

**MS RESEARCH THESIS**

**Authentic leadership, Psychological Empowerment and Project Success: Mediated  
Mechanism and an Interacting Effect**

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**Authentic leadership, Psychological Empowerment and Project Success:  
Mediated Mechanism and an Interacting Effect**

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Forwarded for necessary action,

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**(Jabran Khan)**

## **Dedication**

**I would like to dedicate this work to my parents.**

## **Abstract**

This study focuses on the relationship between Authentic Leadership (AL) and project success with the mediating role of Psychological Empowerment (PE) and moderating role of Psychological Capital. The specific context of the study is the project based organization in Pakistan. Data were collected using questionnaire from 271 employees working on various projects across Pakistan. Results indicate that authentic leadership is positively associated with project success. Moreover mediating role of psychological empowerment is also established. . In addition to above, results also confirm the moderating role of psychological capital Theoretical and practical implications are discussed.

**Keyword:** Authentic leadership, Psychological empowerment, Psychological capital, Project success

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# Chapter 1

## Introduction

### 1. Background

PMI (2004) defines Project as a temporary effort which is undertaken to produce unique products or services. Project management has gained hype among researchers (Kaulio, 2008), As it is the most prominent bustle in organisations nowadays. Shenhar and Dvir (2007) state that the case studies should be provided for the success of a project.

In current business, culture projects are not only used for technical problem solutions, but also for improvement of the business (Andersen & Jessen, 2002). The traditional measurement of project success is focusing on quality objectives, cost and time fulfilling, called iron triangle (Archer & Ghasemzadeh, 1999). In projects, end user satisfaction is crucial. As research focus on stakeholder satisfaction and researchers found that a stakeholder is also vital for project success, they continue to keep eyes on stakeholder satisfaction (Turner & Zolin, 2012).

However, Project success is the most researched topic nowadays, and many studies have been done on project problems, project failure is still common. Therefore, Studies requires working on identifying critical factors of project management which influences success. In this regard, Pinto and Slevin (1988) have introduced different factors for Project Management Success. These factors are; project schedule and mission, management support and technical task monitoring adding to that client consultation, acceptance, troubleshooting and feedback. Many researchers studied project success at a group level, organisational, societal and governmental levels. For example, Kwak (2002) found that political stability, less change in laws, supportive cultural

factors, and strong technical aspects together with effective project management are significantly critical to project success. From another perspective, Khan et al. (2003) ascertain different critical factors which contribute to project success, such as the approach of project planning, implementation and urgency for change, project awareness and management structure. While Struyk (2007) successfully connected project success with the degree and consistency of local leadership and availability of resources. Khang and Moe (2008) relate project success to a clear understanding of project environment and strong local ownership of the project.

Whereas Ike et al. (2012) stated that monitoring, coordination, design, training and institutional environment are the driving factors of project success. Vaskimo (2011) found that the methodology of project management actively contributes to project success. Similarly, Joslin and Müller (2016) ascertained that supplementation, completeness, and application of the types of a project management methodology are critical to project success. Although, there is a limited attention on the leadership role that may affect project success. We believe that The leadership role is important in any organization. Considering leaders play a vital role in focusing attention on determining and achieving organisational objectives, allocating scarce resources, making personal contacts with the followers and coordinating innovation process in the organisation.

There are different types or styles of leadership like Transformational and authentic leadership. Aga, Noorderhaven and Vallejo (2016) found the transformational leadership positive relationship with project success. Authentic leadership style judged from transformational, charismatic, servant and spiritual leadership. we see from the extant literature, authentic leader increase follower motivation and focus on follower authenticity development. Moreover, The

authentic leader provides honest response to followers' related task and authentic leader aims to support followers and helps them reach their full potential (Gardner, Avolio & Walumbwa 2005; Ilies, Morgeson & Nahrgang 2005).

According to (Luthans & Avolio, 2003, p.4) authentic leaders are "trustworthy, reliable, ethical, veritable and transparent". Researchers identify four components of authentic leaders, 1) self-awareness refers to the aware of personal needs, wants, motivation and preference, 2) Balanced processing refers to when leader during decision analyze relevant data, 3) Relational transparency refers to the leaders 'authentic self, thoughts to followers and their true feelings, and open relationship with subordinate, 4) Internalized moral perspective refers to dealing ethically objective at serving common interests of the group (Walumbwa, Avolio, Gardner, Wernsing & Peterson, 2008). Hence, authentic leadership has positive impact on performance toward project success (Wong and Laschinger, 2013). Further, authentic leaders boost up employee empowerment.

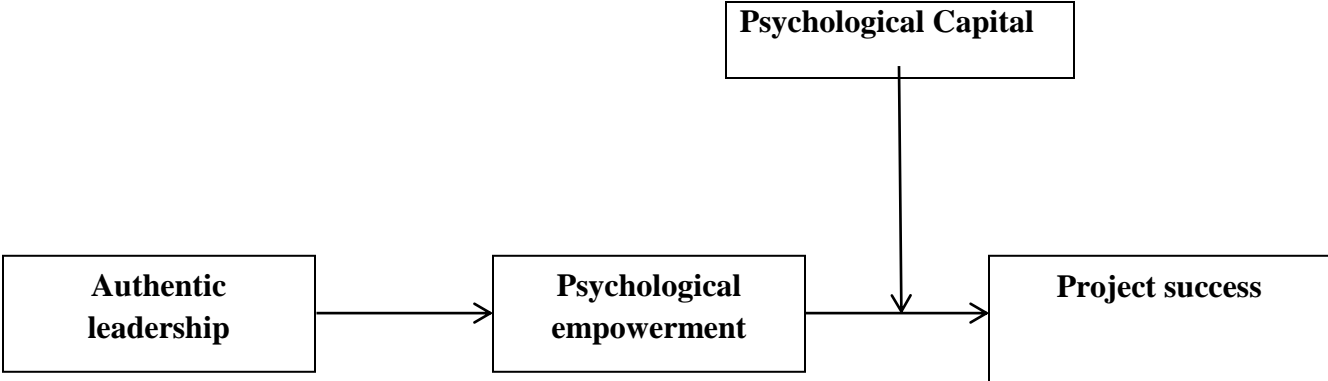
## **1.2.Gap Analysis**

Leaders use different tools, attributes and skills to achieve organisation success, between these tools psychological factor is considered the most important one. A current study found limited attention toward psychological factors on an individual level that may affect project success. For example, psychological empowerment factor can significantly affect the outcomes such as job performance, ability to innovate, hence quality and level of productivity (e.g. Project success) (Rasouli, Montazeri, Nekouei, Zahedi, 2013; Seibert, Wang & Courtright, 2011). Moreover, Psychological empowerment is representing a work-related attitude, because it carries cognitive, evaluative and behavioural aspects which are associated with the concept of attitude

(Kazlauskaitė, Buciuniene & Turauskas, 2011). Additionally, Psychological empowerment comprises of autonomy, meanings, impact and competencies which motivate employees (Mill & Ungson, 2003; Pardodel Val & Lloyd, 2003; Barton & Barton, 2011). Consequently, psychologically empowered employees tend to contribute positively to the project success as a result of authentic leadership style. Since yet there is not study has theoretically and empirically tested the mediating role of psychological empowerment between authentic leadership and project success.

This study contributes to examine the effect of authentic project manager capacity and also individual empowerment on positive end productive performance. Also, this research has to explore the psychological capital impact on performance as a moderator to project success. According to Luthan et al. (2007, p.3), Psychological capital is defined as “an individual’s positive psychological state of development and is characterized by confidence (self-efficacy) being optimistic and having hope resilience”. Psychological capital discussing confidence development of the team member, also it has an impact on performance. As Avery et al. (2011) state that psychological capital has a positive impact on behaviours, desired employee attitudes, and project success related performance which can be measured in different ways. Psychological capital has a significant impact on desired outcomes such as job satisfaction and job performance (e.g. Project success) (Abbas, Raja, Darr, & Bouckennooghe, 2014). Thus, when employees of project base organization experience on psychological empowerment, then positive psychological capital enhance psychological empowerment and project success relationship. Psychological capital is a moderator between psychological empowerment, and project success relationship which is an area of limited attention in academic research.

**Research Model**



*Figure 1.1: Research Model of Authentic leadership, Psychological empowerment, and Project Success: Mediated mechanism and an Interacting Effect*

### **1.3.Problem statement**

Project success is the ultimate desired objective of project-based organizations. In this regard, research scholars found various factors that positively affect project success. These factors are known as critical success factors (CSFs). Among other CSFs is the role of leadership behavior which, if supportive then productively enhance the project success. However, the literature has largely ignored the impact of the project manager, and his/her leadership style and competence on project success. Some of the studies examined the transformational leadership style and its effect on project success. As leaders behave differently in different situations. Thus, there is a need to study other leadership styles (e.g., authentic leadership) on project success. Also, the main problem in project management literature is that underlying mediated and moderated mechanism through which authentic leadership affect project success is largely ignored.

### **1.3. Research Question**

The present study is intended to find out the answers of the following questions.

1. What is impact of authentic leadership on project success?
2. Does psychological empowerment mediate between authentic leadership and Project success?
3. Does Psychological Capital moderate between Psychological empowerment and Project success?
4. What is impact of psychological empowerment on project success?
5. What is impact of Authentic leadership on Psychological empowerment

### **1.4. Research objective**

The objectives of this study are threefold. First, this study aims to examine the relationship between authentic leadership and project success. Second, this study seeks to examine the mediating role of psychological empowerment between authentic leadership and project success and the moderating role of psychological capital between psychological empowerment and project success. Finally, most of the organizational theories were developed and tested in the Western setting. Scholars and PR actioners suggested that organizational theories must be tested across the culture. The current study fills the gap by examining the mediating role of psychological empowerment between authentic leadership and project success and also direct effect.



### **1.5. Significance of the study**

This study contributes to increasing knowledge by scratching new ways that enhance project success. Through this study practitioners also increase the hope, and confidence of the employees of project-base organisation. Today in global competition, projects play a vital role in achieving competitive advantage because organizations are changing the culture into a project-base culture. However, organizations face many problems to achieve project success. In Pakistan project failures are common. In Pakistan context, the main failure of a project is the process of project delays. Numerous issues have emerged among the development of the project; out of which, two fundamental concerns are postponing and cost overrun. Alongside postponement and cost overruns, the regularly confronted results are projected delays, decrease in overall revenue, and loss of conviction of subject in government-subsidized tasks (Le-Hoai, Dai Lee & Lee, 2008). According to Kikwasi (2013) there are numbers of reasons that affect successful completion of a project such as the payment made to contractors, lack of information and delay in communication, funding and compensation issues, project management planning, cost overrun, unconstructive social impact and poor time management. These factors can have a strong impact on project success at different stages of the project.

Literature shows that majority of studies have focused on technical aspects (such as; timings, quality, cost, etc.) while, for project success, there is not enough research on the human-related factors (such as; employee behavior, performance, job insecurity, employee health). Human-related factors equally contribute to an unsuccessful project. Such as, absenteeism, late comings, decreased loyalty to project, and disowning the work lead towards job insecurity ultimately affecting project execution (Sverke, Hellgren & Näswall, 2006).

Since project success requires a great management; different authors have encountered various factors for its success. Project success needs good leadership skills which can deal with the goal and implement the task efficiently while developing the team. However, yet literature is silent, and a lot of projects have failed due to improper management skills, while researchers still focus on tangible items like cost, procurements and schedule, etc. Though very limited work done on an individual level like team development, team hope, confidence and empowerment. This study focused on the leadership role, empowerment of employees in a project-base organization and its high impact on employees' creativity.

However, empowerment means granting the autonomy to employees in the project-based organizations so they can contribute effectively to project success. Psychological empowerments have multiple dimensions related to meaningfulness, competence, choice and impact (Thomas & Velthouse, 1990; Spreitzer, 1995). Peter et al., (2002) also suggest seven dimensions of employee empowerment which includes power, decision making, information, Autonomy, Initiative and creativity, knowledge, skill, and responsibility. Hence, Psychological empowerments have a strong impact on creativity and performance (Sun, Zhang, Qi & Chen, 2011). In project management domain literature is still silent about team member's empowerments, this study contributes to provide support for practitioners to empower the team and increase performance (e.g. Project success).

In Pakistan context, leaders also face issues related to employees or team confidence. Hence there is a need to increase the level of team confidence through the psychological capital. With higher psychological capital Authentic leaders promote team members' creativity (Rego, Sousa, Marques & Cunha, 2011). That is because authentic leaders are task-oriented as well as team-oriented simultaneously. As Pakistan is an Islamic country with a multicultural society, therefore

it's a great setting for performing and reporting such an excellent study. Scholars and practitioner can intensify their knowledge on the psychological empowerment and its impact on innovation in non-western public and private project base organization context. Traditional project management is perceived as using the right tools and techniques for being successful, regardless of a project manager's match of personality with project type (PMI, 2004).

This study is conducted to find out the impact of authentic leadership on project success with the mediating role psychological empowerment and moderating role of psychological capital in private and public sector project-base organizations in Pakistan. Since entrepreneurs and organizations also interested to do business in Pakistan and start projects such as multinational organisations. That study will be more beneficial because the impact of psychological empowerment on project success with the presence of psychological capital is a more useful study.

## **1.6.Supporting theory**

### **1.7.1 Cognitive evaluation theory**

According to cognitive evaluation theory (CET), external factor improves team member autonomy and competency. Therefore team members involve themselves in the process of generating new ideas, Tu and Lu (2013) explained the psychological empowerment between ethical leadership and creativity through (CET). Cognitive evaluation theory provides the rationale for considering factors that are the basis of psychological empowerment through developing competence and increasing autonomy, psychological empowerment between ethical leadership and employee's creativity are linked based on cognitive evaluation theory (Javeed et al., 2016). CET is also considered a good supporting theory for this model because this study focuses on employee empowerment and creativity. Innovation and creativity are key factors in project success.

This study contributes to examine the impact of Authentic leadership on project success with the mediating mechanism of the psychological empowerment and interacting effect psychological capital. For this relationship, we applied cognitive evaluation theory framework because CET focuses on developing employees' competency and increasing autonomy. Authentic leadership internally empowers the team members by providing self-resolve, proficiency meaning, and increase team members' creativity while empowering them which certainly will encourage productive performance.

# Chapter 2

## Literature Review

### 2.1. Authentic leadership and project success

Leaders are those who influence the group of individual to achieve goals through common efforts (Northouse, 2007). George (2003) succinctly states: “we want leaders who lead with values, purpose and integrity; a leader who make enduring organizations, leaders also have the ability to motivate employees to provide excellent customer services, and make long term shareholder value” (p. 9). There are different styles of leadership, transformational leadership, servant leadership, ethical leadership and Authentic leadership etc. Transformational leadership is the most popular variable in the research field, transformational leadership focus on individual level and organizational level performance and outcome (Liu, Siu, & Shi, 2010). We found limit attention on the authentic leadership impact on project success its very interesting topic for research. Greenleaf (1998) explains servant leadership, servant leadership a way of life not management technique ,its natural feeling to serve the one who wants, Liden et al., (2008) found seven dimension of servant leadership and these dimension effectively explain the characteristics of the servant leadership, empowering, emotional healing , putting subordinate , helping subordinate, conceptual skill, behave ethically and value for community.Chimera and Bentein (2016) found servant leadership, positive impact on performance (e.g. Project success). Servant leadership has the ability to intrinsically motivate and boost employees’ performance.

Ethical leadership is defined as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision making” (p. 120). Ethical leaders

make fair and balance decision Ethical leadership is process influence team member through values attitudes and principles. Some people confusing in transformational leaders and authentic leaders there are some difference between transformational leaders and authentic leaders. Transformational leader prepares follower to become in a leader role (Avolio, 1999). Avolio and Gardner (2005) authentic leader focus on follower to prepare sense of self they have own ability to make decision. Different research found that traditionally leader were studied broad not specifically because they have widely influenced organizational performance, but currently research targets specific types of leadership like transformational leader, ethical leader, servant leader etc. (Owens & Hekman, 2012; Rosing et al., 2011). The leader always not has a positive impact on performance of the organization, but leadership style play a key role in organizational success. Correa, Morales and Pozo (2007) suggested that leadership types such as servant, transformational, authentic leadership and spiritual play vital role in organizational success.

Thor and Ofari (2008) found a 21st century managing project need a different approach and different attributes knowledge and skill of project manager. We expect authentic leaders have significant impact on performance (e.g. Project success). Lord and brown (2004) found that authentic leadership can influence followers performance (e.g. Project success). Authentic leadership is getting a lot of attention and research support they affect the follower's performance, now it's time to refine it and extend the study how the authentic leader affects the follower's performance, this study aim is to extend how the Authentic leader impact the followers performance and project base organization.

The authentic leadership is hopeful, optimistic, resilient, transparent, future- oriented, and moral/ethical, and giving priority to developing teams to become leaders (Luthans & Avolio, 2003, p. 243). Avolio, Luthans, and Walumbwa (2004, p. 4) Define authentic leaders as “those

who are deeply aware of how people think and react and are perceived by others as being aware of their own and others' values/moral perspectives, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and of high moral character". An authentic leader is also defined as having developed the moral capacity to judge problems, explore the dilemmas from different angles, and identify ways to solve problems without being perceived as disingenuous (Luthans & Avolio, 2006). Walumbwa et al., (2010) found that authentic leader's guide their follower accordance with ethical behaviors.

An authentic leader construction study was conducted by Shamir and Eilam (2005) and found following four main characteristics of Authentic leader: (1) Authentic leader is true with self and followers and not expected from others, they make follower open to become creative, (2) Authentic are sets own believing and motivated from it, (3) event are originals, not copying from others, the Authentic leaders lead with own personal convictions, (4) Authentic leader actions are based on their own values and belief. These all characteristic need for a project leader because the project leader plays main key role in the project success. Different study shown that Authentic leader has significant impact on employee performance so project base organization employees is the main source of success (e.g. Project success) (Rego, Sousa, Marques & Cunha, 2011).

Walumbwa et al., (2008) identify the four characteristics of the authentic leader self-awareness, balanced processing, Relational transparency and Internalized moral perspective when the leader has these characteristic than they have a lot of impact on performance. Avolio and Gardner (2005) self- awareness refer to leader aware own self strength and weakness, how people perceive the leader, leaders make impact on others.

When the leaders have higher self-Awarance then they better understand the self-strength and weakness, their personality, emotions, motives, values, cognition, feeling, behaviors and actions (Ilies, Morgeson & Nahrgang, 2005). Ryan and Deci (2001) suggest that when leader aware of their action, values and act upon belief, then they are likely to achieve a high level of success and help of others

. Balanced processing refers to the leaders analyzes the rational data and make decisions and make long term planning for coming challenges (Walumbwa et al., 2008). Relation transparency is the characteristic of authentic leaders in which leaders focus on follower to learn new things and shares information openly, also express true feeling, thoughts and prepare followers with a level of openness to come with new ideas, opportunity and challenges. Internalized moral perspective is a fourth characteristic of authentic leader, authentic leader follow moral and ethical standers and sets it for followers and also express behaviors and decision making that is regularly with internalized moral perspective. Lord and Brown (2004) found that authentic leader has significant impact on followers performance, previous research and theory building have indicated that AL can affect followers productivity and they lead to performance (e.g. Project success).

Authentic leader behavior is a significant relation with supervisor- rated job performance, work engagement and Organizational citizenship behavior (e.g. Project success) (Walumbwa, Wang, Wang, Schaubroeck & Avolio, 2010).Banks, McCauley, Gardner and Guler (2016) conduct meta-analysis and focus on following outcomes: (1) employee satisfaction with leader, (2) employees, job satisfaction, (3) performance, (4) leader effectiveness, (5) organizational performance, (6) OCB and found that all these outcomes effect of authentic leadership. For project success also need of these entire characteristic to success the project.Anseel, Gardner and



Sels (2012) also found that authentic leadership affects the employees' attitudinal and behavioral outcomes. Azanza, Moriano and Molero (2013) conducted study on Spanish organizations for impact of authentic leadership on employee's positive outcome and job satisfaction they collected data from 571 employees of private organization and result show that authentic leader positive impact on employees outcome and job satisfaction.

Leroy, Palanski and Simons (2012) found that authentic leader has strong ability to improve the task performance. Hannah, Avolio, Walumbwa (2011a) also confirmed that authentic leader improves the performance of group level and firm levels. The literature shows that authentic leadership is a positive relation to the employee's performance, organizational performance, employee's behavior, organizational outcome. We also aim to find the outcome of the authentic leadership in project base organizations. Previous researchers study authentic leader relationship with different organizational performance outcome like Peterson, Walumbwa, Avolio and Hannah (2012) found authentic leadership, positive relation with job satisfaction, Bamford, Wong and Laschinger (2013) found relation with followers commitments, Leroy, Palanski and Simons (2012) found with work engagement, Edu, Moriano, Molero and Topa (2012) employees effectiveness and Walumbwa, Wang, Wang, Schaubroeck And Avolio (2010) found with organizational citizenship behavior.

## **2.2. Psychological Empowerment and Project success**

Empowerment means give power and opportunity to the employees who make decision, find the solution and employees become independent (Mir Kamal, 2010). Empowerment refers to “the process of enabling or authorizing an individual to think, Behave; take action, and control work and decision making in autonomous ways” (Chaturvedi, 2008). The concept of employee empowerment was introduced in research literature thirty years ago by (Kanter, 1970). The main aim of this concept is to improve employee’s performance through empowerment, positive attitude and well-being (Hempal et al., 2012).

Psychological empowerments have multiple dimensions like some researcher proposed different dimension like meaningfulness, competence, choice and impact (Thomas & Velthouse, 1990; Peter et al., 2002; Spreitzer, 1995). Peter et al., (2002) also suggest seven dimensions of employee empowerment which includes power, decision making, information, Autonomy, initiative and creativity, knowledge and skill, responsibility. Psychological empowerment consists with four main dimensions, that widely accepted by researchers: competence, meaning, impact and self-determination. Competence means self-efficacy they have own ability to do tasks individually and they have confidence, meaning mean individual goal, perception of the objective the task do with own standard. The high level of meaning result shows that raise involvement, concentration and commitment. Impact mean when individual affect the output of the organizations in which individual employed in term administration, strategies, operation and management. Self-determination means sense of control; freedom and autonomy of option to do the task. Self-determination higher then they have significant impact on organizational and

individual level performance (Thomas and Velthouse & Velthoouse, 1990; Liden, Wayne & Sparrowe, 2000).

Yang and Choi (2008) study four dimensions of empowerment which include Autonomy, Responsibility, Information and Creativity, and found a positive relation with team performance. For project success different success factors like cost, time, performance, the project leader is also a crucial success factor for project, the project leader has also different tools to improve team performance. Empowerment is the best tool to increase performance i.e. (project success). Yao, Chen and Cai (2013) studied psychological empowerment with employees' satisfaction, loyalty and task performance and found that psychological empowerment has a positive relationship with satisfaction, task performance and loyalty. Sigler and Pearson (2000) found that psychological empowerment is significantly related to employee's productivity. Different researchers found different positive outcomes of psychological empowerment related to employees' outcomes such as job satisfaction, organizational commitment, task performance, innovation performance and contextual performance (Sing & Sarkar, 2012; Aryee & Chen, 2006).

Laschinger, Finegan, Shamian and Wilk (2004) found that psychological empowerment is an important tool for leaders to use for encouraging workers to think for themselves about what is needed for their job and also to enhance their competency level. Project is a task for a team and team members perform tasks efficiently when they have some motivation factors, one of the important factors is psychological empowerment. Sigler and Pearson (2000) found that when leaders empower team members they increase productivity. Psychological empowerment has a positive relationship with team productivity. Similarly Yao et al., (2013) found a positive relationship between psychological empowerment and task performance.

Parolia et al., (2007) also argued that psychological empowerment increase project performance .Ma and Weng (2015) urge that empowerment from manager improve individual job performance through intrinsic motivation the psychological empowerment significantly positive impact on task performance and job loyalty (Yao, 2013). Every project need productivity and psychological empowerment can improve productivity the productivity of the organization or project (Hammuda & Dulaimi, 1997). Psychological empowerment on strong impact on creativity and performance (Sun, Zhang, Qi & Chen, 2011). Similarly Parolia, Goodman, Li & Jiang (2007) argued that psychological empowerment significantly improves the project performance. Niehoff, Moorman, Blakely Fuller (2001) conduct study in the work place and suggest that when you empower the employees than they show a high level of performance, they feel confident and make the decision to finish task efficiently, the empowerment enhances employees competency and job performance

Chiang and Hsieh (2012) conducted study in Taiwan hotel management collect data from 513 employees and found the psychological empowerment has positive impact on performance (e.g. Project success). Psychological empowerment also plays role in team performance, consist of productivity, innovation, effectiveness and customer satisfaction. PE increases team productivity because giving power to the team member in output the team performs better (Spreitzer, Noble, Mishra, & Cooke, 1999).

Spreitzer (1995) explain when employees feel empowered then they feel motivated and able to affect their work environments and their jobs in competent ways, showing initiative, facilitating proactive and act independently. Similarly Li, Feng, Shenggang and Di (2015) also conduct

study and to find the impact of psychological empowerment impact on employee's performance and collect data from 209 R&D employees in context of china and found positive relation between psychological empowerment and employees performance.

The human development plays a key role in organizational success (e.g. Project success) (whenever an organization enters into competition, cultural then they have need a lot of efforts one effort is Human development, there are many techniques and tools for human development one is psychological empowerment. Many researchers tested psychological empowerment with individual performance, organization performance, innovation, creativity and found positive results. Project success also arises from individual performance, innovation and creativity (Cameron et al., 2011). The high level of psychological empowerment they motivated employees to perform and do the task well (Chiang & Hsieh, 2012). Studies found empowerment enhance project success (Sheffield & Lemétayer, 2012; Srivastava, Bartol and Locke, 2006). We argued that psychological empowerment playing significant role in project success

### **2.3. Mediating role of psychological empowerment between authentic leadership and project success**

The empowered leaders motivate the team for task performance through the feeling of psychological empowerment (Chen, Sharma, Edinger, Shapiro & Farh, 2011). Empowered employees or team member feel more competent and able to do high level performance, innovation, increase through team empowerment Seibert, Wang and Courtright (2011) found that when leaders empower the team members than team member show higher levels of performance creativity and become innovative. Lorinkova, Pearsall and Sims (2013) also confirmed that empower leadership positive influence on team member performance. The project management field becomes a success through creativity, innovation and higher level of team performance, the psychological empowerment is a good tool for project management to empower the team member and achieve success. According to self-determination enhances employee's job autonomy, meanings, impact and competencies which boost employees' psychological empowerment (Deci and Ryan 2000; Gagné and Deci 2005; Ryan and Deci 2000). When employees experience greater job autonomy, then they enjoy strong relationships with other employees and consequently received more expertise from other colleagues. (Murtaza et al., 2014).

We have argued that empowered team member will see them as more able and will be capable to influence their goal and organizations in a more meaningful way. If so, then they would also be expected to execute extra- efforts, act independently, and show higher levels of performance (Spreitzer, 1995)..

Arfin, Arif and Raquib (2015) conduct study in Bangladesh and collect data from 247 employees in large three manufacturing companies the aim of the study were to find out the relationship of proactive behavior and high performance work system and also aim to find out the mediating role of psychological empowerment, and they were found the positive relationship and also found psychological empowerment positively mediate between proactive behaviors and high performance work system (e.g. Project success). In project domain also need of employees, empowering because when employees feel empowered than they show a high level of performance they feel comfortable and give more attention to the task. Psychological empowerments play a key role to increase organizational commitment and also overall organization performance (Bonias, Bartram, Leggat & Stanton, 2010).

Lana and Chong (2015) also investigate the relationship of Transformational leadership and employees work attitude and investigate the mediating role of PE. They were conducting studies in china and collect data from top management found the positive relationship between psychological empowerment and transformational leadership and also found that psychological empowerment positively mediate.

Hence the result of the previous researched shown that psychological empowerment positively mediate between leader and performance (Project success).

## **2.4. Moderating role of Psychological Capital between psychological empowerment and project success**

Luthans (2002) found that the aim of the positive psychological capital is it emerged what is better with people, rather than the customary approaches of what is undesirable with people. Psychological capital is the combination of different characteristic like hope, optimism, resilience and self-efficacy when these all factors combined represent psychological capital (Luthans & Youssef, 2004).

The previous researchers shown that psychological capital as well as its constituent efficacy, capacities of hope, optimism and resiliency related to employee attitude, behavior, job satisfaction and performance (e.g. project success)(Avey, Reichard, Luthans, & Mhatre, 2011; Luthans, Avolio, et al., 2007). Psycap focus on efficacy, hope, optimism and resiliency, and these all are positive psychological strength. Hope word used in daily language Snyder and his colleagues specifically elaborate hope as a “positive motivational state that is based on an interactively derived sense of success (1) agency (energy goal directed) and (2) pathways (planning to achieve goals) (Snyder et al., 1996).

Youssef & Luthans (2007) found that Psychological capital hope is the strongest predictor of work outcomes, hope and efficacy distributing the components of inner energy and motivation and positive feelings of success. Highly hopeful and efficacious individual would set challenging objective and goal for themselves, select self into challenging task with tenacious and motivation effort for success. Efficacy as individual internal confidence to mobilize the motivation, courses



of action and cognitive resources needed to execute the task successfully in giving context. Self-efficacy and hope are more positive factors than resiliency and optimism in predicting behavior and attitude (Bandura, 2012). In psychological capital self-efficacy is most considered a factor in organization behavior (Luthans, 2002). Youssef & Luthans (2007) found resiliency to be related happiness, commitment and work attitude.

Meta analysis result indicates that psychological capital is positive impact on employee behaviors, attitude and performance (Avey, Reichard, Luthans & Mhatre, 2011). Authentic leader has characteristic to increase confidence and hope of employees Gardner and Schermerhorn (2004) found that authentic leader are boosts follower positive outcome through the psychological capital. Joo, Lim and Kim (2015) conducted study to find out the relationship of psychological capital and work engagement with the mediating role of worker empowerment, collect data from 599 employees in Korean context and find that when employees have high positive psychological capital then they high engage in tasks and empowerment positively mediated with work engagement.

Wang, Sue, Luthans, Wang and Wu (2012) conducted study to refine the concept of authentic leadership and impact on performance and also used positive psychological capital as moderate mechanism they were collected data from 794 employees also from immediate leaders. They were found that authentic leadership positive relationship with followers' performance, and also confirmed that positive psychological capital positively moderate between authentic leadership and employee's performance.

## **2.6. Literature review summary**

The literatures have shown and support that when authentic leaders empower employees of the project base organization, then employees' show high level of performance. Such as different outcomes of employee empowerment, like job satisfaction, competency, innovation, creativity, task significance and confidence. When employees feel empowered than they show a high level of performance for project success also needs a high level of performance of employees. But literature is silent on this relationship psychological empowerment mediating role between authentic leadership and project success. Authentic leader also directly influence the performance of employees ultimately increase project success chances, and we also found limited attention on impact of authentic leader in project success. Psychological capital playing key role in human development because when leader empower the employees, but they have no confidence and ability, then they miss use the autonomy, the literature shows that psychological capital plays vital role in employees development, the outcomes of psychological capital is employees hope and confidence which improve the individual performance and ultimately increase project success, literature is also silent on this relation Psychological capital moderating between Psychological empowerment and project success.

# Chapter 3

## Methodology

### 3.1 Introduction

In this chapter, the methodology is described which is used to find out relationship of authentic leadership and project success, with the mediating role of psychological empowerment and moderating role of psychological capital. The methodology chapter deals with research design cover all data collection techniques (population and sample). And also highlights measurement and instrument reliability analysis

### 3.2. Research design

Research design is a framework of research plan of action. Zikmund (2003) defines research design is the plan of the researcher that specifies the procedure and method for collecting and analyzing necessary information. In the research design includes time horizon, types of setting and unit of analysis which are discussed below.

#### 3.2.1. Types of study

This is a causal study where the impact of Authentic leadership on project success with the mediating role of psychological empowerment and moderating role of psychological capital was measured on basis of self- reported perception.

### **3.2.2. Study setting**

The participant for study from the field because the supervisor and their subordinate contacted in project base public and private organization was contacted to fill the questionnaire in their natural work environment.

### **3.2.3. Time Horizon**

The data were collected in one and a half month for this study, the data in nature cross sectional and collected at one time. .

### **3.2.4. Unit of Analysis**

The unit of analysis is can be an object or individual whose character and features is to be analyzed. Unit of analysis can be either dayd, individual, group, industry, organization, country or cultured from the where data are collected. For this study unit of analysis was individual private and as well as development project base organizations employees from Islamabad, Rawalpindi, Mardan and Peshawar.

### **3.2.5. Population**

Population is a set of peoples, events, things connected with interest that the researcher wants to investigate (Sekaran, 2001). The current study population is employees of the project base organization from Islamabad, Rawalpindi, Peshawar, Mardan.

### **3.2.6. Sample**

Sample is composition of the population represents the whole population for that study we used Convenience sampling, we distributed 600 questionnaires in the different project base

organizationetc. Telecom industry (ZihngXhong telecom enterprise) Project manager Kamran butt, Development sector Organization: NGOs “Sarhad rural support program” Rania Andleeb senior program officer, project manager Engineer Asim Saeed of the project of the Govt development sector. With refrece of my friend in ZTE the department head manager is relative of my friend with reference of that manager we approached Zims and with reference of Zims manager we approached algiga .Out of 600 collected 286 and 271 considered for analysis.The author was attended the work sites and explain the purpose of the study and data collection method and with exchange for cooperation the author promised to deliver the results of the study upon request. During these face to face meetings, they were also informed that the data will be collected from both employees and their supervisors.. For this study we used cross-sectional procedure.

### 3.2.6.1. Sample Characteristics:

The table below represents sample characteristics

#### Gender

**Table 1 Represent Gender Percentage**

	Frequency	Valid Percent	Cumulative percent
Male	173	63.2	63.2
Female	98	36.8	100
Total	271	100	

First table represents the gender composition of the sample in which 63.2% were male and 36.8 % female. The male percentage is high.

## Age

Table 2

### Respondent's Age Distribution

	Frequency	Percent	Cumulative percent
18-25	76	28	28
26-33	106	39.1	67.2
34-41	63	23.2	90.4
42-49	23	8.8	98.9
50 above	3	1.1	100
Total	271	100	

Table 2 shows the composition of the sample with reference to age groups. 28% of respondents age were 18-25, 39.1% respondents age were 26-33 range, 23.2% respondents age were in 34-41 range, 8.8% respondents age were in 42-49 range and just 1.1% respondents were more than 50years. In that study, the percentage of 26-33 respondents are high.

### 3.2.6.4. Qualification

In below table explain the qualification of respondents.

#### Respondent qualification

**Table 3**

	Frequency	Valid Percent	Cumulative percent
Metric	1	.4	.4
Inter	5	1.8	2.2
Bachelor	80	29.5	31.7
Master	119	43.9	75.6
MS/MPhil	58	21.4	97
PhD	7	2.6	99.6
Post PhD	1	.4	100
Total	271	100	

In the above table represent the respondents qualification, matric qualified in table 3 is .4%, inter qualified was 1.8%, bachelor qualified was 29.5%, master qualified was 43.9%,MS/Mphil qualified was 21.4%, Phd qualified respondent was 2.6% and .4% respondents were post PhD qualified. in table 3 the master qualified percentage is high.



## Work Experience

In below table 4 explain the respondent work experience

**Table 4**

### Experience of Respondents

	Frequency	Valid Percent	Cumulative percent
0-5	162	59.8	59.8
6-10	68	25.1	84.9
11-16	23	8.5	93.4
17-22	12	4.4	97.8
23-28	5	1.8	99.6
29 above	1	.4	100
Total	271	100	

In above table 4 represent the respondent experience of the work , in which high percentage of respondents work experience is 59.8% in range (0-5), in range (6-10) the respondents experience were 25.1%, in category (11-16) the respondents experience were 8.5%, in category (17-22) the respondent experience were 4.4%, in category (23-28) the respondent experience were 1.8% and above 29 the experience of respondent were .4%.

### **3.3. Measurements**

In this study close ended questionnaire was used to measure four variables, on five Likert scale from “Strongly Disagree to Strongly Agree”. 1= strongly disagree, 2=disagree, 3= neutral, 4= agree, 5= strongly agree. These variables were used for divers’ source.

#### **3.3.1. Authentic leadership**

Walumbwa et al., (2008) developed the measurement of authentic leadership, measurement tools consist 16-items scale, include Self-Awareness, Relational Transparency, Internalized Moral Perspective and Balanced Processing. Leroy, Anseel, Gardner and Sels (2012) reported good reliability .95.

#### **3.3.2 Psychological empowerment**

Respondents were filled the 11-items which have further four categories to measure the psychological empowerment developed by Spreitzer (1995).first category is meaning sample question is “the work I do is meaningful ....”. The second category is a competence sample question is “I am confident about my ability....” The third category is self-determination sample question is “Can decide on my own how to.....” And last one is impact sample question is “my impact is large what.....” The reliability was. 889 of this measurement.

#### **3.3.3. Psychological capital**

Psychological capital tool developed by (Luthan, Youssef, & Avolio, 2007). Consist of 24-items in four categories which include hope, optimism, resilience and self-efficacy. Recently used by Wang and Wu (2014) reported good reliability.95

#### **3.3.4. Project a success**

Project success measurement standard tools are not available in publishing literature, and one tool which consists of previous research (Suprpto, Bakker&Mooi 2015; Mir & Pinnington, 2014; Khang & Moe, 2008). Recently used by Aga and Vallejo (2016) and reported good reliability .930. The sample item is ‘The project was completed on time’.

### 3.4. Pilot testing

The table shows the reliability analysis of instruments. First, we collected 50 questionnaires from authentic respondents and 40 questionnaire considered for analysis. Nunnally and Bernstein (1994) explained the standard of cronbach's Alpha is more or equal.70.

**Table 5**

#### 3.4.1. Analysis of reliability

Variables	Items	Cronbach's alpha
Authentic leadership	16	.850
Psychological empowerment	11	.784
Project a success	14	.793
Psychological capital	24	.755

Authentic leadership cronbach's alpha value is .850 in the current study, the cronbach value of psychological empowerment in that study is .784, the project success cronbach's value is in the current study is.793 and psychological capital value of cronbach's is 7.55.

# Chapter 4

## RESULTS

Statistical Package for Social Science (SPSS) was used for one way ANOVA to find out covariates, data normality, reliability, and for validity analysis AMOS was used.

### 4.1. Measurement Model

Confirmatory Factor Analysis (CFA) was used to justify the measurement model (Anderson & Gerbing, 1988) which consisted of four (4) latent variables: authentic leadership, psychological empowerment, psychological capital and project success. The combination of different fit indices:: model chi-square, incremental fit index (IFI), *Tucker-Lewis index* (TLI), comparative fit index (CFI) and root mean square error of approximation (RMSEA), was used to assess the model fit. The measurement model provided an excellent fit to the data over the alternative models ( $\chi^2/df=1.91$ , NFI=0.88; TLI=0.87; CFI=0.88; RMSEA=0.05) Shown table 14. These CFAs results showed that four-factor model had satisfactory discriminant validity. Moreover, all the items loaded significantly on their respective latent factors, with factor loadings ranging from 0.52 to 0.95.

**Table 6**  
**Measurement Model**

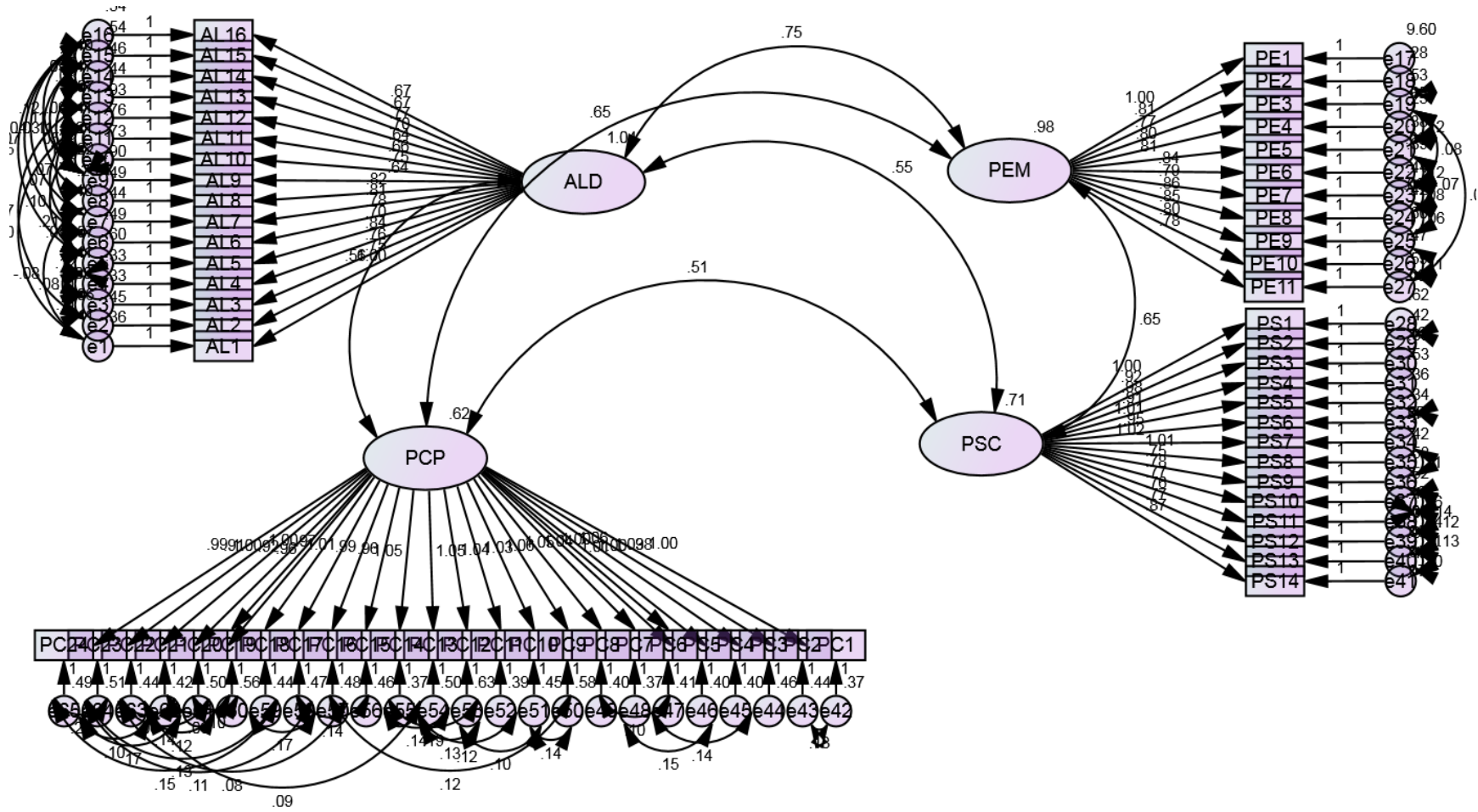
Model	Factors	$\chi^2$	df	RMSEA	IFI	TLI	CFI
Base Line Hypothesized Model	Four Factors	3665.92***	1916	.05	.88	.87	.88
Model 1	Three Factors: AL And PS merged Into one factor	4212.58	1919	.08	.83	.81	.81
Model 2	Three Factors: AL And PE merged Into one factor	4026.10	1919	.08	.84	.82	.86
Model 3	Three Factors: AL And PC merged Into one factor	4185.89	1919	.08	.85	.84	.85
Model 4	Three Factors: PE And PC merged Into one factor	3959.72	1919	.08	.86	.85	.86
Model 5	Three Factors: PE, And PS Merged into one factor	3994.44	1919	.08	.86	.85	.86
Model 6	All items forced to load Into one factor	6238.3	1930	.11	.72	.69	.72

\*  
p

>

0.

# Confirmatory Analysis







## 4.2. Covariates

Barrick, Bradley, Brown and Colbert (2007) found that the size of organization and age performing the project, project team size, PM experience, project duration, educational level and gender have been influence the project success, so these variables were considered to be covariates. Aga, Noorderhaven and Vallejo (2016) also used these variables as covariates. Results in table 7, shows insignificant difference in project success across gender ( $F = .538, P > .05$ ), insignificant difference across age ( $F = .443, P > .05$ ), insignificant difference across education ( $F = 1.823, P > .05$ ), insignificant difference across experience ( $F = .919, P > .05$ ).

**Table 7 One Way ANOVA**

<b>Covariates</b>	<b><i>F Value</i></b>	<b><i>Sig.</i></b>
Gender	.538	>.001
Age	.443	>.001
Education	1.823	>.001
Experience	.919	>.001

### **4.3. Reliability Analysis**

Reliability analysis is the process to measure the scale consistency result of measurement. Nunnally and Bernstein (1994) explain the standard of the Cronbach alpha value, the range of value .70 or more considered good reliable and below .70 considered not a good reliability. Table 8 shows that, Cronbach Coefficient Alpha value of Authentic leader was .949, psychological empowerment was .857, project success was .949 and psychological capital was .972.

**Table 8, Reliability**

<b>Variables</b>	<b>No. of Items</b>	<b><i>Cronbach's alpha (<math>\alpha</math>)</i></b>
Authentic leadership	16	.949
Psychological empowerment	11	.857
Project success	14	.949
Psychological capital	24	.972

## **RESULTS FOR HYPOTHEZED VARIABLES**

#### **4.4. RESULTS FOR HYPOTHEZED VARIABLES**

SPSS was used for descriptive and correlation analysis. Finally, for Path analysis, the structural equation modeling (SEM) was used.

##### **4.4.1. Descriptive Analysis**

The Descriptive technique tells us about the univariate summary statistics for different variables in one table and calculates its standardized values. The descriptive statistic includes basic details like sample size, minimum and maximum values, mean values and standard deviation values of the data. Descriptive statistics of the current data were given in Table 9. First column of the table gives the details of the variables. Second, third, fourth, fifth and sixth columns inform about sample size, minimum value, maximum value, mean and standard deviation respectively.

Table 9 shows that sample size was 271 for all the four variables. All variables (Authentic leadership, Psychological empowerment, Psychological capital and Project success) were rated on a five point Likert scale, such as 1 representing “Strongly Disagree” and 5 representing “Strongly Agree”. Mean values show the essence of responses. This is respondents’ observation regarding a particular variable. The mean values of the authentic leader (AL) were 3.8049 which shows that respondent were agreed that. The mean values of Psychological empowerment (PE) were 3.8282 which indicate that respondents were agreed that they have felt empowered. The mean value of Project success (PS) was 3.7704 which indicate that respondents were agreed that they have success in projects. Finally, the mean value of psychological capital was 3.8078 that represents that respondents were agreed that they have psychologically strong.

**Table 9, Descriptive Statistics**

<b>Variables</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>SD</b>
Authentic leader	271	1	5	3.8049	.80659
Psychological empowerment	271	1	5	3.8282	.89550
Project success	271	1	5	3.7704	.81410
Psychological capital	271	1	5	3.8078	.78718

Table 10 presents the correlations for all theoretical variables. Authentic leader was significantly correlated with Psychological empowerment ( $r=.668$ ,  $p<.01$ ), Psychological capital ( $r=.676$ ,  $p<.01$ ), Project success ( $r=.648$ ,  $p<.01$ ), psychological empowerment significantly correlated with psychological capital ( $r=.754^{**}$ ,  $p<.01$ ), project success ( $r=.711^{**}$ ,  $p<.01$ ). And Psychological capital significantly correlated with project success ( $r=.727^{**}$ ,  $p<.01$ ).

**TABLE 10**  
**Correlations**

	Variables	1	2	3	4
1	Authentic leadership	1			
2	Psychological empowerment	.668**	1		
4	Psychological capital	.676**	.754**	1	
4	Project success	.648**	.711**	.727**	1

Notes: N = 271. Alpha reliabilities are given in parentheses. \*Correlation is significant at the .05 level (two-tailed).

\*\*Correlation is significant at the .01 level (two-tailed).

#### 4.4.2. Tests of Hypotheses

Structural Equation Modeling (SEM) using LISREL 8.80 (Jöreskog & Sörbom, 2006) was used to test the hypotheses, and results shown in table 11 and table 12. Gender, Age, education, and experience were used as demographics but due to insignificant difference found in project success across these demographics, none of the demographic was entered as control variable. Hypothesis 1 states that authentic leadership is positively related to project success. Results confirmed this relationship, as indicated by the regression coefficient ( $\beta = .64, p < .001$ ). Hypothesis 2 states that authentic leadership is positively related to psychological empowerment. Results supported this relationship, as indicated by the regression coefficient ( $\beta = .66, p < .01$ ). Hypothesis 3 states that psychological empowerment is positively related to project success. Results, established this relationship, as indicated by the regression coefficient ( $\beta = .50, p < .01$ ). Hypothesis 4 states that psychological empowerment mediates the relationship between authentic leadership and project success. A 95% BC bootstrap CI of .09 to .54 shows that there was mediation in the model and regression coefficient was significant ( $\beta = .28, p < .01$ ) and a hypothesis 4 is accepted. Hypothesis 5 states that psychological capital moderates the relationship between psychological empowerment and project success. Results rejected this relationship, as indicated by the regression coefficient ( $\beta = -.13, p = .01$ ).



**TABLE 11****Path Coefficients in the Baseline Model**

Structural Path	Path Coefficients
Authentic leadership → Project success	<b>.64***</b>
Authentic leadership → Psychological empowerment	<b>.66**</b>
Psychological Empowerment → Project success	<b>.50**</b>
PExPC → Project Success	<b>-.13</b>

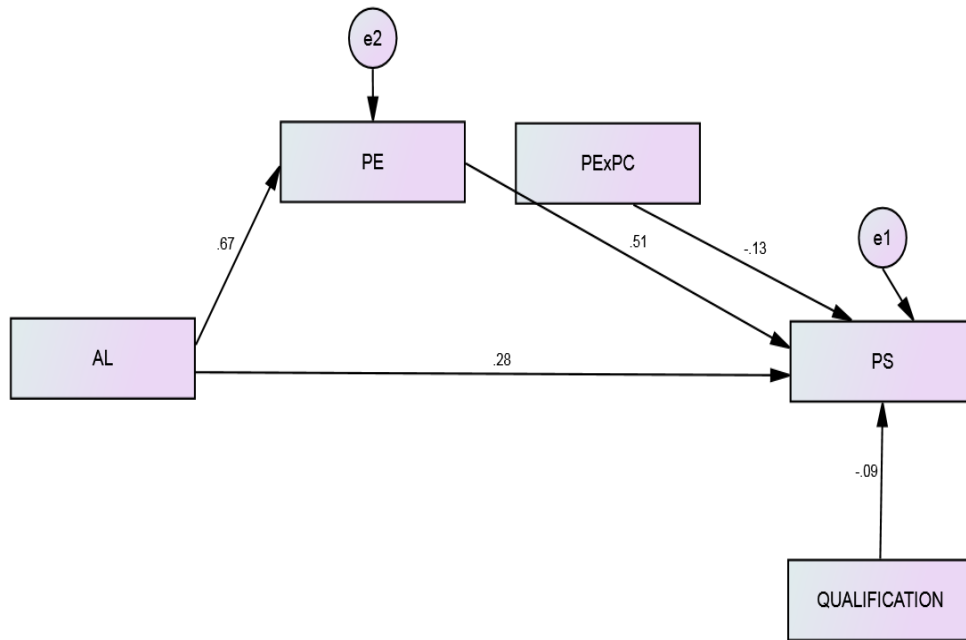
\*p< .05, \*\*p< .01, \*\*\*p< .001, Psychological Empowerment (PE), Psychological Capital (PC)

**TABLE 12**

**Results on the mediating roles of psychological empowerment, between Authentic leadership and Project success**

	Coefficient	BC (95% CI)
Bootstrapping		
Authentic Leadership → Psychological Empowerment → Project Success	.28**	(.09, .54)

Notes BCa means bias corrected, 1,000-bootstrap samples, CI confidence interval

**Path modeling**

#### **4.5. Hypothesis summary**

**H1:** Authentic leadership is positively related to project success (Accepted)

**H2:** Authentic leadership is positively related to psychological empowerment (Accepted)

**H3:** Psychological empowerment is positively related to project success (Accepted)

**H4:** Mediating role of psychological empowerment is positive relationship between authentic leadership and project success (Accepted)

**H5:** Moderating role of psychological capital between psychological empowerment and project success (Rejected)

# Chapter 5

## DISCUSSION

### 5.1. Introduction

In this chapter include hypothesis relationship detail and also their justification of acceptance and rejection, and also discuss the theoretical implication, practical implication, strength and weakness of the study and future directions.

### 5.2. Discussion

The objective of the current study is to find out the impact of authentic leadership on project success, with the mediating role of psychological empowerment and moderating role of psychological capital between psychological empowerment and project success.

The result shows that authentic leadership was positively associated with both project success and psychological empowerment; psychological empowerment partial mediated the relationship between authentic leadership and project success. Furthermore also found that moderating role of the psychological capital insignificant relationship between psychological empowerment and project success.

As the findings show, authentic leader significantly predicts project success. Different studies are in favor of that relationship for example Valsania, Moriano and Molero (2016) authentic leader has a positive significant impact on performance (e.g. Project success). Similarly Bass (2008, p, 11) considered authentic leadership is a factor of the organization failure or success. So the literature support of that hypothesis authentic leadership has a positive and significant

impact on creativity, job performance, work engagement, job satisfaction and innovation (Giallonardo, Wong&Iwasiw, 2010). So directly these all factors contributing in the success of the project. Authentic leader act and behave ethically with subordinate and then subordinate feel satisfied and they do the task well and efficient walumbwa et al., (2011) found that authentic leaders positively associated with job performance.

Avolio et al., (2004) suggest that authentic leaders have quality to facilitate higher levels of relationship with employees and that lead to work engagement of subordinate, and employees also feel satisfied and achieve organization success. Our result confirmed that authentic leadership also playing a key role in the achievement of project success.

Projects in nature very sensitive and they need very attention of leaders or project manager. In work place when authentic leaders behave ethically and increase the motivation level of the employees and also involving in the decision making then employees involving self in complex activities and create chances of project success. Authentic leaders have qualities' to make followers motivated, create structures or conditions that facilitate good two communication, and involving followers in decision making, they also provide coaching to followers and good feedback (Gardner et al., 2005 ). Avolio and Gardner (2005) posited that these authentic leader behaviors lead to follower performance outcomes that are sustainable in the current, unstable work environment.

Walker and Walker (2011) also check the relationship of authentic leader characteristic and project management success, and found the when project manager adapt the authentic leadership capabilities, then they easily successful in the project management because the authentic leaders

characteristic focus on individuality and they think and behave for employee performance and ultimately they increase project success. In our study, we also check the relationship in a project management context and found significant results. Human factors are not in the critical success factors of the project success, but our result and other studies show and suggest that human factors is a key factor for project management success.

The authentic leadership impact on project success is the main contribution in the current literature. The result of that study also provides positive support of the current hypothesis.

Moreover, we also confirmed the relationship of authentic leadership and psychological empowerment and find significant relationship. The cognitive evolution theory also supports this result because Cognitive evolution theory focuses on employees' autonomy, competency.

The leaders have different tools to increase the performance of individuals, the psychological empowerment is also a good tool for boosting the employee performance, and so we check the relationship between the authentic leader and psychological empowerment and find significant results. When leaders give autonomy to the employees then they feel empowered and employees increase levels of trust and also trusting in position (May, Gilson & Harter, 2004). In project context the project manager also needs to adopt the qualities of authentic leaders and become an authentic project manager and then behave for project success and also need to focus on individuals rather than the focus on time, cost and performance. The human factor is also a critical success factor of project success, but in literature ignored that factor, so we need to focus on project management context.

Dust, Resick and Mawritz (2014) found that psychological empowerment is a very vital motivational factor for employees, through this leader can enhance the performance of individuals

and ultimately increase performance of project success. For project success also need the individual level of performance.

Our study confirmed when the project manager adopts the authentic leadership qualities and act like authentic leader they can achieve success in projects because the human factor playing vital role in success of the project base organization

Moreover we also confirmed that psychological empowerment significantly impact on project success. Different studies shown that psychological empowerment increase individual creativity, adaptive performance and higher level of creativity Kirkman and Rosen (1999) found a significant relationship of organizational performance and psychological empowerment. For innovation and new product performance the psychological empowerment application is very important (Ford & Randolph). Psychological empowerment makes the individual feel possess of autonomy, feel less rule bound and enhancing their performance, and all these qualities creative individual creative (Spreitzer, 1995). Erturk (2010) demonstrated that psychological empowerment have strong and significant relationship with innovation. Similarly Lawler (1990) also demonstrated that empowerment lead higher level of productivity, performance and innovation (i.e. Project success).

Project manager facing issues during project implementations the psychological empowerment can minimize these issues because of individual confidence and mutual trust Brunetto and Farr-



Wharton (2007) also suggested that important outcomes of psychological empowerment, such as mutual trust and increased collaboration are important factors for innovation in organizations. Moreover Spreitzer et al., (1997) suggest that employees with high level of empowerment become more proactive and influencing work environment.

Moreover, the result also shows evidence about the intervening of psychological empowerment between authentic leadership and project success. The relationship of authentic leadership and project success were positive, but also psychological empowerment partial mediates between authentic leadership and project success. As Humborstad and Kuvaas (2013) found that when employees empowered they feel intrinsically motivated and doing tasks well. Klerk and Stander (2014) also used psychological empowerment as mediating between leadership, empowerment behavior and turnover intention and found a positive relationship.

When leader empowers the team member or employees in the organization, then the employees show a high level of performance. The different study shows that psychological empowerment increase higher level of team creativity. Adaptive performance and that all need for project success. Like That high level of empowerment increase high level of performance (i.e. Project success) (Daily, Bishop & Massoud, 2012). Project success can be achieved through creative performance for creative performance have different strategies and one strategy is psychological

empowerment which proved by different researchers like Hon and Chan (2013) found that Empowerment increase team creative efficacy and higher levels of team creativity. As Humborstad and Kuvaas (2013) found that when employees feel empowered then they intrinsically motivated and doing task well.

Lashinger et al., (2012) checked the impact of authentic leadership on burnout with the mediating role of psychological empowerment and found that empowerment increase directly and indirectly job satisfaction and also confirmed the authentic leadership boost organization performance through empowerment.

The project team faces many problems during the implementation of the project or for effectively and efficiently the psychological empowerment play important role because when leaders give autonomy to employees and subordinate feel empowered than they do task effectively and efficiently and performing tasks well. The creativity and adaptive performance of employees also increase by psychological empowerment, Hemple, Zhang & han (2012) confirmed that psychological empowerment boosts employees performance. Similarly, different researchers also confirmed that psychologically empowered subordinate more loyal, more engage (de Villiers & stander, 2011; bahatnager, 2012). The result of that study supports the finding of Gerogary, Albritton and Osmonbekov, (2010) suggest that employees experiencing psychological empowerment, feel that their contributions are meaningful and that they possess the ability to shape their work environment.

The last hypothesis the moderating role of psychological capital between psychological empowerment and project success the literature shown positive relationship, the study objective was found the positive relationship but result not support the relationship and reject the

hypothesis. The moderating effect was not supported by the results. The basic rationale for this moderation was the employees who are high on psychological capital; they show more project success through psychological empowerment. The reason of this rejection is that employees' psychological capital, in the presence of psychological empowerment, may not play much role in the project success. Therefore, results did not provide support for the moderating effect of psychological capital between psychological empowerment and project success.

### **5.3. Theoretical implication**

The current study has many contributions to the project management domain of psychological empowerment and performance, first we conceptualized, the authentic leadership effect on project success and psychological empowerment the current finding of the research fill the literature gap and confirmed the effect of authentic leadership on project success and psychological empowerment. Second, we test the effect of psychological empowerment on project success that relationship was missing in the literature the finding of the current study confirmed the relationship. Third, we tested the relationship, the mediating role of psychological empowerment between authentic leadership and project success that relationship was missing in the literature, the finding of the current research confirmed the result. And finally we also tested the moderating role of psychological capital between psychological empowerment and project success and the finding of the research confirmed that in the context of Pakistan psychological capital not moderating and relationship was rejected.

#### **5.4. Practical implication**

The current study has several managerial implications first the current study demonstrate that authentic leader enhance project success, therefore this study suggests that managers working in project base organizations should in calculate the authentic leader's style and then. Authentic leader stress values, alignment with employee's values, therefore employees feel more support which in gender the successful implantation of project activities, consequently the organization able to achieve the desired objective of a particular project.

Second, the current study suggests that managers in the project base organization should understand the ways through which employees are convinced to successfully contribute to the overall project performance. Managers can do this, by delegating power and authority to employees, create meanings for employees at work provide access to employees, therefore employees can identify the impact of their efforts on the ultimate result. The final way through which managers empower employees is the training through which managers can enhance the core competency of employees to efficiently and successfully perform the given role.

### **5.5. Strengths, limitations, and future directions**

The current study has a strong methodological approach. First, in order to reduce the potential effects of common methods and single source bias, we collected data related to authentic leadership, psychological empowerment, project success and psychological capital from Project manager and employees of the based organizations.

There are some limitations, which future researchers should be aware of; first, we tasted the authentic leadership future researchers can check the others trait of leadership like inclusive leadership, ethical leadership, servant leadership, and also taste the local leadership impact on project success.

Due to time constraint just one mediator and one moderator tested future research can improve the model and also check the other mediator like job involvement, work engagement, and for moderator test the individual personality trait. Second, the data were cross-sectional the researcher can used time lag. Third the data only collected from the Pakistan and limited city the research can improve the data collection method and collect data from different country.

## **6. Conclusion**

The aim of the study to find out the impact of the authentic leadership on project success with mediating role psychological empowerment and moderating role psychological capital, for this relationship we used to supporting theory, one is cognitive evolution theory and second is broaden and build theory, for objectivity we distribute 600 questionnaires and collected 286 and considered 271 questionnaires for analysis, the result of the study H1, H2 H3 and H4 is accepted and H5 moderating role of psychological capital between psychological empowerment and project success is rejected. We discuss all justification of the hypothesis acceptance and rejection and also discuss the practical and theoretical implications of the study.

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## 8. Appendix

### 8.1 Questionnaire

Dear Respondent,

My name is Jabran khan. As a MS research scholar at capital University Science and Technology, Islamabad, I am collecting data for my research thesis. Title: Authentic leadership, psychological Empowerment and Project Success: Mediated mechanism and an Interacting Effect. It will take your 10-15 minutes to answer the questions and to providing the valuable information. I assure you that data will be strictly kept confidential and will only be used for academic purposes.

Thanks a lot for your help and support!

Sincerely,  
 Jabran khan  
 MS (PM) Research Scholar  
 Faculty of Management and Social Sciences  
 Capital University Science and Technology, Islamabad

#### Section: 1

<b>Gender</b>	<b>1</b>	<b>2</b>
	Male	Female

<b>Age</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	18 - 25	26 - 33	34 - 41	42 - 49	50 and above

<b>Qualification</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
	Metric	Inter	Bachelor	Master	MS/ M.Phil.	PhD	Post PhD

<b>Experience</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
	0-5	6-10	11-16	17-22	23-28	29 and above

**Section 2: Authentic leader 1= Strongly Disagree 2= Disagree 3= Neither Agree/nor Disagree 4= Agree 5= Strongly Agree**

1	I am aware of why I do the things I do.	1	2	3	4	5
2	I am aware what demotivates me.	1	2	3	4	5
3	I am aware of what drives or motivates me.	1	2	3	4	5
4	I am aware of what I truly find important.	1	2	3	4	5
5	I'd rather not be confronted with my personal limitations and shortcomings.	1	2	3	4	5
6	When someone criticizes me, I try not to vest too much attention to it.	1	2	3	4	5
7	I'd rather not have my personal weaknesses exposed.	1	2	3	4	5
8	I try to block out unpleasant feelings about myself.	1	2	3	4	5
9	I often pretend to like something when I really do not.	1	2	3	4	5
10	Even when I disagree with someone, I will often silently agree.	1	2	3	4	5
11	I often behave in a way that does not reflect my true feelings or thoughts	1	2	3	4	5
12	I often pretend to be someone I am not.	1	2	3	4	5
13	I stay true to my personal values.	1	2	3	4	5
14	I act in accordance with what I believe in.	1	2	3	4	5
15	People can count on me to behave in the same way over situations.	1	2	3	4	5
16	I act according to personal values, even if others criticize me for it.	1	2	3	4	5

**Section 3: Psychological empowerment 1= Strongly Disagree 2= Disagree 3= neither Agree/nor Disagree 4= Agree 5= Strongly Agree**

1	The work I do is very important for me	1	2	3	4	5
2	I am self-assured about my capabilities to perform my work activities	1	2	3	4	5
3	The work I do is meaningful to me	1	2	3	4	5
4	I am confident about my ability to do my job	1	2	3	4	5
5	My job activities are personally meaningful to me	1	2	3	4	5
6	I have mastered the skills necessary for me job	1	2	3	4	5
7	Can decide on my own how to go about doing my work	1	2	3	4	5
8	I have considerable opportunity for independence and freedom in how I do my job	1	2	3	4	5
9	My impact on what happens in my department is large	1	2	3	4	5
10	I have a great deal of control over what happens in my department	1	2	3	4	5
11	have significant influences over what happens in my department	1	2	3	4	5

**Section 4: Project success 1= Strongly Disagree 2= Disagree 3= neither Agree/nor Disagree 4= Agree 5= Strongly Agree**

1	The project was completed on time.	1	2	3	4	5
2	The project was completed according to the budget allocated.	1	2	3	4	5
3	The outcomes of the project are used by its intended end users.	1	2	3	4	5
4	The outcomes of the project are likely to be sustained.	1	2	3	4	5
5	The outcomes of the project have directly benefited the intended end users, either through increasing efficiency or effectiveness.	1	2	3	4	5
6	Given the problem for which it was developed, the project seems to do the	1	2	3	4	5

	best job of solving that problem.					
7	I was satisfied with the process by which the project was implemented.	1	2	3	4	5
8	Project team members were satisfied with the process by which the project was implemented	1	2	3	4	5
9	The project had no or minimal start-up problems because it was readily accepted by its end users.	1	2	3	4	5
10	The project has directly led to improved performance for the end users/target beneficiaries.	1	2	3	4	5
11	The project has made a visible positive impact on the target beneficiaries	1	2	3	4	
12	Project specifications were met by the time of handover to the target beneficiaries	1	2	3	4	5
13	The target beneficiaries were satisfied with the outcomes of the project.	1	2	3	4	5
14	Our principal donors were satisfied with the outcomes of the project implementation	1	2	3	4	5

**Section 5: Psychological capital 1= Strongly Disagree 2= Disagree 3= neither Agree/nor Disagree 4= Agree 5= Strongly Agree**

1	I feel confident in analyzing long term problem to find solution	1	2	3	4	5
2	I feel confident contacting people outside the company (e.g. supplier, customer) to discuss problems.	1	2	3	4	5
3	Although supervisor assigns me an extra job which I have never done it, I still believe in my ability that I can do it.	1	2	3	4	5
4	I am confident in my performance that I can work under pressure and challenging circumstance	1	2	3	4	5
5	I feel confident that I can accomplish my work goals.	1	2	3	4	5
6	If organizations transform new working system which is difficult to understand, I am still confident that I can learn new things from this system.	1	2	3	4	5
7	I am optimism about what will happen to me In the future as it pertains to work.	1	2	3	4	5
8	At work , I always find that every problems has a solvation	1	2	3	4	5
9	I believe that all the problems occurring at work always have a bright side.	1	2	3	4	5
10	If I have to face with bad situations, I believe that everything will change to be better	1	2	3	4	5
11	I believe that success in the current work will occur in the future.	1	2	3	4	5
12	I always stuck with problem and found that the problem cannot do anything.	1	2	3	4	5
13	At present time, I am energetically pursuing my work goal	1	2	3	4	5
14	I have the several ways to accomplish the work goal	1	2	3	4	5
15	When I found that my performance appraisal is less than the expected goal, I am trying to find ways to improve, and then start to do better.	1	2	3	4	5
16	Now, I feel that I am energetic to accomplish the work goal.	1	2	3	4	5
17	When I set goals and plan to work, I will concentrate to achieve goal	1	2	3	4	5
18	I work as the goal set by the belief that “where there is a will there is way”.	1	2	3	4	5
19	I usually managed difficulties one way or another at work	1	2	3	4	5
20	I usually take stressful things at work in stride.	1	2	3	4	5
21	Although my work is failed , I will try to make success again	1	2	3	4	5
22	Although too much responsibility at work makes me feel awkward, I can go through to work successfully.	1	2	3	4	5
23	I am undiscouraged and ready to face with difficulties at work.	1	2	3	4	5
24	When I faced disappointment at work ‘ I fell but I could quickly	1	2	3	4	5

