Authentic Leadership, Ethical Climate & Workplace Incivility: How Authentic Leadership Prevents Deviant Work Behavior-A Case from Pakistan

Muhammad Azeem Qureshi and Masood Hassan

Institute of Business Management, Karachi

Abstract

Inadequacies of seasoned leadership styles and unethical leadership practices have resulted in many negative consequences for individuals and organizations. Authentic leadership is a character-driven leadership model equipped with morality, integrity, and authenticity but little is known whether authentic leadership can impact workplace incivility—a deviant work behavior. Workplace incivility, with its deteriorating consequences, is a prevalent phenomenon in organization irrespective of country origin or nature of the organization. Indeed, the research community has paid little attention to this area. This study, drawing on Social Learning Theory and Leader-Member Exchange Theory, attempts to fill this gap. This study also attempts to identify the mediating mechanism through which authentic leaders translate their positive influence. Based on data collected from 127 respondents from the healthcare sector in Karachi, this study employs AMOS and PROCESS to determine the goodness of model fit and to test proposed hypotheses respectively. Findings of this research suggest that authentic leaders negatively influence workplace incivility. Ethical climate partially mediates the impact of authentic leadership on workplace incivility. This study has significant theoretical implications.

Keywords: Authentic leadership, ethical climate, workplace incivility

Unethical business practices and inappropriate behavior by business leaders have resulted in the loss of trust and credibility among followers (Rosenthal, Moore, Montoya, & Maruskin, 2009). There is a strong association between leadership crisis and massive business meltdown but little attention has been paid to the character of leadership and its consequences (Kiel, 2015). Inadequacies of seasoned leadership models create an urge to seek leadership with strong values; equipped with honesty, integrity, morality, and credibility (George, 2003; George, Sims, McLean, & Mayer, 2007). Every business function faces ethical issues and there is an increased focus on unethical practices of many of the business leaders in the western world (Mulki, Jaramillo, & Locander, 2009); indeed, more attention is required on the subject of leadership character.

Workplace incivility is a prevailing phenomenon in organizations (Pearson & Porath, 2009). It is a type of employee’s deviant behavior which violates norms of mutual respect in an organization and comprises of rude, offensive and discourteous behavior (Andersson & Pearson, 1999). Workplace incivility includes making derogatory remarks about individuals, rejecting ideas or opinion of other employees, ostracizing people from social gatherings (Andersson & Pearson, 1999; Hutton, 2006). The direct and indirect cost associated with workplace incivility amounts billions annually (Lewis & Malecha, 2011; Sheehan, McCarthy, Barker, & Henderson, 2002).

Leaders in business setting craft ethical climate by setting ethical standards (McClaren, 2000; Singhapakdi & Vitell, 2007). Business leaders play an essential role in establishing an ethical climate (Neubert, Carlson, Kacmar, Roberts, & Chonko, 2009) when they consider moral intent during the decision-making process (Foster, 2003). It is evident that authentic leadership promotes a positive ethical climate (Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008) but there is a dearth of literature in this respect (Gardner, Cogliser, Davis, & Dickens, 2011). It is argued that business leaders, by establishing a strong value system and ethical standards, represent a valuable
ethical setting for followers. Since authentic leaders possess high moral character and have ethical consideration for themselves and others (Spitzmuller & Ilies, 2010), it can reasonably be contended that authentic leaders create ethical climate which results in positive employee outcomes.

Authentic leadership theory postulates that authentic leaders create an ethical environment that nurtures followers and transform them into authentic leaders; and help them to attain sustainable accomplishments (Gardner, Avolio, Luthans, May, & Walumbwa, 2005). It has also been theorized that authentic leadership positively affects employee attitude, behavior and work outcomes (Rego, Sousa, Marques, & Cunha, 2012) therefore it is appropriate to examine whether authentic leadership and ethical climate influence workplace incivility or not. However there exists substantial literature addressing authentic leadership and its favorable employee-related and organizational outcomes (Laschinger, Wong, & Grau, 2013; Leroy, Anseel, Gardner, &Sels, 2015; Leroy, Palanski, & Simons, 2012; Nikolic, 2015; Rego et al., 2012; Wong & Laschinger, 2013), there is paucity of information related to the impact of authentic leadership on workplace incivility (Haddad, 2013). In the same way, there is a paucity of literature regarding the role of ethical climate as a mediator to carry forward the impact of authentic leadership on workplace incivility. Workplace incivility is a serious issue and its associated annual cost amounts in billion (Lewis & Malecha, 2011). Prevalence of workplace incivility is quite apparent in organizations which range from 13% (Cole, Grubb, Sauter, Swanson, & Lawless, 1997) to 75% (Cortina, Magley, Williams, & Langhout, 2001). Since leadership is the process of influencing others (Northouse, 2015), it is important to examine effectiveness of authentic leadership which is acknowledged as a root construct of all positive forms of leadership (George, 2003; George, Sims, McLean, & Mayer, 2007) on workplace incivility, particularly in the context of Pakistan where no such study, to the best of our knowledge, has been carried out so far.

Current literature addressing authentic leadership is consistent with respect to its positive association with different attitudinal and behavioral outcomes such as increased commitment (Bandura & Kavussanu, 2018), increased psychological capital and work engagement (Azanza, Gorgievski, Moriano, & Molero, 2018). Similarly, authentic leaders’ positive approach reduces burnout among employees which results in decreased turnover intention (Lee, Chiang, & Kuo, 2019). However, there is dearth of research addressing authentic leadership role in predicting negative work behaviors such as workplace deviance (Liu, Fuller, Hester, Bennett, & Dickerson, 2018), counterproductive work behavior (González-Navarro, Zurriaga-Llorens, Tosin Olateju, & Linares-Insa, 2018) and organizational deviance (Erkutlu & Chafra, 2013). Specifically, there is a paucity of literature addressing the relationship between authentic leadership and workplace incivility. Only a couple of empirical studies were found during extensive search in different multidisciplinary and social science data bases. The first study was conducted by Haddad (2013) in USA while the other was carried out by Laschinger & Read (2016) in Canada. This inadequacy of literature requires a deductive approach, particularly in a different cultural context in order to attain generalizability and to legitimize their relationship as a mainstream organizational issue. This research aims to contribute in this respect. Further, little is known related to how authentic leaders can reduce occurrence of workplace incivility. This study, identifying the mediating mechanism of ethical climate, fills this gap.

This study makes a number of significant contributions in the existing literature. It is the first study, to the best of our knowledge which aims to empirically examine the influence of authentic leadership on workplace incivility in the Asian context. Second, strengthening the idea that authentic leadership forms an ethical climate which fosters positive employee-related outcomes (Nikolic, 2015), this research examines the mediating role of ethical climate between authentic leadership and workplace incivility. Third, this study addresses the call for future research proposed by Brown & Treviño (2006) on the impact of leadership aspects on organizational climate.

Significance of the research

Organizations experience workplace incivility as a prevailing phenomenon (Pearson, Andersson, & Porath, 2000) which causes negative consequences not only for victim of uncivil behavior but also for perpetrator itself, organizations and society as a whole (Abolfazl Vagharseyyedin, 2015). Indeed, this issue has attained little attention, specifically in the context of
Pakistan. This study makes an attempt to enrich existing literature with reference to authentic leadership and workplace incivility. This study employs social learning theory as a mechanism to translate the impact of authentic leadership on workplace incivility. Social learning theory proposes that people tend to learn by observing and replicating others’ behavior (A. Bandura & Walters, 1977), therefore it is hypothesized that people working under influence of authentic leaders will less likely to exhibit incivility at the workplace. Findings of this study are going to be helpful for leaders to revisit their leadership practices in order to shape their followers’ deviant behaviors. Since leader’s treatment to subordinates shapes subordinates’ behavior (Liden, Wayne, Liao, & Meuser, 2014); it is, therefore, valuable to examine different character-driven leadership perspectives such as authentic leadership with respect to uncivil behavior at the workplace. This study, to the best of our knowledge, is the first attempt to test the proposed model.

Bill George (former CEO of Medtronic) expressed his opinion in 2003 that “Due to the current crisis, complexities and challenges which organizations and society are facing, we need a new type of leadership-the authentic leadership”. This idea was further endorsed and a decade later, authenticity in leadership has become a gold standard. Therefore, it is worthwhile to have a deeper understanding of the construct of authentic leadership (Adarves-Yorno, 2016; Goffee & Jones, 2015; Ibarra-Colado, 2015).

**Literature Review**

**Authentic Leadership**

Leadership is the process of influencing others which helps to achieve a common goal by maximizing efforts of others (Kruse, 2013; Northouse, 2015). Leaders’ effectiveness relies on their behavior which must be consistent with their personal values as well as with moral codes. Leaders influence their followers and are respected when they possess integrity which refers to having personal values grounded in morality (Fields, 2007).

Authentic leadership is defined as: “confident, hopeful, optimistic, resilient, transparent, moral/ethical, future-oriented, and give priority to developing associates to be leaders” (Avolio & Gardner, 2005; Luthans & Avolio, 2003). Ilies, Morgeson, & Nahrgang (2005) emphasized more on the ethical dimension of authentic leadership describing “ethical behavior” as an important component of authentic leadership. May, Chan, Hodges, & Avolio (2003) argued that the mechanism that guides authentic leadership behavior and decision-making process is based on a positive moral perspective which is grounded in high ethical standards.

Walumbwa et al. (2008) argued that the concept of authentic leadership is incomplete and misguided without taking into account the inherent responsibilities of leaders demonstrating ethics in their leadership role. Further they defined the authentic leadership concepts as “a pattern of leader’s 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”.

Self-awareness, relational transparency, internalized moral perspective, and balanced processing are the four most important dimensions of authentic leadership. Self-awareness refers to self-examination i.e. having knowledge about one’s strengths and limitations which lead to developing a more honest relationship with other people. Authentic leaders are capable of managing their self-regulation at higher level. Relational transparency occurs when leaders demonstrate their true selves when interacting with their subordinates. Actions of authentic leaders are guided by their moral compass grounded in their integrity and a strong sense of ethics which refers to internalized moral perspective. Being an authentic leader requires the virtue of integrity. Finally, before making any decision, authentic leaders process information in an unbiased manner which is an appropriate manifestation of balanced processing (Fields, 2007; Walumbwa, Wang, Wang, Schaubroeck, & Avolio, 2010).

Authentic leaders inculcate the attitudes and behaviors in their followers which are positive (Rego, Sousa, Marques, & Cunha, 2012). For example, authentic leadership encourages organizational citizenship behavior through the mediation of psychological empowerment (Shapira-
Lishchinsky & Tsemach, 2014) as well as fosters trust and hope among subordinates (Avolio, Gardner, Walumbwa, Luthans, & May, 2004). Authentic leadership theory puts forward the mechanism that allows leaders to create a positive and supportive work environment that helps followers and edifies employees’ and organizational outcomes (Fallatah & Laschinger, 2016). For instance, authentic leadership creates a perception of justice and fair climate in organization that results in employees’ well-being (Kiersch & Byrne, 2015). Other positive outcomes include increased job performance and organizational commitment (Leroy et al., 2012), increased job satisfaction (Azanza, Moriano, & Molero, 2013; Fallatah & Laschinger, 2016; Penger & Černe, 2014), retention of employees (Read & Laschinger, 2015), increased work engagement (Hsieh & Wang, 2015) and reduced workplace bullying (Laschinger & Fida, 2014; Laschinger, Wong, & Grau, 2012). It is also evident that authentic leadership is a good predictor of employees’ creativity and resourcefulness and consequently resulting in individual job performance (Semedo, Coelho, Ribeiro, Humphreys, & Humphreys, 2016). Authentic leaders have the capacity to form an ethical climate through demonstrating behavior based on transparency trust, integrity, honesty and moral standards (Gardner et al., 2005; Walumbwa et al., 2008).

Ethical Climate
The climate of an organization reflects how employees “perceive” and “describe” pattern of interaction, behavior, policies, practices, and procedures in their work environment (Patterson et al., 2005). Ethical climate in an organization and its influence on employee behaviors has been subject to the twenty-year history of inquiry in business ethics research. The ethical climate has been defined as “the shared perceptions of what ethically correct behavior is and how ethical issues should be handled” (Victor & Cullen, 1988; Victor, Cullen, & others, 1987). Recently, ethical work climate has also been defined as “the prevailing perceptions of typical organizational practices and procedures that have ethical components. It may differ within an organization due to differences in members, work teams, employment history, and individual's position” (Demirtas & Akdogan, 2015). Ethical climate in an organization indicates the right way to behave and employees get an understanding of it through a socialization process over a period of time (Westermann-Behaylo, 2010). Further, the ethical climate is negatively associated with dysfunctional employee behavior such as workplace deviance or incivility and positively associated with positive employee outcomes such as psychological well-being, job satisfaction and organizational commitment (Martin & Cullen, 2006). Literature has witnessed the strong association between ethical work climate and employees’ attitude, behaviors and critical organizational outcomes (Schminke, Arnaud, & Kuenzi, 2007). Ethical climate enhances the overall performance of the organization by improving interpersonal relations among employees as well as improving their attitudes and behaviors (Elçi & Alpkan, 2009); Finally, ethical conduct of employees is also influenced by ethical climate at workplace (Arnaud, 2010)

Workplace Incivility
Workplace incivility is defined as “the offensive, rude, and discourteous behavior that violates norms of mutual respect in organization” (Andersson & Pearson, 1999). It is a counterproductive behavior with low intensity which does not include any physical assault. Although, it is a bottom of the continuum of abuse and one should not be confused with this low-intensity counterproductive behavior as being a “minor” problem (Vickers, 2006). It is argued in the light of past literature that incivility includes behavior ranges from as simple as not returning a smile to intentionally hurting one's feelings (Bartlett, Bartlett, Reio Jr, & others, 2008). Examples of workplace incivility include using sarcastic remarks, withholding valuable information, ignoring or interrupting others (Martin & Hine, 2005).

Workplace incivility appears to be a prevailing phenomenon in today’s workplace which has resulted in remarkable individual and organizational consequences (Lim, Cortina, & Magley, 2008; Sakurai & Jex, 2012). A research conducted in 179 organization of Australia and New Zealand revealed that 85% of the respondents experienced some form of workplace incivility. A similar finding in a survey conducted in the USA revealed that six out of ten respondents accepted that they had been involved in uncivil behavior at work while 43% respondents claimed that they
experienced disrespectful behavior at workplace (Shandwick, 2011). Another study describes 96% of the workforce reported experience of workplace incivility (Pearson & Porath, 2010). In another longitudinal study comprising 0f 14 years of data collected from thousands of workers revealed that 98% reported experience of workplace incivility and nearly everybody responded workplace incivility in a negative way (Porath & Pearson, 2013).

Antecedents of workplace incivility include enablers, motivators, and triggers (Salin, 2003). Enablers provide a fertile soil for uncivil behavior to nurture. Enablers include actions or roles such as workload, status, and pressure for productivity, etc. (Ferriss, 2002; Gardner & Johnson, 2001). Motivators and triggers provide fuel to incivility. Motivators include personality and beliefs. Personality traits that motivate incivility include Type A personality, ego, power, hostility, and internal competition while beliefs that instigate incivility include attitude about aggression, perceived the cost of inappropriate behavior, expected benefits and perceived job insecurity, etc. (Hornstein, 2003; Glendinning, 2001; Salin, 2003). It is also argued in the context of past literature that leadership lacking assertiveness, having little competence or lack of knowledge is also a significant motivator of workplace incivility (Alexander-Snow, 2004; Bartlett et al., 2008). Autocratic work environment, anxiety driven workplace, poor work atmosphere, and difficult working conditions are also termed as environmental antecedents of workplace incivility (Muir, 2000; Rau-Foster, 2004).

Outcomes of workplace incivility are severe. Employees lose creativity when they feel disrespected and tend to leave the organization. Quality of work declines and the majority of the employees facing workplace incivility are involved in decreasing their work effort deliberately. The negative impact of workplace incivility is not limited to damage organizations internally but uncivil behavior of employees reduces customer base as well. It is evident that customers are reluctant to buy from organizations whose employees are rude irrespective of the fact that rudeness is directed towards customers or other employees (Porath & Pearson, 2013).

Through the notion of incivility spirals, Andersson & Pearson, (1999) argued that over the time uncivil behavior leads affected people to reciprocate the same due to its cognitive and affective appraisal which causes intent to harm and violence. This idea is further endorsed by the theory of reciprocity which proposes that people reciprocate the treatment they receive from others (Falk & Fischbacher, 2006). It is suggested that instead of utilizing the reactionary approach, workplace incivility should be prevented to avoid its associated cost (Hutton, 2006). Leadership, through ethical standards, shape employees’ behavior who are intolerant and demonstrate disrespectful behavior (Brown & Trevino, 2006).

**Authentic Leadership, Ethical Climate & Workplace Incivility – Theoretical Framework**

Literature in the past has highlighted the critical role of leadership in forming and sustaining an ethical climate in an organization (Schwepker, 2001). Further, it has been argued in the light of historical literature that among the possible antecedent of uncivil behavior at workplace is the negative perception of prevailing leadership style, low moral standards and organizational culture (Bulutlar & Öz, 2009). A recent study has revealed that authentic leadership induces ethical climate (Schein, 2010; Yukl, 2012); further, authentic leadership is an influencing factor to foster ethical climate (Nelson et al., 2014; Walumbwa et al., 2008; Gardner et al., 2005). Ethical climate reduces the tendency to make unethical choices at workplace and leadership can do so by demonstrating ethical behavior and implementing a code of ethics in an organization (Schwepker, Ferrell, & Ingram, 1997). Authentic leadership and ethical climate have reciprocity in such a manner that authentic leadership encourages ethical climate and ethical climate results in authentic behavior by followers (Gardner et al., 2005).

This study draws on Social Learning Theory (SLT; Bandura, 1986, 2002) to explain how authentic leadership forms an ethical climate. SLT suggests that people, through a role-model process, learn appropriate ways to act by observing and replicating the behaviors of others. Further, SLT also posits that the behavior of credible role models is more likely to be emulated (A. Bandura, 1986; A. Bandura & Walters, 1977). Leaders are considered as a legitimate role model in organizations for normative behaviors. Leaders regularly communicate regarding ethics to subordinates when they make a decision based on ethical consideration (Mayer, Kuenzi, &
Greenbaum, 2010). Since authentic leaders demonstrate ethical behavior and it is an integral part of their decision-making process (Ilies et al., 2005; May et al., 2003), we argue that employees learn and adopt the authentic behavior by considering authentic leaders as a credible role model.

This study also draws on Leader-Member Exchange theory (LMX) to explain how leaders and subordinates contribute to form an ethical climate. LMX, consistent with the Theory of Reciprocity, suggests that people reciprocate the treatment (behavior) received from others (leaders) to balance the equitable social exchange (Blau, 1964; DiNenzo & Liden, 1986). In other words, when leaders give favorable treatment to their followers, a social bond between leaders and followers tend to develop and employees feel obliged to reciprocate the same because of “norm of reciprocity” (Dhar, 2016). LMX is regarded as an established mechanism that mediates the social exchange between leader and followers (Li, Shang, Liu, & Xi, 2014; Newman, Schwarz, Cooper, & Sendjaya, 2015; Pacleb & Bocarnea, 2016; Wang, Sui, Luthans, Wang, & Wu, 2014; Wu, Tse, Fu, Kwan, & Liu, 2013). There is strong empirical evidence that supports mediation of ethical climate between authentic leadership and positive employee-related and organizational outcomes such as organizational citizenship behavior, affective organizational commitment and in-role performance (Nikolic, 2015).

Leadership equipped with ethical values crafts an ethical climate, which as a consequence, refrains employees from exhibiting unethical behavior (Mayer et al., 2010). Leaders set acceptable standards of behavior and establish a quality working environment to ensure that employees needs are fulfilled to function effectively (Laschinger, Wong, Cummings, & Grau, 2014). Therefore we argue that when authentic leaders exhibit ethical consideration at workplace, subordinates reciprocate the ethical behavior to maintain equitable social exchange. Ethical behavior permeates and becomes the norm of an organization; forms an ethical climate with the passage of time which ultimately discourages and eliminates workplace incivility. This discussion leads to develop the following hypotheses and the conceptual framework.

**Statements of hypotheses**

\[ H_1: \text{Authentic leadership negatively influences workplace incivility}. \]

\[ H_2: \text{Authentic leadership predicts perceptions of ethical climate among subordinates}. \]

\[ H_3: \text{Ethical climate negatively influences workplace incivility}. \]

\[ H_4: \text{Relationship between authentic leadership and workplace incivility is mediated by ethical climate}. \]

![Figure 1: Research Model](image)

**Research Methodology**

The research methodology comprises of research design, description of instruments or scales for data collection, construct validity, internal consistency (reliability of the scales), description of the population, sampling technique, sample size and the strategies adopted for hypotheses testing.

**Research Design**

This research is cross-sectional in terms of data collection at a certain point of time. Cross-sectional research employs data gathering across a wide population at a single point of time (Sekaran & Bougie, 2011) which helps to draw conclusions in a causal study and is, therefore, applicable in explanatory research design (Lawrence, 2003). This study employs a quantitative
research design and aims to investigate the cause-effect relationship to predict workplace incivility as a dependent variable in response to abusive and servant leadership behavior as independent variables while ethical climate is considered as a mediator.

**Population**

The population of this research comprises of employees of profit-oriented private sector organization in Karachi which is the core of economic activities in Pakistan (Qureshi & Lu, 2007). People from all areas of Pakistan, having different languages and cultures, come to Karachi to work, thus Karachi is the representative of entire Pakistan (Blank, Clary, & Nichiporuk, 2014); Generalizability of findings of this study to the entire country is therefore justified in the light of the above discussion.

**Sampling**

This study employs convenient sampling technique, the most common non-probability technique in academic research (Passer, 2014). However, there are several disadvantages associated with convenient sampling including non-representativeness, it is still employed in most of the academic research. It is comparatively less expensive and less complicated sampling technique, particularly in situations where time and resource constraints make access to approach the target population more difficult. (Cohen, Manion, & Morrison, 2013). These limitations, as a part of this study, justify the relevance of convenient sampling for this study.

**Sample size**

The lack of unanimity among scholars on the issue of sample size has resulted in controversy and there are ample arguments to justify appropriate sample size from experts. For instance, Comrey & Lee (2013) have argued that the sample of above 200 respondents is fair while previously Anderson & Kleingartner (1987) recommended 250 respondents as a proper sample. Cohen et al. (2013) have suggested thirty (30) cases per variable as a “rule of thumb” to be an appropriate sample. Since this research has four (04) variables in the proposed model, a sample of 120 (4 x 30 = 120) respondents is sufficient to fulfill required criterion; instead, this research considered 127 respondents to be part of the sample to enhance generalizability.

**Measures**

This study has adopted widely used valid and reliable instruments to measure variables in the proposed model on a five-point Likert scale ranging from 1=strongly disagree to 5=strongly agree. **Authentic Leadership** has been measured through 7-item developed by Walumbwa et al. (2008). Sample items are i) My leader says exactly what he or she means, ii) My leader demonstrates beliefs that are consistent with actions. **Ethical Climate** has been measured through 7-items developed by Schwepker (2001). Sample items include i) My company strictly enforces policies regarding ethical behavior, ii) My company strictly enforces a code of ethics. **Workplace Incivility** has been measured through 7-items of Workplace Incivility Scale (WIS) developed by Cortina et al. (2001). Sample items are i) My coworker made demeaning, rude or derogatory remarks about me, ii) My coworker addressed me in unprofessional terms, either publicly or privately.

**Data Analysis Method**

This research uses AMOS 23 and SPSS 23 to perform quantitative analysis of the data. This research establishes the normality of the data through Skewness, Kurtosis, and Shapiro-Wilk tests. This research aims to perform Confirmatory Factor Analysis (CFA) to determine the goodness of model fit ( Hair, 2010). Fit indices that this study incorporates include Chi-Square/ Degree of Freedom ratio ($\chi^2/df$) (since $\chi^2$ is sensitive to sample size) and Root Mean Square Error of Approximation (RMSEA) from absolute fit indices. Comparative Fit Index (CFI) and Tucker Lewis Index (TLI) which is also known as Non-Normed Fit Index (NNFI) from incremental fit indices. While for Parsimony fit indices, this research uses Parsimonious Normed Fit Index (PNFI) and Parsimonious Comparative Fit Index (PCFI). Summary of fit indices and their cut-off criteria recommended by Hair et al. (2014) are given in Table 1.
Table 1. Classification of Fit Measures

<table>
<thead>
<tr>
<th>Fit Measures</th>
<th>Absolute Fit Index</th>
<th>Relative Fit Index</th>
<th>Parsimonious Fit Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test</td>
<td>Criteria</td>
<td>Test</td>
<td>Criteria</td>
</tr>
<tr>
<td>(\chi^2/df)</td>
<td>(\leq 3.0)</td>
<td>CFI</td>
<td>(&gt; .95)</td>
</tr>
<tr>
<td>RMSEA</td>
<td>(&lt; .06)</td>
<td>TLI</td>
<td>(&gt; .95)</td>
</tr>
</tbody>
</table>

The criteria used to improve the fitness of model as recommended by (Jöreskog & Sörbom, 1996) is Latent variables’ standardized regression weight \(\geq 0.40\), Standardized Residual Covariance \(< 2.58\); and Modification Index \(< 10\).

This study uses Bootstrapping (1000 number of samples) to estimate the direct and indirect effect in the model (Shrout & Bolger, 2002). Bootstrapping is computationally insensitive method and estimates direct and indirect effect through repeated sampling in each sampled data set (Preacher & Hayes, 2008).

Reliability of data is determined through Cronbach’s alpha. Pearson’s correlation analysis is used to determine the strength and degree of association between two variables. Additionally, correlation analysis also addresses multicollinearity issue (Bryman & Bell, 2015). Since this study employs CFA, correlation is not required. Finally, this study uses SPSS macro PROCESS (Hayes, 2013) to measure the mediating effect.

Data Analysis and Results

Respondents’ Profile

The age of the respondents falls between 20 to 58 years (M=32, SD=8.24) while there were 169 female and 81 male respondents. 149 respondents were married while 101 were unmarried. For further details, summarized results are given below in Table 2.

Table 2. Respondents’ Profile

<table>
<thead>
<tr>
<th>Variable</th>
<th>Numbers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
<td>85</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>42</td>
</tr>
<tr>
<td>Age</td>
<td>20 to 30 years</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>31 to 40 years</td>
<td>52</td>
</tr>
<tr>
<td></td>
<td>41 to 50 years</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>51 years and above</td>
<td>07</td>
</tr>
<tr>
<td>Income</td>
<td>17000 to 25000</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>26000 to 35000</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>36000 to 45000</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>46000 to 55000</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>56000 and above</td>
<td>08</td>
</tr>
<tr>
<td>Marital Status</td>
<td>Married</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Unmarried</td>
<td>52</td>
</tr>
<tr>
<td>Education</td>
<td>Undergraduate</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>74</td>
</tr>
<tr>
<td>Designation</td>
<td>Non-Manager</td>
<td>64</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>Senior Executive</td>
<td>8</td>
</tr>
<tr>
<td>Tenure</td>
<td>&lt; 2 years</td>
<td>38</td>
</tr>
</tbody>
</table>
Construct Validity

Assessment of construct validity through discriminant validity (D.V.) and convergent validity (C.V.) is required if the development of the instrument has been carried out in a different cultural context (Read, 2013).

Convergent Validity

C.V. is confirmed if VE for each variable is greater than 0.40 and Cronbach’s alpha is greater than .070 (Hair, 2010). Results in Table 3 confirm C.V. according to the above-mentioned criteria.

Table 3. Reliability & Convergent Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
<th>Cronbach’s Alpha</th>
<th>Variance Explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>2.80</td>
<td>1.42</td>
<td>0.95</td>
<td>88.70%</td>
</tr>
<tr>
<td>Ethical Climate</td>
<td>2.82</td>
<td>1.33</td>
<td>0.92</td>
<td>80.39%</td>
</tr>
<tr>
<td>Workplace Incivility</td>
<td>3.15</td>
<td>1.25</td>
<td>0.93</td>
<td>82.76%</td>
</tr>
</tbody>
</table>

Authentic leadership (M = 2.80, SD = 1.42) has the highest reliability (α = 0.95), followed by workplace incivility (M = 3.15, SD = 1.25) with α = 0.93 and ethical climate (M = 2.82, SD = 1.25) with α = 0.92 respectively. Variance explained for Authentic leadership (M = 2.80, SD = 1.42) is the highest (VE = 0.88) followed by workplace incivility (M = 3.15, SD = 1.25) with VE = 0.82 and ethical climate (M = 2.82, SD = 1.25) with VE = 0.80. Since reliability values are greater than 0.7 and the VE > 0.4, the requirements of convergent validity are fulfilled.

Discriminant Validity

Construct used in a study are unique and distinctive is confirmed through discriminant validity (Hair, Black, & Babin, 2010). The criteria suggested by Fornell & Larcker, (1981) suggest that discriminant validity is confirmed if √VE > r². Table 4 below confirms the fulfillment of the requirements of D.V.

Table 4. Discriminant Validity

<table>
<thead>
<tr>
<th>Constructs</th>
<th>AL</th>
<th>EC</th>
<th>WI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>0.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethical Climate</td>
<td>0.46</td>
<td>0.89</td>
<td></td>
</tr>
<tr>
<td>Workplace Incivility</td>
<td>0.44</td>
<td>0.49</td>
<td>0.91</td>
</tr>
</tbody>
</table>

Confirmatory Factor Analysis

This research applies CFA which has become one of the most popular, powerful and flexible statistical technique for testing a theory (Brown, 2015). In contrast to its counterpart EFA, CFA helps in determining how good the hypothesized model is (Huck, 2012). CFA identifies latent variables through their indicators and evaluates the hypothetical relationship among latent variables (Wongpakaran, Wongpakaran, Sirirak, Arunpongpaisal, & Zimet, 2017).

Measurement Model

Prior to test a structural model which represents hypothesized (cause & effect) relationship among variables, a measurement model, representing a latent variable model is assessed (Byrne, 2016).
These study reports fit indices recommended by Hair et al. (2014). For this purpose $\chi^2/df$ and RMSEA form absolute fit indices, CFI and TLI from incremental fit indices and PCFI and PNFI from parsimony fit indices. The results of the model evaluation are presented in Table 5.

**Table 5. Model Evaluation of the Measurement Model**

<table>
<thead>
<tr>
<th>Absolute Fit Indices</th>
<th>Incremental Indices</th>
<th>Fit Indices</th>
<th>Parsimony Fit Indices</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\chi^2/df$</td>
<td>RMSEA</td>
<td>CFI</td>
<td>TLI</td>
</tr>
<tr>
<td>1.40</td>
<td>.05</td>
<td>.97</td>
<td>.97</td>
</tr>
</tbody>
</table>
The model evaluation results indicate that all the values fall within the cut-off criterion and therefore reflect good-fit of the sample data. The value of $\chi^2/df$ is less than 2.0 as suggested by Tabachnick & Fidell (2007) while the value of RMSEA is less than 0.06 which is the maximum threshold values recommended by Kline (2011). Therefore, the model-fit requirements from Absolute Fit Index are fulfilled. Similarly, the Values of CFI and TLI are greater than 0.95 (Sharma et al, 2005) while the values of PCFI and PNFI are closer to 1.0 (Lomax & Schumacker, 2012) from Incremental Fit Index and Parsimony Fit Index respectively which satisfy the requirements of the overall goodness of a model-fit. The adequacy of model-fit indices clearly negates any model modification requirements. Therefore, this research can safely proceed to the specification of the structural model.

**Structural Model**

The structural model comprises of the causal relationship between exogenous (IV) and endogenous (DV) variables (Byrne, 2016). On the basis of profuse literature and incorporation of Social Learning Theory and LMX theory, this study analyzes the following structural model.

This study reports fit indices recommended by Hair et al. (2014). Following the approach applied for the measurement model, $\chi^2/df$ and RMSEA form absolute fit indices, CFI and TLI from incremental fit indices and PCFI and PNFI from parsimony fit indices are employed to assess how well the structural model fits the data. The results of the model evaluation are presented in Table 6.

**Table 6. Model Evaluation of the Structural Model**

<table>
<thead>
<tr>
<th>Absolute Fit Indices</th>
<th>Incremental Fit Indices</th>
<th>Parsimony Fit Indices</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\chi^2/df$</td>
<td>RMSEA</td>
<td>CFI</td>
</tr>
<tr>
<td>1.40</td>
<td>.06</td>
<td>.97</td>
</tr>
</tbody>
</table>

The model evaluation results of the structural model indicate a good model fit. All the fit indices are within the recommended range. For instance, $\chi^2/df$ is less than 2.0 (Tabachnick & Fidell, 2007) and RMSEA is less than 0.06 Kline (2011). Similarly, the Values of CFI and TLI are greater than 0.95 (Sharma et al, 2005) and the values of PCFI and PNFI are greater than 0.5 (Lomax & Schumacker, 2012). The adequacy of model-fit indices does not require any model modification and hence, this research can proceed to hypotheses testing.
Hypotheses Testing

The direct and indirect effect of the independent variable (Authentic Leadership) on the dependent variable (Workplace Incivility) has been determined using path analysis. All path estimates in this study are significant ($p<0.05$).

Table 7. Direct Effect

<table>
<thead>
<tr>
<th>Constructs</th>
<th>$\beta$</th>
<th>S.E.</th>
<th>$t$</th>
<th>$P$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate</td>
<td>$&lt;$--- Authentic Leadership $(a)$</td>
<td>.64</td>
<td>.06</td>
<td>10.32</td>
</tr>
<tr>
<td>Workplace Incivility</td>
<td>$&lt;$--- Ethical Climate $(b)$</td>
<td>-.66</td>
<td>.06</td>
<td>-11.01</td>
</tr>
<tr>
<td>Workplace Incivility</td>
<td>$&lt;$--- Authentic Leadership $(c)$</td>
<td>-.58</td>
<td>.59</td>
<td>-9.83</td>
</tr>
</tbody>
</table>

Dependent Variable: Workplace Incivility, $R^2 = 0.46$, $F (1,125) = 107$, $p<0.05$

The table above shows that all the assumptions for mediation are fulfilled as proposed by Baron & Kenny (1986). First for path $a$, the predictor variable authentic leadership significantly positively explains mediating variable ethical climate ($R^2 = 0.46$, $F (1,125) = 107$, $p<0.05$). Second for path $b$, the mediating variable ethical climate significantly negatively explains outcome variable workplace incivility ($R^2 = 0.46$, $F (1,125) = 107$, $p<0.05$). Third for path $c$ predictor variable authentic leadership significantly negatively explain outcome variable workplace incivility.

Table 8. Mediation Analysis

<table>
<thead>
<tr>
<th>Constructs</th>
<th>$\beta$</th>
<th>S.E.</th>
<th>$t$</th>
<th>$P$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace Incivility</td>
<td>$&lt;$--- Ethical Climate $(b)$</td>
<td>-.44</td>
<td>.77</td>
<td>-5.77</td>
</tr>
<tr>
<td>Workplace Incivility</td>
<td>$&lt;$--- Authentic Leadership $(c)$</td>
<td>-.30</td>
<td>.07</td>
<td>-4.18</td>
</tr>
</tbody>
</table>

Dependent Variable: Workplace Incivility, $(R^2 = 0.75$, $F (2,124) = 77$, $p<0.05$)

Table above shows that when predictor authentic leadership was regressed with mediating variable ethical climate on outcome variable workplace incivility (path $c$), more variance was explained ($R^2 = 0.75$, $\Delta R^2 = 0.29$, $F (2,124) = 77$, $p<0.05$) while authentic leadership still significantly negatively predicts workplace incivility with decreased coefficient value ($\beta = -.30$, $\Delta \beta = 0.28$, $p<0.05$) which is the indication of partial mediation.

Results of regression analysis revealed that all the predictors significantly explained variance in outcome variables ($R^2 = 0.46$, $F (1,125) = 107$, $p<0.05$) before mediation was tested. Authentic leadership creates an ethical climate ($\beta = 0.64$, $SE = 0.6$, $p < 0.05$). Similarly, ethical climate negatively influences workplace incivility ($\beta = -0.66$, $SE = 0.6$, $p < 0.05$) while authentic leadership negatively affects workplace incivility ($\beta = -0.58$, $SE = 0.59$, $p < 0.05$); thus $H_1$, $H_2$ and $H_3$ are supported. These results fulfill assumptions of testing mediation. Controlling for the mediator (ethical climate), authentic leadership is still a significant predictor of workplace incivility ($\beta = -0.30$, $SE = 0.07$, $p < 0.05$) with increased variance $\Delta R^2 = 0.29$ which indicates that 29% of variance in workplace incivility is accounted for by mediator i.e. ethical climate; while authentic leadership remained significant negative predictor of workplace incivility ($\beta = -0.30$, $SE = 0.07$, $p < 0.05$) with decreased coefficient ($\Delta \beta = 0.28$). These results support presence of partial mediation of ethical climate between authentic leadership and workplace incivility. The measure of indirect effect of authentic leadership on workplace incivility is also presented in this study. The indirect effect using bootstrapping estimation approach with 1000 samples indicate that indirect coefficients are significant ($\beta = -0.28$, $SE = 0.07$, CI = -0.43, -0.15, $p<0.05$). This study carried out Sobel Test and
found partial mediation in the proposed model \( z = -5.02. p <0.05 \) as the effect is less than zero. Therefore it can be summarized that \( H_4 \) is partially supported.

Discussion

This research was aimed to understand what role authentic leadership can play in impeding workplace incivility and the mechanism through which authentic leadership is able to do so. Findings are in line with the studies, however very few, conducted in the recent past. Contributing to the existing literature on authentic leadership, this research helped in accepting authentic leadership as a diminishing factor in decreasing negative work behaviors at workplace. Findings of this research are consistent with the argument that the leadership role is significant in shaping followers’ behavior (Liden et al., 2014). This research found empirical support in favor of authentic leadership role in forming ethical climate at workplace (Yukl, 2012) which supports the findings of Kiersch & Byrne (2015) where the perception of justice created by authentic leaders create a fair climate in an organization. Furthermore, this ethical climate helps employees to demonstrate ethical conduct in an organization (Arnaud, 2010) and hence, employees with ethical conduct are not likely to demonstrate workplace incivility. Results of this research are in complete harmony to these findings. The role of Social Learning Theory is also in support of the results suggesting that authentic leaders create an ethical climate through continuous reinforcement of their ethical practices which allows followers to avoid negative work behavior such as workplace incivility. Followers do so when they perceive their leader as a role model and try to emulate their leader’s behavior (Walumbwa, Hartnell, & Misati, 2017). This study also support that the negative perception of leadership among followers is one of the major predictors of workplace incivility (Bulutlar & Öz, 2009), therefore followers having the perception of authenticity of their leaders are less likely to show any undesirable behavior. This study also supports the role of LMX in avoidance of workplace incivility and suggests that followers are prone to maintain the exchange mechanism between themselves and their leader. This is in compliance with the findings of Li, Shang, Liu, & Xi (2014), Newman, Schwarz, Cooper, & Sendjaya (2015) and Pacleb & Bocarnea (2016) suggesting that employees, when treated with respect, provided care and facilitated in their development, reciprocate in terms of positive attitudes and behaviors and hence, avoid any sort of undesirable practices at workplace.

Conclusion

Findings of this study imply that authentic leaders establish a strong value system and ethical standards which help them in establishing an ethical climate. Authentic leadership and ethical climate reduce the occurrence of workplace incivility; a deviant, offensive, rude and discourteous behavior. However, the indirect effect of authentic leadership in reducing workplace incivility is significant but partial, indicating a strong direct negative effect of authentic leadership practice on workplace incivility which implies positive reciprocation of authentic behavior by employees which, as a consequence, support the role of Leader-member Exchange theory. This also implies that employees disengage themselves from workplace incivility by considering authentic leaders as a credible role model which further strengthen the role of social learning theory. It is therefore summarized that organizations with authentic leadership experience decreased workplace incivility and enhanced ethical climate, ensuring positive, supportive and harmonious working environment.

Theoretical Implications

Authentic leadership role in establishing ethical climate is the indication that employees consider authentic leaders as a role model and emulate their behavior, therefore endorsing and strengthening the role of social learning theory. Reduced workplace incivility in the presence of authentic leadership also suggests positive treatment of authentic leaders is reciprocated which is in support of the role of LMX theory.
Limitation and Future Research

Every research is subject to some limitations, so this research. These limitations along with the future direction of this study are discussed below. The data collected for this is cross-sectional by nature and collected on a particular time period. This sort of data is subject to be affected by common method bias (Buchanan & Bryman, 2009). It was difficult to give any strong claim regarding the causality. In spite of the relationship provided in data analysis, no ultimate statements can be given about the direction of causality. The direction endorsed to these relationships is supported by theoretical ground rather than direct confirmation from the obtained data (Lewis-Beck, Bryman, & Liao, 2004). A longitudinal study may reveal some new insight which can enable research to either affirm the finding of this research or give direction to future research endeavors. Probability-based sampling can add to the generalizability of this study. Further, dyadic data collected from both leaders and followers can provide a glimpse of the other side of the story. Finally, the moderating effect of age, gender, tenure in organization and other demographic factors in this study can help to understand the consistency of findings in different demographic settings.

References


