

## **Perceived Authentic Leadership, Psychological Capital, and Creative Work Behavior in Bank Employees**

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The present study was attempted to explore the relationship among perceived authentic leadership, psychological capital, and creative work behavior among bank employees. It was also intended to determine the mediating role of psychological capital in the relationship between perceived authentic leadership and creative work behavior. Moreover, moderated mediating role of job experience was also determined. A convenient sample ( $N = 600$ ) of employees from marketing departments of banks including both men and women (age range of 25-52 years;  $M = 32.53$ ,  $SD = 4.73$ ) was acquired. English versions of Authentic Leadership Questionnaire (Avolio, Gardner, & Walumbwa, 2007), Psychological Capital Questionnaire (Luthans, Avolio, & Avey, 2007), and Creativity Scale (Zhou & George, 2001) were used to assess the study variables. Step-wise regression showed that psychological capital and perceived authentic leadership were strong predictors of creative work behavior; while mediation analysis indicated that psychological capital mediated the relationship between perceived authentic leadership and creative work behavior. Findings also indicated that job experience moderated the relationship between perceived authentic leadership and creative work behavior among bank employees. Future implications of the study were also discussed.

*Keywords.* Perceived authentic leadership, psychological capital, creative work behavior, bank employees

Creative performance of organizations is greatly dependent upon its leadership. Several empirical studies demonstrated the effect of leadership on creativity and innovativeness (e.g., Carmeli, Gelbard, & Gefen, 2010; Oke, Munshi, & Walumbwa, 2009). The present study has derived its assumptions from the positive organizational behavior (Donaldson & Ko, 2010) and psychological resource theory (Hobfoll,

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2002). Positive organizational behaviour places emphasis on the concepts of strengths, virtues, excellence, thriving, happiness, flourishing, and optimal functioning of individuals (Donaldson & Ko, 2010). The theoretical underpinnings of positive organizational behavior provide inspiration to Walumbwa, Avolio, Gardner, Wernsing, and Peterson (2008) for evolving the concept of authentic leadership which promotes positive employees' attitudes and behaviors and contributes to organizational performance. On the other hand, psychological resource theory (Hobfoll, 2002) emphasizes the necessity of treating individual resources (such as self-efficacy, optimism, resiliency, and hope) as essential foundational resources for managing and adapting other resources to achieve favorable outcomes at work (e.g., creative work behavior). The present exercise attempts to respond to the need identified by Carmeli et al. (2010) and Rego, Sousa, Marques, and Cunha (2012) for more research focusing on the interaction between personal characteristics and work context. Hence, the present study focuses on how authentic leadership (a contextual factor) predicts employees' creative behaviors at workplace, both directly and through the mediating role of employees' psychological capital (psychological resources).

In the following section, a brief yet, comprehensive description of major constructs of the study is given before proceeding to the assumed relationships among these variables.

### **Authentic Leadership**

Authentic leadership is characterized as a greater ability of the leaders to efficiently process information about themselves (e.g., their goals, values, beliefs, and feelings), capability of adjusting their behavior in leadership, clear personal identity (Gardner, Avolio, Luthans, May, & Walumbwa, 2005), and capacity of corresponding their preferences with the demands of their society (Gardner, Cogliser, Davis, & Dickens, 2011). According to Walumbwa et al. (2008), construct of authentic leadership is comprised of four dimensions including *self-awareness* (the extent to which the leader is aware of personal strengths and limitations, others' perceptions about him or her, and how s/he impacts others) and *balanced processing* (extent of leader's demonstration that s/he impartially analyzes the pertinent data before taking decision). It also includes *internalized moral perspective* (the extent to which the leader is capable of setting a high standard for moral and ethical behavior, and expresses the quality of decision making and behaviors that are in accordance with internalized values) and *relational transparency* (scope of the leader to present his/her

authentic self, to explicitly share information, and communicate his/her accurate thoughts and feelings). The authentic leader's actions tend to persuade followers to become authentic themselves through positive modeling (Gardner et al., 2005). On the other hand, authentic leadership research indicates a dilemma that is, whether the authentic leaders are authentic in true sense if they perceive themselves to be, or they are authentic as perceived by others (e.g., Ladkin & Taylor, 2010; Toor & Ofori, 2008). Therefore, in the present study perceived authentic leadership has been explored that is from the perspective of employees.

### **Psychological Capital**

Another major construct that has been incorporated in the present study as a predictor of creative work behavior is psychological capital, which is considered as individual's positive psychological state of development and regarded as a higher order core construct (Luthans et al., 2007). It consists of four psychological resource capacities, namely, hope, optimism, resilience, and self-efficacy (Avolio, Walumbwa, & Li, 2005). *Self-efficacy* corresponds to a positive belief about one's capabilities used to succeed at demanding tasks. *Hope* is basically a positive motivational state, which directs perseverance towards desired goals as well as pathways for success. *Resilience* is referred to as positive psychological capability of bouncing back from (and beyond) any failure and adversity in order to attain success and *optimism* is positive explanatory style concerning self-attributions for success (Avolio et al., 2005). Psychological capital draws attention to the positive nature and strengths of employees and helps in stimulating employees' growth and performance (Luthans et al., 2007). The dimensions of psychological capital are associated with workplace attitudes and performance, for example, higher job satisfaction, citizenship, and work happiness (Youssef & Luthans, 2015); performance improvement (Zhong, 2007); job embeddedness (Sun, Zhao, Yang, & Fan, 2012); and organizational well-being (Avey, Luthans, Smith, & Palmer, 2010).

### **Creative Work Behavior**

In the present study, the construct of creative work behavior is taken as an outcome of authentic leadership and psychological capital; hence, it is essential to capture the basic essence of this variable. Creativity in organizations is usually described as the procedure of "approaching fresh ideas for changing processes, products, and services, in order to better achieve the goals of organization"

(Amabile, Barsage, Mueller, & Staw, 2005; p. 78). Creative work behavior is based on creative potential that can be manifested (Zhang & Bartol, 2010) with changing pace and the growing amalgamation of practical knowledge in work processes and their outcomes. All organizations now require creativity in order to gain success and competitive advantage (Darini, Pazhouhesh, & Moshiri, 2011). Employees' ability of innovation depends not only on their individual characteristics, but their work environment also contributes in it within which the leader plays an influential role (Carmeli et al., 2010). In general, the studies of creative work behavior have emphasized the individual characteristics, including personality (Zhou & George, 2001), cognitive ability (Rego et al., 2012), or on the creative few individuals (Tierney & Farmer, 2004). However, attention has been diverted to the contextual view and impacts of contextual characteristics on creativity (Carmeli et al., 2010) and the emergence of integrative view of creativity (Darini et al., 2011), which argues that the creativity of the employee is influenced by cross-level factors including individual, organizational, and group factors.

### **Creative Work Behavior: Predictive Role of Authentic Leadership and Psychological Capital**

Empirical evidence shows the effects of authentic leadership on psychological capital as well as a variety of other work related outcomes. For example, authentic leaders tend to elevate levels of positive psychological capacities of their employees and followers; help improving the followers' positive psychological capital; boost their self-esteem (Avolio & Luthans, 2006); hope (Clapp-Smith, Vogelgesang, & Avey, 2009); trust (Ilies, Morgeson, & Nahrgang, 2005); resiliency and optimism (Gardner & Schermerhorn, 2004). It turned out that employees higher on hopefulness, optimism, and confidence try new things more often and they are not anxious about failure or rejection. Additionally, they are much resilient and capable of overcoming obstacles easily. Positive emotions experienced by employees at workplace also facilitate in generating flexible and productive cognitions; hence, promoting creative thinking among employees (Avolio & Gardner, 2005), which relies on experimentation and potential failure. Relational transparency in authentic leaders represents an individual's true core values and they are open and frequently use self-disclosure (Giallonardo, Wong, & Iwasiw, 2010); ultimately this behavior develops trust in leader-follower relationship, resulting in sharing of information as well as

genuine thoughts and feelings; while, minimizing expressions of improper feelings (Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008). Moreover, followers perceive such a leader to be supportive of their creative ideas, which ultimately facilitates tendency of employees for creativity and innovation. Authentic leaders tend to endorse employee trust and respect that make employees to feel free to come up with unconventional ideas and bring in conflicting opinions without considering the consequences (Clapp-Smith et al., 2009). Additionally, authentic leaders provide constructive feedback in a reasonable, polite, developmental, and informative manner (Ladkin & Taylor, 2010). Additional studies also found a positive association between leaders' morality and authenticity with employees' learning motivation, leader-member exchange, creative self-efficacy, and master orientation (Gong, Huang, & Farh, 2009; Prabhu, Sutton, & Sauser, 2008).

### **Mediating Role of Psychological Capital**

Earlier research (see, e.g., Walumbwa et al., 2010) in the area has pointed out that psychological capital mediates the relationship between authentic leadership and various other desired outcomes in work groups. For instance, Rego et al. (2012) suggested that psychological capital factors including optimism, self-efficacy, resilience, and hope, tend to operate as mediating factors in the relationship of authentic leadership and resulting originality. On similar lines, psychological capital elements do promote the positive emotional states, which in turn, facilitate compliance and participative behavior with reference to creative and productive outcomes (Avey et al., 2010). Further research evidence (Liu, Chang, Fu, Wang, & Wang, 2012) also inferred that psychological capital mediates the association between occupational stress and depressive symptoms among Chinese physicians. Similarly, Gong et al. (2009) observed that association between employee's learning orientation, transformational leadership, and employee's creativity is mediated by creative self-efficacy and resilience of employees. Further evidence (Avey et al., 2010) also highlighted the mediating and additive value of positive psychological capital in predicting work attitudes and behaviours among employees. Much identical finding is endorsed by Sun et al. (2012) concluding the direct and indirect impact of psychological capital on job embeddedness and job performance among nurses.

Several empirical researches have revealed the impact of demographics, which function as moderators in the relationship

between authentic leadership and creativity at workplace. For example, research indicates that experienced personnel are far more capable of reflecting work related self-efficacy; tend to be more innovative towards task related problems (Clapp-Smith et al., 2009; Gong et al., 2009). Likewise, empirical findings also indicate that personnel, who are working under authentic leaders for extensive time period, do express enhanced levels of creative efficacy, problem solving, and stress tolerance (Llorens, Bakker, Schaufel, & Salanova, 2006). Job experience also found to have significant positive association with quality of work life (Mensah, & Lebbaeus, 2013); goal-setting (Avoilo & Luthans, 2006); employee creativity and job satisfaction (Karatepe, Uludag, Menevis, Hadzimehmedagic, & Baddar, 2006); transformational leadership (Gong et al., 2009); as well as organizational behavior modification (Harvey, Martinko, & Gardner, 2006). Additionally, job experience of employees tends to enhance the factors that may foster creativity at workplace, for instance, resilience (Coutu, 2002). The aforementioned literature reflects the moderating effects of job experience between perceived authentic leadership and creative work behavior. Hence, moderating role of job experience is also explored in the present study.

Presently, banking organizations are rendering their services in both private and public sectors. The banking sector, indeed, casts a momentous outreaching impact which greatly influences economy, market, business, trade, agriculture, and industry. Particularly, marketing departments of banks play a crucial role in banking organization, while, leading the organization from the front. Moreover, constant novelty and innovation are essential for the existence and performance of marketing units of banks. Marketing managers' work is comprised of rapid technological product and service changes, occupational stress, work pressure, and high workloads as well (Vivek & Janakiraman, 2013). The possible consequences of these factors may include anxiety, stress, burnout, performance related problems, and absenteeism (Oreoluwa & Oludele, 2010). In response, employees of bank are in dire need to look for positive psychological resources only because these resources do affect positive work-related attitudes as well as behaviours (Avey et al., 2010). Additionally, various studies (Mei & Gin, 2008; Oreoluwa & Oludele, 2010; Vivek & Janakiraman, 2013) have shown that there is a need for further exploration of the role of some of the personal as well as state-like features in order to manage the demands of the organization, which can ultimately affect the performance of the employees in that organization. Hence, their psychological strengths and perceptions of leadership approach is an important aspect that

should be considered, which is, the underlying motive for focusing on employees of marketing departments of banks in this study.

With reference to Pakistan, the recent state of corporate scandals, the increasing diversity of the workforce, and the quickening pace of social and technological change require a fundamental rethinking in leadership and management. Specifically, marketing section of banking sector have highlighted a threefold challenge for management and leadership education; that is, to unleash the creative potentials of their employees, to create a positive workplace that will attract and retain talented workers, and to reinforce innovations and risk-taking to adapt to an uncertain future. Genuine and self-oriented competencies of the middle level leaders are required to be developed so they can manage the social, emotional, and spiritual capital of the followers. The major objective of the study was to explore the predictive role of perceived authentic leadership and psychological capital in creative work behavior among bank employees. It was also intended to determine the mediating role of psychological capital in the relationship between perceived authentic leadership and creative work behavior. The present study also attempted to establish the moderating role of job experience in the relationship between perceived authentic leadership and creative work behavior.

### **Hypotheses**

On the basis of aforementioned objectives, the following hypotheses were phrased:

1. Perceived authentic leadership and psychological capital positively predict creative work behavior among bank employees.
2. Psychological capital mediates the relationship between perceived authentic leadership and creative work behavior of employees.
3. The relationship between perceived authentic leadership and creative work behavior is moderated by job experience.

### **Method**

#### **Sample**

A sample of 600 bank employees was taken from the banks of Rawalpindi and Islamabad using purposive and convenience sampling. Respondents included both men ( $n = 354$ ,  $M = 36.55$ ,  $SD = 5.11$ ) and women ( $n = 246$ ,  $M = 31.20$ ,  $SD = 7.36$ ), with age

range of 25-55 years ( $M = 32.53$ ,  $SD = 4.73$ ) and their monthly income ranged from PKR. 25,000-98,000 per month ( $M = 44,000/-$ ;  $SD = 6.73$ ). Educational level of the respondents ranged from minimum graduation ( $n = 280$ ), masters ( $n = 210$ ), and MPhil/MS/PhD ( $n = 110$ ). Overall job experience of the respondents fluctuated from minimum 2 years up to maximum 18 years ( $M = 8.67$ ;  $SD = 4.55$ ); whereas job period in the present organization diverged from 1-16 years ( $M = 6.45$ ;  $SD = 3.28$ ). Job designations of the participants included marketing manager ( $n = 174$ ), manager credit marketing unit ( $n = 196$ ), senior marketing manager ( $n = 80$ ), marketing operations manager ( $n = 68$ ), and business development officers ( $n = 82$ ). Inclusion criteria were based on including banks from private sector only and employee-leader interaction was of minimum one year.

### **Instruments**

The following measures (English versions) were used to assess the constructs of the study.

**Authentic Leadership Questionnaire.** ALQ (Avolio et al., 2007) was employed to assess perceptions of employees regarding their leader (immediate boss). ALQ comprised of 16 items using a 5-point scale which ranged from 1 (*not at all*) to 5 (*frequently, if not always*) with possible score range of 16-80 and high scores indicated favorable perceptions of authentic leadership. Four dimensions, assessed through ALQ, include Relational Transparency (5 items), Internalized Moral Perspective (4 items), Balanced Processing (3 items), and Self-awareness (4 items). Respondents need to report the frequency of the 16 behaviors or attitudes adapted by their supervisors/immediate bosses. Reported alpha coefficients of the scale ranges between .87 (Gardner et al., 2005) and .91 (Walumbwa et al., 2008), which indicate the Scale as reliable measure of authentic leadership. Alpha coefficient of .82 was computed for the total ALQ for the present sample.

**Psychological Capital Questionnaire.** PCQ (Luthans et al., 2007) was used for the appraisal of psychological capital. The questionnaire consisted of a total 24 items that needed to be rated on a 6-point scale in which 1 represented *strongly disagree* and 6 reflected *strongly agree*. PCQ measured four dimensions of the psychological capital including Resilience, Self-efficacy, Optimism, and Hope (6 items in each subscale). Possible score range varied from 24-144 and high scores indicate higher psychological capital. Reliability indices



of the scale .86 (Avey, Luthans, & Jensen, 2009), .94 (Avey et al., 2010), and Adil (2015) reported high alpha coefficients for total PCQ (.94) and satisfactory  $\alpha$  for the subscales of self-efficacy (.84), Hope (.89), Resilience (.77) and Optimism (.65) on employees working in multiple Pakistani organizations. In the present study, Cronbach's  $\alpha$  of .86 was acquired for the total PCQ; whereas  $\alpha$  of .78, .72, .81, and .74 was acquired for the subscales of Self - efficacy, Hope, Resilience, and Optimism, respectively.

**Creativity Scale.** Creativity Scale (CS; Zhou & George, 2001), was used in the current research in order to assess self-report measure of employees' creative work behavior. CS comprised of 13 items and used a 5-point scale from 1 (*not at all*) to 5 (*always*); while possible score ranged from 13-65 and high score on CS represents more creativity at workplace. In previous researches, CS has been used in two different settings; for instance, as supervisor's ratings (Dansereau & Yammarino, 2000; Zhou, 2003) or as self-report measure (Darini et al., 2011) of employee creativity. As supervisors need to rate more than one employee, there was always a risk that rating scores of individual employee's creativity were largely dependent on rater identity (Darini et al., 2011). Therefore, in the present study, CS was used as employees' own perceived report of creative work behavior and to assess individual's beliefs in the production of novel and useful ideas. CS assesses both innovation and creative ideas including exploring alternatives, problem solving, inventing new techniques, originality as well as novelty and uniqueness of the thought (Rego et al., 2012). Reliability indices for CS reported in earlier studies (.87, Rego et al., 2012; .91, Zhou & George, 2003), revealed the scale as dependable and reliable measure of creative work behaviors; while alpha of .89 was achieved for CS in the present study.

## Procedure

Official permissions were obtained from the senior executives of the banks. Prior to visit, appointments were acquired from the participants and covering letter regarding brief introduction of researcher and purpose of visit was also shared. They were approached at their work places and informed consent was acquired from the respondents. They were also assured of the confidentiality of personal information and were ascertained that shared information would be used for academic purposes only and would not be disclosed to any of the official personnel. There was no restriction of time for the completion of questionnaires in order to maximize the completion

of questionnaires; however, most of the respondents completed their questionnaires in 20 minutes time. Written instructions as well as verbal narrations were given so as to maximally facilitate the respondents' understanding and to reduce associated ambiguities. Afterwards, questionnaire booklet along with demographic sheet was administered. At the end, respondents were graciously thanked for their extensive cooperation and provision of valuable data.

## Results

Mediation analysis was done to establish the mediating role of psychological capital in explaining the relationship between perceived authentic leadership and creative work behavior. Finally, multiple regression was carried out to determine the moderating influence of job experience in the relationship between perceived authentic leadership and creative work behavior.

Table 1

*Mediating Role of Psychological Capital, and its Dimensions in Predicting Creative Work Behavior among Bank Employees (N = 600)*

Criterion Variable	Predictor Variable	$\beta$	$p$	95% CI	
				LL	UL
<b>Direct Effects</b>					
Creative Work Behavior	Perceived Authentic Leadership	.46	.00	-1.89	-0.71
Psychological Capital	Perceived Authentic Leadership	.40	.01	-1.44	-0.67
Self - efficacy	Perceived Authentic Leadership	.28	.01	-1.95	-0.55
Hope	Perceived Authentic Leadership	.21	.03	0.09	0.94
Resilience	Perceived Authentic Leadership	.24	.02	-1.37	-0.11
Optimism	Perceived Authentic Leadership	.18	.05	0.29	1.61
Creative Work Behavior	Psychological Capital	.42	.00	-1.35	-0.26
Creative Work Behavior	Self - efficacy	.34	.00	-.88	-.01
Creative Work Behavior	Hope	.22	.03	1.03	3.27
Creative Work Behavior	Resilience	.29	.01	-0.98	-0.05
Creative Work Behavior	Optimism	.25	.02	0.31	1.69

*Continued...*

Criterion Variable	Predictor Variable	$\beta$	$p$	95% CI	
				LL	UL
<b>Indirect Effects</b>					
Creative Work Behavior	Perceived Authentic Leadership through Psychological Capital	.04	.57	-0.72	0.81
Creative Work Behavior	Perceived Authentic Leadership through Self Efficacy	.07	.36	-0.55	0.94
Creative Work Behavior	Perceived Authentic Leadership through Hope	.10	.31	-0.38	1.77
Creative Work Behavior	Perceived Authentic Leadership through Resilience	.08	.44	-0.66	0.82
Creative Work Behavior	Perceived Authentic Leadership through Optimism	.13	.19	-0.89	1.54

Note. Sobel  $z = 3.59$  ( $p < .001$ ).

Table 1 shows mediation analysis for predicting creative work behavior from authentic leadership through psychological capital and its dimensions. Results show that all direct paths are significant indicating strong positive prediction of creative work behavior from authentic leadership, psychological capital, and dimensions of psychological capital. Similarly, psychological capital along with dimensions of self efficacy, hope, resilience, and optimism are also positively predicting creative work behavior. However, the relationship between authentic leadership and creative work behavior becomes nonsignificant when there is an indirect effect of psychological capital as well as its dimensions; thereby revealing mediating role of psychological capital in predicting creative work behavior. Though, evidence for the mediating role of psychological capital in authentic leadership to creativity link has been gathered through four steps of regression outlined above, nevertheless, significant Sobel statistics (3.22,  $p < .001$ ) further provide affirmation for the indirect effect of psychological capital.

One of the objectives of the present study was to assess that how job experience of bank employees moderates the relationship between authentic leadership and creative work behavior.

Table 2

*Moderating Role of Job Experience in Predicting Creative Work Behavior (N = 600)*

Variables	B	SE	$\beta$	R <sup>2</sup>	$\Delta R^2$	F
Constant	59.15	.68				
Authentic leadership	.19	.17	.12**			
Job Experience	7.21	.10	.23**			
Authentic leadership X Job Experience	.27	.12	.05**	.20	.18	22.62***
Slope t-value	2.01 (12.26**)					

Note. \*  $p < .05$ . \*\*  $p < .01$ . \*\*\*  $p < .000$ .

Results presented in Table 2 show that job experience significantly moderates the relationship between perceived authentic leadership and creative work behavior. The significant interaction effect of job experience shows that employees working under the authentic leadership with extended period of job experience in the present organization exhibit more creativity at workplace.

## Discussion

The present study attempted to establish the relationship between perceived authentic leadership, psychological capital, and creative work behavior among bank employees. Findings of the study indicated that perceived authentic leadership and psychological capital are significant predictors of creative work behavior. With reference to Pakistan, the linear relationship between authentic leadership and psychological capital has also been observed among university teachers (Adil, 2015); and employees of software houses (Zubair & Kamal, 2015a, b; 2016). An optimal explanation for this trend can be found in earlier studies; for instance, Tugade, Fredrickson, and Feldman (2004) asserting that employees possessing positive working experience with authentic leaders tend to be more zestful and energetic in their work, tend to be more curious, reflect openness towards new experiences, and reflect better management skills under uncertain situations. Furthermore, Gardner et al. (2005) declared that authentic leaders represent positive psychological state along with characteristics of optimal self-esteem and psychological well-being including confidence, optimism, hope, and resilience for followers to model and endorse the development of these states in others. Additional set of studies (Clapp-Smith et al., 2009; Gardner & Schermerhorn, 2004) also inferred that authentic leaders tend to

elevate the levels of positive psychological capabilities in their employees and followers. They improve the followers' positive psychological capital; their self-esteem, hope, and trust. Similarly, authentic leadership is positively associated with job satisfaction among employees (Giallonardo et al., 2010) and employees' creativity (Rego et al., 2012).

An interesting trend is seen in case of creative work behavior, which is found to be significantly positively predicted by authentic leadership and psychological capital. A sound explanation for this finding has been given by Carmeli et al. (2010) asserting that authentic leaders (being genuine, objective in interpersonal interactions, capable of evaluating the pertinent information impartially) are more likely to promote conviction and reverence of their employees, and mainly focus on positive achievements of their followers (rather than emphasizing their flaws), and tend to endorse employees' trust, which in turn, foster emotional safety in employees to propose original and innovative ideas without any fear. Moreover, as authentic leaders are far more tolerant towards ambiguity and encourage openness to experience and change, this kind of leadership style is suitable for stimulating creativity and innovativeness. In addition, psychological capital came into view as a strong predictor of work attitudes and behaviors (Avey et al., 2010) and its dimensions of hope, optimism, resilience, and self efficacy, thus, represent possible routes for influencing creativity in work settings (Asakawa, 2010). This trend has a vast and extensive support from the earlier literature (for instance, Rego et al., 2012; Walumbwa et al., 2008; Zhou et al., 2012) which represents the crucial role of all these constructs initiation and sustainability of creative and resourceful work behavior.

Results further showed that psychological capital mediated the relationship between perceived authentic leadership and creative work behavior of employees. A comprehensive explanation for the mediating role of psychological capital has been offered by Rego et al. (2012) who have argued that dimensions of psychological capital (that is, self-efficacy, hope, optimism, and resilience) may also operate as possible mediating factors between authentic leadership and creativity, which in turn, promote the positive emotional states facilitating compliance and partidaptive behavior while accounting for creative and productive outcomes. Walumbwa et al. (2008) further added that relational transparency (that is; clarity of relations) characteristic in authentic leaders tends to demonstrate openness and self-disclosure. This is the reason that such open and self disclosing behaviors of the leaders promote self efficacy, hope, and optimism in their employees through the leader – follower relationship, in which the leader

encourages true feelings and minimizes the expressions of inappropriate feelings (Giallonardo et al., 2010). Positive emotions, furthermore, give way to creative thinking (Liu et al., 2012), thus, the followers of authentic leaders perceive the leaders to be sympathetic and encourager of their novel and innovative ideas. Earlier evidence has also shed light on the findings that psychological capital tend to function as a mediator between authentic leadership and various other desired outcomes of work groups (Avey et al., 2010; Walumbwa et al., 2010).

Results also revealed the moderating role of job experience in the relationship between perceived authentic leadership and creative work behavior. This pattern of relationship can be optimally understood within the paradigm of personal skills and work outcomes (Mensah & Lebbaeus, 2013) inferring that employees with extended job experience are equipped with elevated skills of work related efficacy, role clarity, and ability to develop positive leader-member relations. On the similar lines, managers possessing higher job competencies tend to be more inclined towards flexibility, resilience as well as self-efficacious. Darini et al. (2011) also found that chances for personnel' social and psychological competencies' development increases if they adhere to their current workplaces for a longer period of time. Moneta (2004) also reported that employees with extensive work experience in the same organization expressed heightened levels of self efficacy, job satisfaction, intrinsic motivation, and innovative work behavior. It has also been found that extensive work experience reflected elevated levels of positive emotions, trust, hopefulness, and optimistic explanatory styles and tolerant to occupational stress among Chinese physicians (Liu et al., 2012). However, on the contrary, other studies (Karatepe et al., 2006) pointed out that stagnancy of ideas, job dissatisfaction, and decreased levels of problem solving are directly associated with extended job tenure in the current workplaces of the employees.

### **Limitations and Suggestions**

There were few probable limitations of the present study. Firstly, the present study was conducted at the workplace of employees; which may carry an impact of certain undesirable influences. Though, the element of social desirability was controlled through construct randomization; nevertheless, its total effect may not have been overruled. Secondly, the gender of leader-employee dyad may influence the perceptions of authenticity regarding the leader. Thirdly, only self-report measures were employed to assess the constructs of the study. In future endeavours it would be more appropriate to make

use of multi-method approach to explore the present constructs to enhance the in-depth understanding of these variables. Finally, the constructs of the present study would also be explored in relation to other related variables such as job satisfaction, organizational commitment, and organizational citizenship behaviours, to augment the comprehensive understanding of the phenomena at hand.

### **Implications**

Findings of the present study provide substantial ground for few practical implications. Firstly, in the context of job design, the HR practitioners may identify and design the jobs in a manner that foster efficacy, resilience, and optimism among the employees so as to accelerate their creative output. Secondly, industrial/organizational psychologists could design and develop training modules which may cultivate the psychological resources by enhancing self stimulation and intrinsic motivation of the employees. Thirdly, from the humanistic perspective, employees developing more positive psychological strengths would be additionally capable of managing workplace problems and stressors owing to their self - efficacious and optimistic attributes (which are components of psychological capital). Fourthly, the present findings would have shown new door to the organizational counselors to develop modules for enhancing the work related well-being of the employees. Finally, organizational management needs to redesign leadership programs and managerial practices so as to enhance the positive strengths of their managers based on authenticity and reducing the disadvantageous work behaviors such as absenteeism and turnover intentions.

### **Conclusion**

The present study establishes the mediating role of psychological capital in the relationship between authentic leadership and creative work behavior. It further determined the moderating effect of job experience in explaining the relationship between authentic leadership and creative work behavior. Both these relationship patterns have been found significant among employees working in marketing departments of the banks.

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