The Impact of Authentic Leadership Behaviour on Employee Level Outcomes: The Role of Psychological Empowerment and Structural Distance

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Abstract: This research study is aimed at the development of a theoretical framework that maintains that psychological empowerment mediates the relationship between authentic leadership behaviour and employee job level outcomes i.e. organizational commitment, organization citizenship behaviour and employee work engagement . In addition, as grounded in "Social Identity" and Leader-Member Exchange theory, this study bridges the research gap by examining the moderating role of structural distance between authentic leadership behaviour and psychological empowerment. The findings of this study will be extremely helpful for the HR managers/practitioners to exploit the true potential of their employees and to produce synergetic work results.

Keywords: Authentic Leadership Behaviour, Psychological Empowerment, Structural Distance, Employee Work Engagement, Organizational Commitment, Organizational Citizenship Behaviour.

Introduction

We are living in such an epoch where corruption in corporate sector accompanied by scandals of CEOS' is common (Crawford, 2005; Henriques, 2009), stakeholders associated with different organizations have started to classify success in wider terms than objective financial indicators. Societies now stress that leaders in organizations should not only generate profit, in addition they must uphold strong values like high integrity levels, far above the ground ethics, and high spirit of justice even as they remain busy in their day to day affairs (Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008).

Authenticity when referenced and discussed in organizational and managerial literature identifies the authenticity of a leader in terms of administrative and managerial qualities of a leader (Kliuchnikov, 2011). According to (Luthans & Avolio 2009; Walumbwa, Wang, Schaubroeck, & Avolio 2010) due to a renewed interest on positive leadership the academic focus is now firmly moving towards the development of authentic leadership as a research construct. Consistent with findings of (Luthans, May, & Walumbwa, 2005; Avolio & Gardner 2005) Authentic leadership encompasses (a) *Leader's guidance in the direction of organizational goals* (b) *Leader's emphasis on follower development and the most important aspect concerning* (c) *Leader's transparency, openness and trust;* presence of such behavior in a leaders ensures that leaders influence their followers (Steidlmeier & Bass, 1999; Fields, 2007, Riggio, Zhu, Avolio & Sosik, 2011) and such behavior of leaders helps generally in the development of their followers (Steidlmeier & Bass 1999; Walumbwa et al, 2010, Gardner et al, 2005).

As today most of the research work done on authentic leadership is conceptual in nature which only provides theoretical description of the concept and its relationship with others variables therefore it is about time that the topic should be explored quantitatively (Walumbwa et al., 2008, Walumbwa et al., 2010, Northouse 2010, Avolio & Gardner 2005) Literature calls for more quantitative research on authentic leadership because there exists a lack of empirical research on the topic. Cogliser, Dickens, Gardnerand & Davis (2011) also explained about the significance of studying authentic leader-member relationships.

Therefore, this study in addition with the existing studied employee outcomes like (OCB) i.e. organizational citizenship behavior and (OC) i.e. organizational commitment is aimed to study the impact of authentic leadership on employee's psychological empowerment and on employee job outcomes furthermore the effect of structural distance on authentic leadership and psychological empowerment of the employees' relationship.

Literature suggests that quality of leader and member relationship effects the on job experiences of the subordinates (Gobdel. & Vecchio, 1984). Empirical research pertaining to leader-member relationship led contemporary researchers to arrive at a conclusion that this relationship is one of the most important predictor of organizational outcomes (Wayne Liden, Sparrowe 1997 & Matkin, 2005).Therefore the more the leader and member are organizationally close to each other there is a strong likelihood that as a result employees will feel empowered and consequently their organizational commitment engagement and involvement in extra role behavior will increase. Persistent with the findings of Wetzel (1997) that when leaders treat their followers without any contrast in their sayings and doing it ultimately increases the employee perception of being treated fairly which consequently will enhance employee commitment and attitudes towards their organizations causing employees to get engaged in extra role behaviors like organizational citizenship behavior (OCB).

According to the findings of Walumbwa et al. (2010) The association between AL and OCB hypothesized that authentic leaders due to their leadership qualities like transparency, far above ground moral role modeling and their impartial decision making create and foster organizational settings that create a sense of extra role behaviors in the followers of authentic leadership. Moreover the presence of leadership quality like exhibiting interpersonal intelligibility in authentic leaders is the pivotal factor that helps the followers to enhance and enlarge their thinking patterns and helps authentic leaders in developing a balanced organizational setting (Walumbwa et al., 2010, Ilies et al., 2005; Avolio & Gardner, 2005), A balanced organizational context is without a doubt a work environment that provides follower a preferred environment trust, cooperation and support which is essential for the commitment of an organizational employee or follower of authentic leadership working in an organization (Dale & Fox, 2008).

Employee Engagement as described by Schneider and Macy (2008) is a combination of employee commitment attachment and involvement with the job and organization. Walumbwa et al (2010) in their research piece found out that authentic leadership is a strong predictor of employee work engagement. Employee Work Engagement as construct explained here means the enthusiasm, commitment satisfaction and involvement of the employee for his/her job.

Literature Review

This study investigates how psychological empowerment mediates the relationship of authentic leadership and organizational outcomes like Employee Work Engagement, Organizational Citizenship Behavior and Organizational. Commitment. In additional as grounded in Tajfel and Turner's (1986) "Social Identity theory" Leader-Member Exchange theory and relational leadership model the study also investigates the role of structural distance between the leader and the follower, consequently this study investigates the impact of structural distance as a

moderator between authentic leadership behavior and the psychological empowerment level of the employees in addition direct impact of authentic leadership on organizational outcomes.

Authentic leadership is comparatively a new framework stemming from the leadership construct, ethics, optimistic psychology and work outcomes. Walumbwa et al. (2008) recently defined. Authentic. leadership 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 and internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development" (p. 94). Avolio. et. al. (2008) offered a more succinct definition as "a pattern of transparent and ethical leader behavior that encourages openness in sharing information needed to make decisions while accepting followers' inputs" (p. 423). George. (2003) described authentic leadership as "those who are high in integrity and purpose, have unwavering core values, and show a strong commitment to all stakeholders".

Several research studies have revealed that leadership behavior is associated positively with employee work outcomes e.g. OCB. (Podsakoff et al., 2000). The same findings stand appropriate and valid for authentic leadership as well because these leaders due to their principled stance and ethical behavior leaves a positive effect on the minds of the followers which generates higher level of job satisfaction, commitment levels, trust in management and availability to perform extra role behaviors i.e. OCB (Avolio & Luthans2003;Avolio et al., 2004; Gardner& Avolio, 2005). In organizations authentic leaders deal with their followers with balanced processing, transparently and with self-awareness which increases the understanding of their followers about them and their social identification with the group in which they perform which consequently increases involvement, satisfaction and commitment of the followers to the leader, group and organization eventually (Avolio et al., 2004; Gardner et al., 2005; Ilies et al., 2005).

As a result positive consequences are generated on the work outcomes of employees i.e. Employee Work Engagement and OCBs (Wong & Cummings, 2009; LePine & Colquitt, Scott, 2007).numerous studies have been conducted on OCB in the past with the prime objective to identify that what are the factors that contribute towards (OCB) in all these studies different factors were identified e.g. individual differences, task characteristics, organizational environment and most importantly leader's behaviour (Bachrach, Paine,MacKenzie & Podsakoff 2000). Organ et al. (2006) reviewed a number of empirical studies and noted that there exists a positive relationship between leader behaviours and OCB. The foundation of this association is that what so ever is emphasized by the leader through his behaviour is endorsed by the followers as an outcome (Niles-Jolly, Schneider, Saltz, Mayer & Ehrhart 2005).

Therefore we can safely assume that where there exists a considerate, open and fair relationship between leader and follower it will promote more extra role behaviours in followers and this forms the basis of our hypothesis1 which is as under:

Hypothesis 1: Authentic leadership is positively related to organizational citizenship behaviour.

Perryer and Jordan (2005) found that although there exists few researches on the subject of leadership yet not much work is available which reports particularly about the relationship between authentic leadership and employee job commitment. Since the followers of authentic leaders are emotionally attached with the leaders and they exhibit the values, beliefs and convictions of their leaders so it is likely that authentic leaders will affect the emotional attachment of their followers and followers will be emotionally i.e. affectively attached with the organization (Shamir & Eliam 2005, Gardner et al., 2005; Meyer & Allen, 1991).Watson & Papamarcos (2002) found that authentic leaders due to their open and transparent style of dealing with their followers generate trust and faith in the minds of the followers which has

been the main cause that reduces turnover and increases the commitment levels of the employees Papamarcos &Watson, 2002; Jordan & Perryer 2005; Guptill & Bernadi 2008).

Hypothesis 2: Authentic leadership is positively related to organizational commitment**.** One of the most important factor that contributes towards employee work engagement is leadership (Harter et al., 2002). Authentic leaders always interact with their followers with openness, honesty and truthfulness such leaders always lead from front and behave transparently (Kernis, 2003 Gardner et al., 2005, Avolio & Gardner, 2005). According to Brown et al. (2005) leaders because of their credibility and openness become role models and they do not only show path to their followers for the accomplishment of goals rather they assist them as well in the process of achieving organizational goals which becomes the driving force that increases the employee work engagement (Bandura, 1977).

It has been observed by Kernis and Goldman (2005) that authenticity is the prime predictor of work engagement and goal achievement. In a self-administered qualitative study Kahn (1990) observed that in an organizational setting where employees feel themselves owned, supported, psychologically protected and free to participate in organizational affairs without any negative reinforcement are found to be more involved and engaged in the jobs. All these finding overlap with the traits and behaviors of authentic leaders (George, 2003 Luthans & Avolio 2003, Gardner et. al., 2005;Sparrowe, 2005; Ilies et al., 2005,Avolio & Gardner, 2005). Following hypothesis is proposed keeping in view the aforementioned discussion.

Hypothesis 3: Authentic leadership is positively related to work engagement.

Since managers deal with their employee through controlling strategies on the contrary leaders show path ways to their followers provide them guidance and assistance through empowerment to accomplish the organizational goals effectively and efficiently. Empowerment is an essential trait of authentic leadership (George 2003; Ilies et al., 2005). Empowerment as stated above is construct which features four essential elements i.e. meaning, competence, self-determination and impact. Authentic leaders always strive to involve their followers in the decision making process they also work hard to create meaningfulness in the tasks of their followers which gives the followers with the required amount of confidence (Ilies et al., 2005). Consequently, when leader involve their followers in the decision making process and share with them all the required information that then contributes to be source that fosters meaningfulness, competence, impact and self-determination in the minds of the followers (Conger & Kanungo, 1988; Thomas & Velthouse, 1990).As a consequence of which followers most often feel themselves empower working with leaders who are true and authentic in nature with the above in view proposed here is the fourth hypothesis of the study:

Hypothesis 4: Authentic leadership is positively related to employee psychological empowerment.

Most of the research work done on authentic leadership has unveiled that authentic leaders due to their fair, open and transparent relationship with the followers yields them with the followers who feel more empowered psychologically due to this considerate relationship of leader and followers their sense of owner ship of the followers is noted to be high also in the all the tasks which are assigned to them (Ilies et al., 2005 ; Walumbwa et al., 2010). Empowerment as stated above is construct which features four essential elements i.e. "meaning, competence, self-determination and impact". Meaningfulness is experienced by an employee when he feels that he is been assigned with a greater responsibility. Self-efficacy of a person/employee reflects his competence. Self-determination is experienced by an employee when he feels liberty and autonomy to perform the tasks he is assigned with (Fulford & Enz, 1995). These four elements are effectively fulfilled by authentic leaders through their positive behavior and modelling with the followers authentic leaders also help their followers in discovering their true self and hidden talents and developing their skills in to their strong points which gives them self-determination, competence and autonomy (Gardner et al., 2005). Empowerment reflects self-determination

and autonomy (Sprietzer, 1995; Walumbwa et al., 2010b). Since authentic leaders help their followers in finding their hidden skills and opportunities which generates self-determination, such behavior of the leaders as a result generates commitment and work engagement in the employees (Ilies et al., 2005). Gardner et al. (2005) also highlighted in their study that authentic since authentic leaders help their followers in finding their true talents and then developing such talents in to strengths that creates a fit and congruence between the skills of the followers and the goals of the organization which consequently helps to produce effective organizational performance and employee psychological empowerment.

Managers who support involvement of employees in the decision making process and who readily share all the necessary information with their subordinates it helps them eventually to creates an atmosphere where they experience high quality leader member exchange Walumbwa et al. (2010).

Since authentic leaders always support and embolden their followers to always do something new for which they always assist and motivate them and for this purpose they always work to have a relationship of high quality with their followers based upon the standpoint of social exchange as compare to economic exchange (Walumbwa et al. 2008; Ilies et al., 2005). Social exchange view point posits that the followers will go an extra mile and put extra effort to meet the requirements of the job and as a consequence of that high quality exchange that they experience with their leaders. Similarly followers who are empowered are more likely to be engaged in OCB because they then they take it as their responsibility to help others. Similarly authentic leadership is also reported to be the predictor of OCB (Walumbwa et al., 2008; Walumbwa et al., 2010; Gardner et al., 2011).

Since authentic leaders always treat their employees equally and with openness as a result the followers feel close to their leaders; trust of authentic leaders in their followers is also a factor that causes empowerment in their followers (Walumbwa et al., 2008). In addition when the followers are treated transparently it also fosters empowerment in them because when the leaders are themselves transparent and unbiased only then the followers will have strong faith and belief in them. As a result of aforesaid discussion authentic leadership is strongly associated with the employees' work engagement.

Followers of the managers who are involved in the decision making information and with whom all the necessary information is shared have reported higher level of satisfaction and psychological empowerment which is a key trait of authentic leaders and since authentic leaders always provide their followers constructive feedback which causes a great amount of empowerment in their followers Spreitzer (1996). In the light of aforementioned discussion is a expected that authentic leadership is correlated strongly with followers' empowerment and in the literature there are numerous evidences which have shown that empowerment causes commitment, satisfaction, involvement in the followers which increases their work output through increased productivity as a result of enhanced individual and team level performance (Kizilos, & Nason,Seibert, Silver, & Randolph, 2004; Chen, Kirkman, Kanfer,Spreitzer1997, Allen, & Rosen, 2007).

When employees in the organization feel empowered they tend to perform extra-role duties in line with the in-role duties (Tangirala, Oakley, Ballinger&, Alge 2006). Similarly when employees are empowered and they experience high quality relationship with their leaders they are more likely to perform extra roles i.e. OCB Wat & Shaffer (2005) because when the employees are empowered they experience more autonomy and impact in their job responsibilities which keep them motivated and which in turns causes them to be more engaged in their job duties (Spreitzer, 1996).

Social cognitive theory also supports the aforesaid discussion it says that employees when feel proficiency in their job duties and when they are encouraged they always tend to produce

synergetic results and which produces higher level of work engagement in such employees Bandura (1977). Similarly relational identification is a construct that helps to explain relationship between OCB, work engagement and authentic leadership because it the relational identification that helps to create a sense of autonomy and ownership in the followers consequently in this study empowerment is studied as a mediator between authentic leadership on left side and employee behavioral outcomes i.e. (OCB, OC and employee work engagement) on the right side

Consequently in the light of aforementioned literature it is stated that authentic leadership produces organization commitment, work engagement and OCB and this relationship is completely accounted for when there exists relational identification and empowerment between this authentic leaders and their followers. Resultantly following hypothesis are proposed

Hypothesis 5: Psychological Empowerment mediates between authentic leadership and organizational citizenship behaviour.

Hypothesis 6: Psychological Empowerment mediates between authentic leadership and work engagement.

Hypothesis 7: Psychological Empowerment mediates the relationship between authentic leadership and organizational commitment.

The basis of structural distance is the leader-follower physical distance, organizational structure which incorporates the hierarchies, management jurisdictions and the supervision structure i.e. Frequency of leader-member interactions (Antonakis & Atwater, 2002). In this study we studied one of the most important facets of structural distance i.e. Organizational Structure which is the hierarchical distance between leader and their followers within the ambit of their respective job responsibilities. In the past numerous studies have explored the nature of leader-member relationships and the effect of quality of their mutual relationships on the motivation level of their followers, and their satisfaction and job performance (Eden, Dvir, Avolio, & Shamir, 2002 ; Yammarino &Waldman, 1999, Yammarino, 1994).

Meanwhile the proximity between leader and member relationship that is how far and close they are to each other in reality in the organizations is not studied and has not received reasonable research attention. As noted by Atwater and Antonakis (2002) that distance between the leader and followers is a decisive factor that explains the quality of relationship between them and it also helps to predict how leaders are being perceived by their followers. According to Shamir (1995) charismatic leaders leave profound effects on their followers whether or not they are close to their followers both physically and organizationally i.e. Structural Distance

According to Hall and Howell (1999) followers who are close to their leaders reported great amount of trust in their leaders, similarly where the proximity is between leader and follower is high it always produced considerate relationships. In addition those followers have more opportunity to learn from their leaders who work closely to them and usually such followers become confidants of their leaders and produce synergetic results and always produce great results whenever they are assigned with new tasks and responsibilities as compare to leader who work at a distance from their followers.

In consistent with the above facts and figures Shamir and Dvir (2003) found that the impact of leaders on their followers who are close and at distance respectively is different. Leaders who work close to their followers are more considerate to them, they show support to the ideas of the followers and they are very much concerned and sensitive to the needs of the followers and they always strive to work for the betterment and development of the followers Shamir (1995). Due to the fact that proximity between followers and leaders depicts the leader-followers relationship, since close leaders have greater influence over their followers while distant leaders have weak relationships with their followers and their influence over followers is also low Bliese & Chen 2002, Liden Wayne & Sparrowe, 1997). Based upon above theory, the

relationship of authentic leadership and psychological empowerment is viewed to be moderated by structural distance and in especially in eastern context i.e. Pakistan.

Hypothesis 8: The relationship between authentic leadership and psychological empowerment is moderated by structural distance in a way that authentic leaders will have a stronger relationship with psychological empowerment where leaders are structurally close their followers as compare to those who are at a distance structurally.
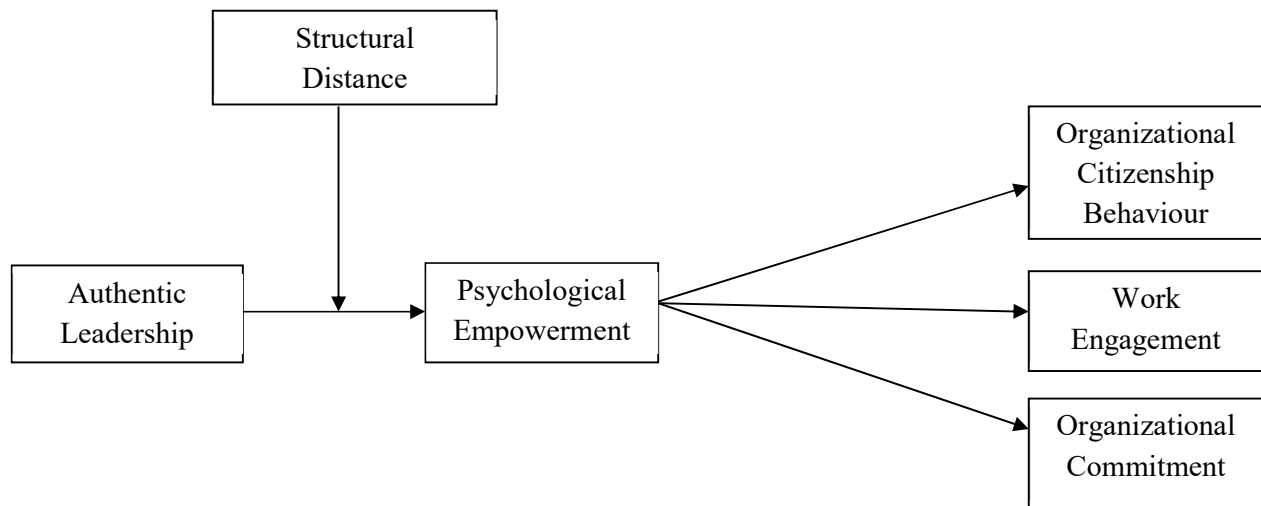
THEORETICAL FRAMEWORK

Figure 1: Impact of authentic leadership behaviour on employee level outcomes: The mediating and moderating roles of psychological empowerment and structural distance.

Research methodology

Sample and population: The current study is explanatory in nature. The responses of the respondents are gathered via survey questionnaire. The employees working in Telecom Sector across twin cities i.e. Rawalpindi/Islamabad, Pakistan constitute the population of the current study. Out of 400 distributed questionnaire 238 questionnaires were received initially which represents a 60% response rate. Out of all 238 respondents 154 were male and 84 were females, respondents were from different age groups i.e. from 20-30, 31-40 and 41 and above. Working experience of the study respondents was also different i.e. (5, 10, 15, 20 years and above). Respondents were categorized in three different groups based upon their qualification i.e. Intermediate, Bachelor's, Masters or Higher Degree. Respondents were also asked about their pay scales which are reported in the tables given below. Out of 238 respondents 68 were from Ufone, 51 were from Zong, 57 were from Mobilink, 36 were from Telenor and 26 were from Warid.

Measures: The scales were adapted from the recent studies. One of the main reasons why these scales from the recent studies are used is that they have proven reliability because they have been used extensively in the past the scales that were adopted for each variable used in this study are:

Authentic Leadership: The 6 item scale of Authentic leadership is adapted from Bruce J. Avolio, William L. Gardner, & Fred O. Walumbwa (2007). Subordinates reported about their

respective heads/supervisors. Reliability of this scale in the previous research was reported at (α = 0.74); using 5point likert scale.The sample item from the scale is "My leader says exactly what he or she means"

Structural Distance: The 7-item LMX scale developed by Klauss, R., & Bass, B. M. (1982) is adapted to measure the structural distance between a supervisor and his/her direct subordinate. Reliability of this scale in the previous research was reported at (α = 0.89); the sample item from the scale is "My supervisor believes in working together to achieve both organizational and personal goals".

Organizational Commitment: To measure the employees' commitment level on a 5 point likert scale, the renowned Allen and Mayer (1990) instrument was used. Reliability of this scale in the previous research was reported at (α = 0.88); an example of item from the scale is: "I would be very happy to spend the rest of my career with this organization".

Organizational Citizenship Behaviour (OCB): The 24-item exchange ideology scale of OCB is adapted from Podsakoffetal, (1990) to measure organizational citizenship behaviour. Reliability of this scale in the previous research was reported at (α = 0.79); an example of items from the scale is: "I am always ready to lend a helping hand to those around me".

Work Engagement: The 9-item scale of Schaufeli & Bakker (2003) was adapted to measure work engagement. Reliability of this scale in the previous research was reported at (α = 0.82) on a five point likert scale an example of items from the scale is: "When I am working, I forget everything else around me".

Psychological Empowerment: A 12-item scale of Spreitzer (1995) was adapted to measure psychological empowerment during the study. Reliability of this scale in the previous research was reported at (α = 0.89); an example of items from the scale is: "I can decide on my own how to go about doing my work ".

Table 1: Correlations and reliabilities (In Parentheses) matrix of study variables.

Variables	Mean	S.D	1	2	3	4	5	6
AL	3.2010	.79636	(0.74)					
PE	3.2024	.75408	0.520**	(0.89)				
WE	3.3151	.68191	0.543**	0.473**	(0.82)			
OC	3.1885	.75226	0.577**	0.572**	0.466**	(0.88)		
OCB	2.9478	.68551	0.440**	0.524**	0.309**	0.530**	(0.79)	
SD	3.3704	.71150	0.582**	0.269**	0.446**	0.484**	0.266**	(0.89)

**Correlation is significant at the 0.01 level (2-tailed).

Table 1 is representing the mean standard deviation, Cronbach's alpha and inter-correlations values of this study. Authentic leadership is positively correlated with the psychological empowerment (r=0.520, p<0.01), work engagement (r=0.543, p<0.01), organizational commitment (r=0.577, p<0.01), OCB (r=0.440, p<0.01) and structural distance (r=0.582, p<0.01). Psychological Empowerment had positive significant correlation with structural distance (r=0.269, p<0.01) and has a positive correlation with work engagement (r=0.473, p<0.01), organizational commitment (r=0.572, p<0.01), organizational citizenship behaviour (r=0.524, p<0.01). Structural distance was also found positively correlated with all the outcome variables of the study i.e. work engagement, organizational commitment and organizational citizenship behaviour i.e. (0.446, 0.484 and 0.266 respectively).

Table 2: Psychological Empowerment as mediator between Authentic Leadership and Work Engagement

Mediation Analysis Effect	Effect Size	S.E	LLCI	ULCI
Total Effect	.4650	.0468	.3728	.5572
Direct Effect	.3484	.0529	.2441	.4526
Indirect Effect	.1166	.0357	.0610	.1980

Table 2 is representing mediation results, the mediation results are comprised of total, direct and indirect effects. Mediation analysis were conducted using the bootstrapping method by Preacher and Hayes, (2008). The total effect calls for the effect of mediator variable i.e. *Psychological Empowerment* on outcome variable i.e. *Work Engagement* of the employees the results showed positive effect size i.e. .4650 with a significant p-value and since no zero value falls between LLCI (.3728) and ULCI (.5572) which also validates that p-value and obtained statistical results are significant. The combined effect of Authentic Leadership (IV) and Psychological Empowerment (Med-Var) on Work Engagement (DV) also showed positive effect size i.e. 3484 and since between the LLCI (.2441) AND ULCI (.4526) there is no zero it validates the results obtained are significant. Mediating role of psychological empowerment between independent variable i.e. (authentic leadership) and dependent variable (work engagement) was also found to be significant it shows total effect size of .1166 without any zero value between LLCI (.0610) and ULCI (.1980) which demonstrates that p-value and obtained results are statistically significant.

Table 3: Psychological Empowerment as mediator between Authentic Leadership & Org. Commitment

Mediation Analysis Effect	Effect Size	S.E	LLCI	ULCI
Total Effect	.5448	.0502	.4459	.6438
Direct Effect	.3616	.0543	.2547	.4686
Indirect Effect	.1832	.0431	.1104	.2784

Table 3 is representing mediation results of psychological empowerment as mediator between authentic leadership & org. commitment the total effect showed positive effect size i.e. .5448 with no zero between LLCI and ULCI. Similarly the direct and indirect effects are also presented positive effect size respectively.

Table 4: Psychological Empowerment as mediator between Authentic Leadership & OCB

Mediation Analysis Effect	Effect Size	S.E	LLCI	ULCI

Total Effect	.3789	.0503	.2798	.4780
Direct Effect	.1979	.0545	.0905	.3052
Indirect Effect	.1810	.0416	.1146	.2730

Table 4 is also representing mediation results of psychological empowerment as mediator between authentic leadership & OCB the total effect showed positive effect size i.e. .3789 with no zero between LLCI and ULCI. Similarly the direct and indirect effects are also presented positive effect size respectively with no zero value in the LLCI and ULCI.

Table 5: Moderation Analysis

R2 Change	F	Sig
.0235	9.1165	.0041

At the values of the moderator(s) the conditional effect of X on Y:

St. Dis	Effect	SE	t	p	LLCI	ULCI
2.8876	.4439	.0405	8.8867	.0000	.3675	.5688
3.5875	.5234	.0467	12.1376	.0000	.4223	.5971
4.3341	.6066	.0582	15.3272	.0000	.5294	6983

The statistical results are significant and consistent with (H8) i.e. "*Structural distance moderates the relationship between authentic leadership and psychological empowerment respectively.* Table 5 shows that R^2 also increases due to interaction term i.e. change in R2 =.0235 and is significant (p=.0041). The "conditional effect of X on Y at values of the moderator" at the lowest, moderate and at the highest level is reported at 2.8876, 3.5875, and 4.3341 respectively, that indicates that structural distance moderates the relationship between authentic leadership and psychological empowerment with positive conditional effect.

Discussion: This study was aimed to find the effects of authentic leadership on employee level outcomes with the mediating effect of psychological empowerment along with the moderating effect of structural distance over authentic leadership and psychological empowerment. According to the results authentic leadership fosters psychological empowerment in their followers consequently it effects the employees' commitment, citizenship behavior and work engagement. Moreover the study also reveals that structural distance moderates the relationship between authentic leadership and psychological empowerment due to the fact that proximity between followers and leaders depicts the leader-followers relationship, since close leaders have greater influence over their followers while distant leaders have weak relationships with their followers and their influence over followers is also low Bliese & Chen 2002.

In addition, the proposed model has noteworthy practical significance as proposed model will help the help the managers to yield collegial work outcomes from their employees. Moreover, as this study is aimed at highlighting authentic leadership and its importance from an eastern perspective. Consequently contextually speaking this study can serve as a notable contribution in highlighting authentic leadership its understanding, importance and implications thereof from a region i.e. Pakistan that exhibits entirely different cultural, political, social and economic background and values.

Limitations, Future Directions & Recommendations: Future researches are encouraged strongly to incorporate other suitable moderating variables between the relationship of authentic leadership and psychological empowerment. Similarly other organizational outcomes such as Turnover intention, Job Satisfaction, Job involvement, Job retention can also be studied. As mentioned above the study is cross sectional in nature therefore, future researchers can conduct a longitudinal study for a greater exactitude of the proposed model. Moreover as the study is conducted in twin cities only i.e. Rawalpindi and Islamabad therefore for the future researchers it is recommended that they can conduct a likewise research study using a more diverse sample across the country. Research limitations always remained the part of most of the research studies conducted in the past, Likewise this study is also not free of these limitations. First and foremost this study is aimed to investigate the role of authentic leadership in only telecommunication sector of Pakistan. Second, limitation of this study is the sample size because reporting a large scale sample was hindered by the unavailability and unwillingness of the respondents and organizational policies. Third, the irregular and uneven distribution of the demographic groups hampered the process of reporting group differences in the model based upon ethnicity and gender as it is likely that different groups respond contrarily. Fourth, due to the limited time frame the nature of study was cross sectional and the responses which were obtained from the respondents were collected at only one point of time.

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