014</td>
<td>.047</td>
<td>-.404</td>
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<tr>
<td></td>
<td>AL_BalancedProcess</td>
<td>-.086</td>
<td>.048</td>
<td>-.260</td>
</tr>
<tr>
<td></td>
<td>AL_SelfAwareness</td>
<td>.036</td>
<td>.052</td>
<td>.114</td>
</tr>
<tr>
<td></td>
<td>PSYC_Selfefficiency</td>
<td>.014</td>
<td>.033</td>
<td>.045</td>
</tr>
<tr>
<td></td>
<td>PSYC_Hope</td>
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<td>.044</td>
<td>-.090</td>
</tr>
<tr>
<td></td>
<td>PSYC_Resilience</td>
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</tr>
<tr>
<td></td>
<td>PSYC_Optimism</td>
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<td>.031</td>
<td>-.125</td>
</tr>
<tr>
<td>3</td>
<td>(Constant)</td>
<td>4.249</td>
<td>.303</td>
<td>14.005</td>
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<tr>
<td></td>
<td>AL_Transparency</td>
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<td>-.617</td>
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<tr>
<td></td>
<td>AL_Moral</td>
<td>-.120</td>
<td>.056</td>
<td>-.364</td>
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<td></td>
<td>AL_BalancedProcess</td>
<td>-.188</td>
<td>.057</td>
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<td></td>
<td>AL_SelfAwareness</td>
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<td>-.139</td>
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<td></td>
<td>PSYC_Selfefficiency</td>
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<td>-.065</td>
</tr>
<tr>
<td></td>
<td>PSYC_Hope</td>
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<td>.046</td>
<td>-.237</td>
</tr>
<tr>
<td></td>
<td>PSYC_Resilience</td>
<td>-.014</td>
<td>.033</td>
<td>-.044</td>
</tr>
<tr>
<td></td>
<td>PSYC_Optimism</td>
<td>-.083</td>
<td>.033</td>
<td>-.281</td>
</tr>
<tr>
<td></td>
<td>ALxPsyCapInteract</td>
<td>.005</td>
<td>.002</td>
<td>1.486</td>
</tr>
</tbody>
</table>

*Note.* a. Dependent Variable: EmployeeWB.

### Table 15
Model Summary for Hierarchical Linear Regression for High and Low PsyCap

<table>
<thead>
<tr>
<th>PsyCapCat</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>.00</td>
<td>1</td>
<td>.627a</td>
<td>.393</td>
<td>.358</td>
<td>.21675</td>
</tr>
<tr>
<td>1.00</td>
<td>1</td>
<td>.468a</td>
<td>.219</td>
<td>.174</td>
<td>.22326</td>
</tr>
</tbody>
</table>

Note. a. Predictors: (Constant), AL_SelfAwaress, AL_Moral, AL_BalancedProcess, AL_Transparency.

Table 16

Hierarchical Linear Regression High and Low PsyCap Output

<table>
<thead>
<tr>
<th>PsyCapCat</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>.00</td>
<td>Regression</td>
<td>2.100</td>
<td>4</td>
<td>.525</td>
<td>11.177</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>3.242</td>
<td>69</td>
<td>.047</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
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<td>73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00</td>
<td>Regression</td>
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<td>4.842</td>
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<td></td>
<td>Total</td>
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<td></td>
<td></td>
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</tbody>
</table>

Note. a. Dependent Variable: EmployeeWB.
b. Predictors: (Constant), AL_SelfAwaress, AL_Moral, AL_BalancedProcess, AL_Transparency.
Table 17

<table>
<thead>
<tr>
<th>PsyCapCat</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
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<td></td>
<td>AL_Transparency</td>
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<td>-.451</td>
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<tr>
<td></td>
<td>AL_Moral</td>
<td>.073</td>
<td>.163</td>
</tr>
<tr>
<td></td>
<td>AL_BalancedProcess</td>
<td>-.045</td>
<td>-.115</td>
</tr>
<tr>
<td></td>
<td>AL_SelfAwareness</td>
<td>-.086</td>
<td>-.235</td>
</tr>
<tr>
<td>1.00</td>
<td>(Constant)</td>
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<td>.125</td>
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<td></td>
<td>AL_Transparency</td>
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<td></td>
<td>AL_Moral</td>
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<td>-.284</td>
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<tr>
<td></td>
<td>AL_BalancedProcess</td>
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<td>-.367</td>
</tr>
<tr>
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<td>AL_SelfAwareness</td>
<td>.134</td>
<td>.397</td>
</tr>
</tbody>
</table>

Note. a. Dependent Variable: EmployeeWB.

Summary

The first research question guiding this quantitative, correlational study was:

“Does perceived authentic leadership, as measured by the Authentic Leadership Questionnaire, predict employee well-being?” The second research question was: “Does the Psychological Capital Questionnaire’s measurement of psychological capital alter the association between authentic leadership and employee well-being?” During multiple regression analysis for the first research question, the AL component, relational transparency, was a statistically significant predictor of EWB ($p = .000$). For the second research question, hierarchical regression analysis showed a statistically significant relationship in all three models ($p = .000$), including the interaction between AL and
PsyCap ($p = .000$). More so, additional analysis on the AL and PsyCap interaction revealed statistical significance in both the high PsyCap category ($p = .002$) and low PsyCap category ($p = .000$). The AL subscale relational transparency was also statistically significant in the low PsyCap category ($p = .009$). In Chapter 5: Discussion, Conclusions, and Recommendations, the findings are interpreted, the study’s limits, recommendations, and implications are discussed.
Chapter 5: Discussion, Conclusions, and Recommendations

This non-experimental quantitative correlational investigation, which used multiple and hierarchical regression analysis, sought to discover if AL predicted EWB. An additional objective was to determine if PsyCap influenced the relationship between AL and EWB. This study was motivated by a gap in the literature surrounding EWB as a primary outcome variable in leadership studies (Inceoglu et al., 2018). Since AL predicted an increase in EWB, organizational leaders may choose to prioritize the subscale relational transparency in the leadership development training program. Understanding the predictive relationship between AL and EWB can help to improve the quality of relationships, trust, and collaboration in the workplace. Additional research might undertake a more thorough examination of well-being, including physiological markers.

Based on the multiple regression analysis results, the AL core component relational transparency variable was statistically significant in predicting EWB ($p = .000$). More so, the hierarchical regression analysis revealed statistical significance in all three models. All four AL subscales were analyzed in the first model, indicating that relational transparency ($p = .000$) was statistically significant. The second model analyzed the AL and PsyCap subscales, and relational transparency ($p = .044$) was also statistically significant. In the third model, an interaction between AL and PsyCap was added to the hierarchical block, revealing a statistically significant interaction ($p = .000$). Additionally, the AL subscales relational transparency ($p = .001$), internalized moral perspective ($p = .035$), balanced processing ($p = .001$), and the PsyCap subscale optimism ($p = .014$) were
all shown to be statistically significant. Further analysis was conducted based on the significance found with the AL and PsyCap interaction. PsyCap was classified into two groups based on a median split: high PsyCap (1) and low PsyCap (0). Multiple regression analysis determined a statistically significant finding for high PsyCap (1) and low PsyCap (0). Relational transparency was statistically significant ($p = .009$) in the low PsyCap group.

**Interpretations of the Findings**

The AL theory and the social exchange theory are two essential theoretical frameworks for comprehending how leaders' behavior affects employees. The AL theory posits that an authentic leader obtains authority and trust by cultivating honest relationships with employees (Avolio & Gardner, 2005). According to the AL theory, when authentic leaders demonstrate relational transparency, they speak genuinely in their interactions with employees (Northouse, 2013). The social exchange theory suggests the leader-employee relationship requires resource reciprocity to thrive. Once employees feel respected and cared for by leadership, positive attitudes and behaviors are reciprocated (Fan et al., 2015). The findings for this study have confirmed the AL and social exchange theory by demonstrating the significant influence relational transparency has on EWB. The findings align with research conducted by Rego et al. (2021), which revealed that when transparent leaders exhibit humility, they transmit respect to employees and are more receptive to employees' relational transparency toward them. In other words, when leaders demonstrate relational transparency, employees reciprocate by exhibiting relational transparency in return.
The overall findings of this study align with previous studies conducted on the relationship between AL and EWB. According to Semedo et al. (2017), AL and happiness are statistically significant. This study revealed a statistically significant relationship between the AL subscale relational transparency and EWB ($p = .000$). These findings are comparable to the findings of Semedo et al. (2019) in their study, which found that relational transparency predicted happiness at work which determined employees’ emotional bond to the organization. Since the relational transparency subscale significantly predicted EWB, the findings for RQ1 projected that EWB would increase by .172 units for every 1-unit increase in AL relational transparency. Meaning, the higher employees score on well-being, the more employees perceive their leaders to exhibit relational transparency.

PsyCap was found to have a moderating effect in the relationship between AL and EWB ($p = .000$) in this study. These findings align with the research conducted by Hu et al. (2018) and Roemer and Harris (2018), which revealed PsyCap moderating effect on AL and significantly influenced the connection with EWB. According to the hierarchical linear regression results for RQ2, all three models were statistically significant ($p = .000$). The first and second models revealed statistical significance for relational transparency with a slight increase in $R^2$ of about .2%. The third model also revealed statistical significance in the AL subscales relational transparency ($p = .001$), internalized moral perspective ($p = .035$), balanced processing ($p = .001$), and the PsyCap subscale optimism ($p = .014$). However, the most significant finding was found in the third model, which showed a significant increase in $R^2$ (4.4%) with the AL and PsyCap interaction. Meaning,
the addition of the AL and PsyCap interaction improved the model more than would be expected by chance. Based on this finding, PsyCap had a moderating effect on the relationship between AL and EWB.

Additional analysis further assessed the AL and PsyCap interaction on two PsyCap categories, high PsyCap (1) and low PsyCap (0), AL, and EWB as an outcome variable. Both high PsyCap \( (p = .002) \) and low PsyCap \( (p = .000) \) were found to be statistically significant. The most significant finding was that the AL subscale relational transparency was statistically significant in the low PsyCap category \( (p = .009) \). For every 1-unit increase in relational transparency in the low PsyCap category, EWB was predicted to increase by .199 units. Relational transparency was no longer a predictor of EWB among respondents with high psychological capital, even though all four measures of AL together still significantly predict EWB.

The literature recognizes the subjective nature of EWB and the lack of consensus on a clear operational definition (Page & Vella-Brodrick, 2009). The subjectivity of EWB was considered in this study. EWB was operationalized as related to all aspects of organizational life, such as feelings about their jobs, the organizational environment, the work atmosphere, and the organization itself (Lahtinen & Salmivalli, 2020; Tuzovic & Kabadayi, 2020). The initial decision to choose a psychological tool to measure EWB was difficult. However, this study determined the JAWS to be a reliable self-report evaluation of affective and emotional experiences in the workplace. The findings for RQ1 were consistent with earlier studies indicating that AL had a strong effect on positive employee outcomes (Adil & Kamal, 2016; Park et al., 2017; Semedo et al., 2017;
Alilyyani et al., 2018). However, this study differentiated itself from the literature by emphasizing EWB as a primary outcome in a predictive relationship with AL. Similarly, the findings for RQ2 were consistent with earlier studies on PsyCap's role as a moderator of AL and EWB (Zehir et al., 2016; Maher et al., 2017; Meheirhi et al., 2018). However, this study differentiated itself by quantitively assessing all four dimensions of PsyCap and its influences on AL and EWB, which Park et al. (2017) described as a gap in the research.

This study also found that relational transparency was statistically significant in the multiple and hierarchical linear regression analyses. Petan and Bocarnea (2016) described relational transparency as openness about a leader's true feelings to employees. Emotions are the key differentiation of relational transparency, and researchers have found an association with positive employee outcomes. Diener et al. (2020) found that when leaders' positive emotions influence employees, they become more aware and open, resulting in higher innovation and greater energy placed in their work. Studies on emotional contagion have found that employees exposed to leaders who exhibit positive emotions experience more positive emotions (Visser et al., 2013). Positive affect has been proven to foster psychological resources, which increase EWB. The Broaden-and-Build Theory of Positive Emotions claimed that positive emotions help employees discover the creativity that generates psychological resources, such as optimism (Fredrickson, 2004). Thus, positive emotions in leaders may transfer to employees, which results in higher EWB.
Limitations of the Study

This study aimed to investigate the relationship between AL and EWB and determine whether PsyCap moderated the relationship between AL and EWB. This study consisted of adult nonsupervisory participants employed in organizations within the USA. The inclusion criteria required participants to be 25 years old, have 2 years of experience working with their leader, and 3 years of experience working with the organization. Participant recruitment was initiated using two third-party websites, SurveyMonkeys’ Standing Participant Pool and Amazons Mechanical Turk. This study used a nonprobability sampling method, while confounding variables were controlled for, and validated psychological questionnaires resulted in a sufficient degree of internal validity.

Assumptions

A total of five assumptions were identified in this study: the first assumption is that participants will honestly answer each item in the questionnaires; the second assumption was that the participants would be adequate representations for the population; the third assumption was that the questionnaires would appropriately measure the variables of interest; the fourth assumption was that participants would have the adequate amount of experience working with their leader, at least 2 years; the final assumption was that surveying employee participants among various organizations within the USA with nonsupervisory positions would yield reliable responses.
Limitations

Activities that violate the assumptions and participation rate are examples of limitations. A limitation consisted of compensated respondents participating in this study, which may have skewed response rates. The most significant limitation to this study surrounds the global outbreak of Covid-19. The effects of quarantine on participants' well-being were not considered, which might have significantly influenced the results of this study.

Recommendations

The goal of this study was to determine whether AL and EWB had a statistically significant predictive relationship. Inauthentic leadership was associated with poor work performance, participation, motivation, and well-being (Hadadian & Sayadpour, 2018; Morris, 2019). However, AL is related to various positive employee outcomes, including increased organizational helpful behaviors, lower burnout and turnover (Hirst et al., 2015; Spence Laschinger & Fida, 2014). The focus of this study was the predictive relationship between AL and EWB. Authentic leaders exhibit the four core AL components – self-awareness, relational transparency, internalized moral perspective, and balanced processing. This study revealed that the AL component of relational transparency significantly predicted EWB \( (p = .000) \). A recommendation includes collecting more participants, which may influence the AL subscales, self-awareness, internalized moral perspective, and balanced processing during multiple regression analysis. An additional focus was whether PsyCap could moderate the relationship between AL and EWB. The hierarchical linear regression revealed that the AL subscales relational transparency \( (p = \)
.001), internalized moral perspective \((p = .035)\), balanced processing \((p = .001)\), and the PsyCap subscale optimism \((p = .014)\) significantly predicted EWB. Additionally, this study revealed that the AL and PsyCap interaction significantly predict EWB.

Additional recommendations suggest a more reliable measurement of EWB and the sample criteria. The first suggestion is to employ a more rigorous well-being assessment that includes physiological measurements. Brain imaging can be a more reliable and accurate means of assessing well-being compared to using a self-report measure of well-being. The second suggestion is to gather participants without using a third-party website. The participants in this study were compensated in exchange for their participation, which may have resulted in biases. Identifying participants willing to volunteer for the study with no monetary incentive might lead to more reliable results. Lastly, the effects of Covid-19 as a moderating effect should reveal significant findings. Perhaps Covid-19 as a moderating variable could explain the insignificant relationships between self-awareness, internalized moral perspective, balanced processing, and EWB.

**Implications**

**Implications for Practice**

Understanding how to effectively foster authenticity among leadership may benefit leaders and industrial-organizational psychologists. Researchers discovered that having an authentic leader-employee relationship impacts employee happiness, resulting in positive work and psychological results (Chida & Steptoe, 2008; Howell et al., 2007). Since authentic leadership is associated with improved employee outcomes, the knowledge generated from this study might help generate positive social change by
developing authenticity among leaders. This study’s findings may also help educate organizational leaders on the importance of AL to help promote better employee outcomes, such as improved attitudes, well-being, and performance (Rahimnia & Sharifirad, 2015). AL has an impactful influence on society’s elements (Avolio & Gardner, 2005). Authentic leaders recognize and value differences among employees, develop employee talents and transform those talents into strengths, which generalize to all aspects of the employee’s life. The implementation of authenticity among leaders may positively affect the family environment (Morganson et al., 2017).

**Implications for Research**

Although a relationship between AL core characteristics and positive employee attitudes was demonstrated by researchers (Nelson et al., 2014; Rahimnia & Sharifirad, 2015; Perko et al., 2015), the relationship between the four AL components and EWB is less obvious. Although this study revealed a significant finding between relational transparency and EWB, there is still uncertainty surrounding the remaining three AL core components: self-awareness, internalized moral perspective, and balanced processing. Since the AL construct is still relatively new, an implication involves the potential to further research regarding the predictive relationship between AL and EWB as a primary outcome. Additional research would benefit the field of industrial-organizational psychology, positive psychology, and the organizational environment.

**Conclusion**

Multiple regression and hierarchical analysis were used in this quantitative investigation to see if AL predicts EWB and if PsyCap influenced the association
between AL and EWB. This study addressed a gap around EWB as a primary outcome variable in the association with AL. For the first research question, “*does perceived authentic leadership predict employee well-being?*”, the AL core variable relational transparency and EWB had a statistically significant association in this study. This finding suggested that the more employees experience well-being, the higher leaders exhibit relational transparency in the organizational environment. Therefore, this study rejected the null hypothesis.

For the second research question, “*does psychological capital moderate the relationship between authentic leadership and employee well-being?*” the findings revealed statistical significance in the AL subscales relational transparency, internalized moral perspective, balanced processing, and the PsyCap subscale optimism. However, the most significant finding involved the AL and PsyCap interaction entered on the third step of a hierarchical linear regression analysis. The results confirmed that the interaction was statistically significant and showed a significant increase in $R^2$ of 4.4%. This finding suggests that PsyCap does have a moderating effect on the relationship between AL and EWB. Therefore, this study rejected the null hypothesis. Additional analysis was conducted on two PsyCap categories, high PsyCap (1) and low PsyCap (0) and AL, with EWB as an outcome variable. Both high and low PsyCap was statistically significant in the multiple regression analysis. Interestingly, relational transparency was also statistically significant in the low PsyCap category. However, the overall effect of relational transparency was eliminated when the AL and PsyCap interaction was introduced.
This study contained limitations in the recruitment method, which involved initiating third-party websites to provide monetary compensation for participation. A recommendation would consist of manually collecting participants rather than using third-party websites. An additional recommendation is to employ a more reliable measurement of EWB. Researchers have recommended brain imagining as a more reliable and accurate measurement of EWB (Dolcos et al., 2018). Physiological measurements would provide more robust findings, leading to additional research regarding AL and EWB. More robust sample sizes would be advantageous for future research. Since this study was limited in funding, only 150 participants were collected. Perhaps a larger sample size would have significantly influenced the findings of this study. A final recommendation was to incorporate Covid-19 as a moderator variable to determine its effect on the relationship between AL and EWB.

The implications for practice involve emphasizing relational transparency in leadership development training, which would result in positive work and psychological outcomes among employees (Chida & Steptoe, 2008). The knowledge generated from this study can improve how leaders interact with employees to foster greater psychological well-being. Based on the Broaden-and-Build Theory of Positive Emotions, positive emotions help employees generate psychological resources, such as optimism and resiliency (Fredrickson, 2004). Implications for research involve creating additional research on the three AL subscales, self-awareness, internalized moral perspective, and balanced processing in the relationship between EWB as a primary outcome. EWB is becoming more prominent as an outcome variable of interest in the leadership literature.
(Taris & Schaufeli, 2014). This research attempted to investigate the predictive relationship between AL and EWB. However, the uncertainty regarding the three AL core components, self-awareness, internalized moral perspective, and balanced processing will be open for investigation for other brilliant scholars in psychology.
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Appendix A: Signed Permission to Use the Authentic Leadership Questionnaire

For use by Bianca Cardenas only. Received from Mind Garden, Inc. on November 3, 2021

mind garden
www.mindgarden.com

To Whom It May Concern,

The above-named person has made a license purchase from Mind Garden, Inc. and has permission to administer the following copyrighted instrument up to that quantity purchased:

Authentic Leadership Questionnaire

The four sample items only from this instrument as specified below may be included in your thesis or dissertation. Any other use must receive prior written permission from Mind Garden. The entire instrument may not be included or reproduced at any time in any other published material. Please understand that disclosing more than we have authorized will compromise the integrity and value of the test.

Citation of the instrument must include the applicable copyright statement listed below.

Sample Items:

As a leader I...

- say exactly what I mean
- demonstrate beliefs that are consistent with actions
- solicit views that challenge my deeply held positions
- seek feedback to improve interactions with others

My leader...

- says exactly what he or she means
- demonstrates beliefs that are consistent actions
- solicits views that challenge his or her deeply held positions
- seeks feedback to improve interactions with others

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Sincerely,

Robert Most
Mind Garden, Inc.
www.mindgarden.com

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Appendix B: Signed Permission to Use the Psychological Capital Questionnaire

To whom it may concern,

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Instrument: Psychological Capital (PsyCap) Questionnaire (PCQ)

Authors: Fred Luthans, Bruce J. Avolio & James B. Avey.

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for his/her thesis/dissertation research.

Three sample items from this instrument may be reproduced for inclusion in a proposal, thesis, or dissertation.

The entire instrument may not be included or reproduced at any time in any other published material.

Sincerely,

[Signature]

Mind Garden, Inc.
www.mindgarden.com
### Appendix C: ALQ Overall Raw Score by Gender

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