THE ROLE OF SOCIAL IDENTIFICATION MEDIATORS ON THE RELATIONSHIPS OF AUTHENTIC LEADERSHIP AND PERFORMANCE

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Abstract—The purpose of this study is to explore authentic leadership development and its effect on performance to find answers to authentic leadership contributions in reducing malfeasanse in organizations. This paper is a theoretical exploration based on literature review and several theories that can be used as philosophical analysis. This paper provides a multilevel approach about authentic leadership development and its effect on performance. First, authentic leadership has a positive effect on followers' performance. Second, the role of followers' organizational identification mediates the effect of authentic leadership on performance. Both propositions can apply at individual or group level. The key finding of this paper is the multilevel perspective contributing to the development of authentic leadership and the role of organizational identification in interaction of leaders and followers.

Keywords—Authentic leadership, Organizational identification, Performance, Social cognitive theory

I. INTRODUCTION

The development of leadership concepts is the answer to changing situations, challenges or certain conditions (Baron & Parent, 2015; Toor & Ofori, 2008). The concept of authentic leadership arises from the violations of management practices of leaders in many organizations, the challenges of global world terrorism and the economic downturn in developed countries (Cooper, Scandura, & Schriesheim, 2005; Sendjaya, Pekerti, Härtel, Hirst, & Butarbutar, 2016; van Droffelaar & Jacobs, 2017) However, existing leadership styles are not able to be part of a promising solution when many organizations experience new challenges (Avolio & Gardner, 2005; Avolio, Gardner, Walumbwa, Luthans, & May, 2004; Wang, Sui, Luthans, Wang, & Wu, 2014). This phenomenon is attractive to practitioners and researchers (e.g. George, 2008; Luthans, 2002;Walumbwa et al., 2008)

Avolio (2004) states that authentic leadership enhances the attitudes and behavior of subordinates at work. Gardner, Cogliser, Davis, and Dickens (2011) provide identification of various kinds of authentic leadership outcomes that are conceptualized as mediation or dependent variables. Subordinate output, for example, is in the form of identification (Walumbwa et al., 2008; Wong, Spence Laschinger, & Cummings, 2010), job performance (Walumbwa et al., 2008), job satisfaction (Giallonardo et al., 2010) and trust in leadership (Clapp-Smith, Vogelgesang, & Avey, 2009). Organizational outcomes include such as corporate financial performance (Clapp-Smith et al., 2009).

Study of the mediating mechanism for social identification variables in authentic leadership relationships on trust in supervisors needs to be repeated given that empirical evidence about the role of mediation is still not supported (Wong et al., 2010). Avolio et al. (2004) theoretically state that social identification mediates a positive relationship between authentic leadership and trust in leaders. Wong et al. (2010) use empirical evidence to show that social identification does not mediate the relationship between leadership and trust in leaders. Such conditions provide an opportunity for research to explore the mechanisms of social identification mediation because social identification facilitates the development of leadership effectiveness (van Knippenberg, van Knippenberg, De Cremer, & Hogg, 2004; Walumbwa et al., 2008).

Another issue related to authentic leadership research is the gap in the level of analysis. Nearly 40% of articles on authentic leadership openly state the importance of developing multilevel models (Yammarino, Dionne, Schriesheim, & Dansereau, 2008), but the importance of multilevel theory and the development of hypotheses are not discussed in the literature. Authentic leadership studies have been conceptualized primarily at the level of individual analysis (Yammarino et al., 2008). Significant gaps remain in the literature on authentic leadership, especially research that ignores the issue of level analysis (Gardner et al., 2011; Yammarino et al., 2008).

To the author's knowledge, there has been no further discussion about the contribution of social identification in a group perspective. This article will provide an exploration of the literature on how organizational identification has the potential to influence authentic leadership relations with subordinates' performance through social cognition and group perspectives. Explanation of the mechanism of influence of social identification in authentic leadership relations and subordinate performance is important for the organization to be able to effectively manage and give control to the mechanism of authentic leadership in the organization by understanding the mechanism of the influence of social identification on leadership at the group level

II. LITERATURE REVIEW : AUTHENTIC LEADERSHIP

The definition of the concept of authentic leadership developed after Gallup International Institute held a symposium between disciplines with the theme of authentic leadership in 2004 and 2006. The results of the symposium were models of authentic leadership development (Gardner, Avolio, Luthans, May, & Walumbwa, 2005) based on the components of authentic leadership concepts from Kernis, (2003) and the development of authentic leadership definitions culminating in the definition by Walumbwa et al. (2008). This definition states four main components of authentic leadership, namely self-awareness, internalization of moral perspectives, balanced processes and transparent relationships, in accordance with the authentic leadership component of Kernis and Goldman (2006).

The authentic leadership model by Walumbwa et al. (2008), with its four components, has become the model that is widely used in authentic leadership research (Gardner et al., 2011). The first component, self-awareness, is the leader's personal thoughts, the process by which an individual understands himself. This self-understanding includes reflection on the core values, identities, emotions, motivations and goals of a leader. When leaders know themselves and have a clear understanding of who they are and what they defend, they will have a strong foundation in making decisions and carrying out their actions (Gardner, 2005). Leaders who have greater self-understanding are more authentic leaders.

Second, a moral perspective/self-regulation (self-regulation / internalized moral perspective) is the use of standards and internal moral values that are owned to guide or regulate their behavior, rather than allowing other people or other factors to influence them (group or community pressure) (Avolio & Gardner, 2005). The moral perspective used is authentic when their self-actions are consistent with their beliefs and morals (Gardner et al., 2005). Third, balanced processing is part of self-regulating behavior. This refers to the ability of individuals to analyze

information objectively and learn the opinions of others before making a decision. Illies et al. (2005) illustrate that balanced processing is at the heart of one's personal integrity and character

Finally, transparency of relationships (relational transparency) is an open and honest attitude in presenting oneself to others (Illies, Morgeson, & Nahrgang, 2005). Transparency of relationships is about how to communicate openly and how they are in relation to other people, while openness is used to develop trust, support joint work and other collaboration (Gardner et al., 2005).

A. Authentic Leadership and Performance

Gardner et al. (2011) provide identification of various kinds of authentic leadership outcomes that are conceptualized as mediation or dependent variables. There is also other empirical evidence about the positive relationship of authentic leadership to performance, for example, positive relationships with risky performance (Mieleski et al., 2012) and performance as outcomes of followers (Leroy, Anseel, Gardner, & Sels, 2015; Peterson, Walumbwa, Avolio, & Hannah, 2012; Wong & Cummings, 2009). Clapp-Smith et al. (2009) also support positive relations through authentic leadership research that is positively related to job performance with performance measurement in the form of sales growth. Leroy et al. (2012, 2015) state that authentic leadership relates to organizational commitment and job performance. Wang et al. (2014) also state that authentic leadership is positively related to job performance

The relationship of authentic leadership consequently in the form of performance can be explained by the theory of social cognition (Bandura, 1988). The theory of social cognition emphasizes human capacity for self-regulation and self-motivation. People adopt self-guidelines and self-motivation to achieve future expectations. Illies et al. (2005) state that a cognitive process is carried out by a follower to recognize self-capability. Followers will then form self-awareness and self-regulation to achieve the stated goals. This self-awareness enables them to achieve their life goals. Thus, the theory of social cognition provides clear guidelines on how to equip people with competence, self-regulation abilities and prominent self-efficacy (Bandura, 1988)

Illies et al. (2005) state that authentic leaders have a positive influence on followers' behavior because such leaders provide them support. Such conditions will then drive the motivation of followers (Liu, Fuller, Hester, Bennett, & Dickerson, 2018). Authentic leaders will encourage shared values among followers through transparency, positivity and high ethical standards. The theory of social cognition explains the function of reciprocal relations between the environment, behavior and individuals so that there is a harmony between cognitive, self-regulation, experience

and the self-reflection process. Emphasis in this relationship can help self-guidance and individual motivation to achieve the expected goals. Thus, strong positive quality attribution to the leader in turn affects followers' output in the form of performance

B. *The Role of Social Identification Mediates Authentic Leadership and Performance Relations*

Social identification is the feeling of an individual to be bound to a particular social or group context (Mael & Ashforth, 1992). Through the process of identifying individual values to certain social groups, individuals will get encouragement in carrying out their work tasks so that they will produce better performance. Social identification occurs when employees have a perception of unity with the organization that employs them and feel that they belong to the organization (Ashforth & Mael, 1989). Social identification makes employees feel psychologically linked to their organization, feel loyalty and intensely experience success and failure (Pratt et al., 2010)

Social identification essentially arises from the social identity theory as stated by Tajfel and Turner (1992) then developed by Ashforth and Mael (1989), Hogg, Hains, and Mason, (1998), and Hogg and Terry (2000). Tajfel (as cited in Hogg & Terry, 2000), introduced the concept of social identity, namely, that someone who belongs to a particular social group along with similar emotions and values makes them a group member

The theory of social identity will be the basis for individuals in carrying out their work. Logic thinking says that authentic leaders will encourage subordinates in accordance with the values, beliefs and morals of leaders, giving influence to the perceptions of subordinates to work better because of the similarity of identity values and consideration of social interests (Avolio, 2004). Empirical evidence about the relationship between identification and work performance comes from laboratory studies. This study uses simple tasks and the assumption that performance depends on effort and persistence rather than expertise, knowledge or ability (Knippenberg, 2000). The social identity approach has been applied in many areas of organizational behavior research, such as inter-group relations in organizations (Kramer, 1992), acquisitions and mergers (van Knippenberg et al., 1999), leadership (Hogg et al., 1998) and turnover (Mael & Ashforth, 1992).

Luthans and Avolio (2003) state that one of the main challenges for authentic leaders is to identify the strengths possessed by subordinates and then help direct and develop them in the context of achieving certain goals. Avolio et al. (2004) state the influence of authentic leaders on the attitudes and behavior of subordinates motivated through identification of the people they lead. This view is consistent with the

argument of Lord and Brown, (2004), namely, that the influence of leaders occurs indirectly on performance, but through the identity of subordinates and, in turn, their self-concept of work.

Understanding leadership effectiveness requires understanding the process of how leaders influence subordinates. In other words, it is necessary to build a theory about psychological processes that can translate leader behavior which can influence the actions of subordinates. In recent years, the picture of leadership research has begun to change with the development of research that focuses on the role of subordinate self-concept and identity (Lord & Brown, 2004; van Knippenberg & Hogg, 2003). The way humans see themselves or their self-concept or identity greatly influences the way humans feel, think and behave. The key to self-concept analysis of leadership effectiveness is that self-conceptions can differ at the level of involvement where self-concept is realized. In collective self-manifestations, self-concept refers to a collective social or self-identity (Tajfel & Turner, 1986). The concept of social identification is used to reflect the expansion of self in collective terms (Ashforth & Mael, 1989).

Based on the discussion above, it is assumed that the influence of authentic leadership on followers' performance occurs through organizational identification mechanisms (Liu et al., 2018; van Knippenberg et al., 2004). The effect of this mediation can be explained by social identity theory (Tajfel, 1982), which states that individuals have a range of identities that are open to personal and social identity. Each identity reflects the benefits and self-esteem that form the basis of cognitive, emotional and motivational processes (Tajfel, 1982).

C. *Result and Discussion : Authentic Leadership Study on Group Level*

The concept of authentic leadership needs to be developed to show constructive value for elaboration and clarification of the process of its relevance, but also requires a clearer concept, especially cross-level analysis (Cho & Dansereau, 2010; Gardner et al., 2011; Yammarino et al., 2008). Several studies have tested authentic leadership at the individual level (Gardner et al., 2011) and, recently, several studies have examined authentic leadership at the group level (Clapp-Smith et al., 2009; Hsiung, 2012).

There are at least several considerations as to why analysis at the group level can contribute to the development of authentic leadership constructs. First, the theoretical differences between the development of leaders and the development of collective leadership. (Hannah, Avolio, Luthans, & Harms, 2008). Differences can be expressed between leading (leader behavior as an individual) and leadership conceptualized as positive influences that arise in a group where a leader is one part of it

The second consideration is the interaction between individuals that forms a social context. Clapp-Smith et al. (2009) explain the psychological mechanism of authentic leadership at the level of group analysis. Using the framework of social cognition theory (Bandura, 1977) and social influence theory (Meindle, 1995) as interactions between individuals who make social contexts, Clapp-Smith et al. (2009) state that authentic leadership is at the group level and influences group performance. This research follows Meindle's (1995) suggestion, namely, that there is a process of social influence over the individual variables analyzed. Thus, the psychological mechanism refers to the issue of shared perceptions and feelings, such as social influence, mutual reinforcement and convergent mental models. Group-based influence as a result of interaction between subordinates can be an explanation of the feature. When one subordinate has a perception of authentic leaders, then the behavior of those subordinates will indirectly influence other subordinates. The group level of authentic leadership refers to the collective phenomenon that arises from interactions between subordinates (Gill & Caza, 2018).

The third consideration is the dominance of authentic leadership at the group level outcome as a result of the meta-analysis of Banks, McCauley, Gardner, and Guler, (2016). The results of the study state that strong outcomes related to authentic leadership are outcomes that reflect a focus on collectivity (organizational citizenship behavior, group and organizational performance). The focus of authentic leadership is to enable leaders and subordinates to be honest with their values, identity, emotions, motives and goals (Gardner et al., 2005) so that they reflect a more diffused focus that exceeds performance. Focus is no longer self-interest, but collective interest (Banks et al., 2016).

Proposition 1: At the group level, authentic leadership has a positive influence on outcomes in the form of performance.

Proposition 2: At the group level, social identification has a positive effect on subordinates' performance.

Proposition 3: At the group level, social identification mediates the effect of authentic leadership on outcomes in the form of performance

III. Conclusion

This article aims to illustrate the conceptual mechanism of how the influence of authentic leadership on performance occurs through subordinate social identification processes. A point of importance is the mediation framework for the role of subordinate social identification concepts, which can influence the effectiveness of leadership. Authentic leadership that affects performance occurs through the process of subordinate social identity as a result of internal motivation from subordinates. Such a mechanism can occur at the group level because the authentic leadership process involves more than one individual and the process of mutual influence between subordinates

Using the lens of the theory of social cognition, this article offers theoretical contributions in the form of mechanisms for the influence of authentic leadership on subordinate performance through mediating organizational identification. The mechanism of influence of authentic leadership is directed at developing from the individual level to the group level. This process occurs because, conceptually, leadership has a collective understanding (Yammarino et al., 2008). This article helps to understand the characteristics of subordinates as elements that influence the effectiveness of leadership and provides important information on how authentic leaders collaborate with the level of subordinate organizational identification.

Next is the development of authentic leadership by paying attention to the meaning of leadership as a collectivity. This factor is important for developing authentic leadership concepts and still has not received much empirical study. In order for leadership effectiveness to be achieved, leaders need to pay attention to the level of influence of subordinate organizational identification in groups.

It is believed that the development of organizational identification mechanisms will enhance understanding of the leadership process in many ways. We hope that this article affords an invitation for leadership researchers to join this business.

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