

AUTHENTIC LEADERSHIP STYLE AS A MEDIATOR BETWEEN PSYCHOLOGICAL CONTRACT BREACH AND ORGANISATION CITIZENSHIP BEHAVIOUR

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Abstract: Every employer employee relationship is initiated with positive trends and promises from either side. But, as the relationship builds on, indifferences crop up which may sometimes reach to the level of deviant behaviours at workplace. When employees feel that their efforts are not recognised or that the employer is not able to keep up to his promises, it is called as psychological contract breach. The employees' perception of the employer, in this context is spearheaded by the crucial role of the leader or superior. Leadership, though being researched extensively in the Indian context is seldom being practiced as effectively. Leaders are mostly concentrated on making the employees align with the management perspective and rarely focus on facilitating employee to voluntarily adapt himself into the organisational context. This paper addresses the significant mediating role of authentic leadership style even in the face of the negative impact of psychological contract breach on organisational citizenship behaviour. The author suggests that self-determination theory when coupled with authentic leadership theory would yield remarkable results. Regression analysis is used to explain the relationship among the variables. The ability of authentic leaders in suppressing the effect of psychological contract breach on organisational citizenship Behaviour is underlined through the results.

Keywords: Psychological contract breach, organisation citizenship Behaviour, Positive organisational behaviour, Employer- employee relationship, Authentic leadership style, Mediator

1. INTRODUCTION

Due to capricious socioeconomic situation, work places undergo ample change. And uncertainty permeates in almost all trades and occupation. Indian workplaces are especially diverse and offer a variety in its landscape.

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The need for holding good -quality employees is extremely domineering to an organisation. (Haltom, Mitchell, Lee & Eberly 2008) Turnover of employees, hits hard not alone the efficiency (Argote et al 1995, Firth et al 2004) but also the operating profits of a business (Richardson 1999) the dynamics of the employer-employee relationship has undergone tremendous change and enhanced the fluidity in work environments. The previous style had managers as the regulators of authority, with the employees being regulated and expected to fulfil the instructions without raising any questions (Cunningham et al 1996; Randolph , 1995) This style viewed managers as influencers but not as entities who could empower their subordinates (Kark et al 2003) Many organisations worked in stable environments (Daft, 2010) and this style was easily adopted but now in contemporary situations, this style does not suit much (Bergquist 1993) Though the IT sector in India seems to be offering a competitive remuneration and a host of other benefits, employees are often seen sulking at the state of affairs. According to a survey done in 2014, at least 50% of the employees in India Inc. were found dissatisfied and the underlying reasons were found to be long working hours, lesser opportunities for career growth, incompatible work culture, improper job profiles and ineffective leadership (Times Jobs.com – study) Even though a lot of extrinsic motivators have been tried by the Indian employers, they tend to lose their foot in implicit motivators. This non-alignment between the explicit and implicit motivators, demand a deeper exploration into the employer – employee relationship.

Psychological Contract Breach: When employees accept a job contract from any organisation, besides the written exchange of promises, both the employer and the employee tend to develop implicit obligations mutually. Just like any written contract, there is a potential for either of them to fail to live up to the other's expectations. Primarily, the psychological contract refers such mutual expectations between the employer and the employee (Shruthi and Hemanth 2012). There exists an unwritten set of mutual expectations which operates at all times between every employee of an organisation and the organisation (Armstrong 2006). It is a non-static and reciprocal deal which adds on over time and is often related with the social aspect of an individual (Sparrow 1999) Several dimensions of an employment relationship are not formally written (Rousseau 1989) The professional expectation of employees have undergone a paradigm shift (Csoka 1992; Rifkin 1995; Waterman, Waterman & Collard 1994) which demands them to be more adaptive and raises the problem of attracting and retaining effective

workforce. A traditional career progression is no more attractive for the employees (Conway & Briner 2009; Guest 2004; Shore et al, 2004)

Psychological Contract Breaches have been estimated to be occurring in organisations ranging from 25% (Turnley& Feldman 1998) to more than 90% (Robinson & Wolfe Morrison 2000)

Organisational Citizenship Behaviour: The genesis of this concept dates back to 1977. But formally it was introduced by Organ in 1980s when he studies the concept along with his doctoral students. In the year 1982, D.W Organ and T.S Bateman, in the 42nd National Management Conference introduced Organisational Citizenship Behaviour in their study, "Job Satisfaction and Good Soldier: The relationship between affect and employee citizenship". Later in 1983, Organisational Citizenship Behaviour had a mention in the article "Organisational Citizenship Behaviour: its Nature and antecedents" authored by C.A Smith, D.W Organ and J.P Near.

D.W Organ has given the only comprehensive explanation of the term Organisational Citizenship Behaviour, which is also the most widely accepted definition in the field of Management sciences. According to Organ(1988) when an individual puts in more than his / her formal demands of job description and makes extra voluntary effort i.e., the effort not included in the official reward system, his / her such behaviour is termed as Organisational Citizenship Behaviour. Accomplishment of more responsibilities which goes beyond the call of duty is Organisational Citizenship Behaviour (Greenberg and Baron 2000) it is an individual behaviour playing a dominant role in the efficiency and effectiveness of an organisation (Peele 2007). Organisational Citizenship Behaviour echoes the actions of the employees which seeks to exceed the minimum requirements expected by an organisation and that which at the same time upholds the welfare of the other members and the organisation as a whole (Lovell, Kahn, Anton, Davidson, Dowling et al, 1999) Katz has also earlier referred and described role behaviours and extra role behaviours giving a sound difference between the two (Podsakoff et al 2000). The notion of Organisational Citizenship Behaviour has been travelling / floating in different terms like prosocial behaviour (George 1990) extra role behaviour (Van Dyne et al 1995) Civic Organisational Behaviour (Graham 1991) Contextual performance Behaviour (Motowildo 1993) as stated by Podsakoff et al (2000)

Psychological Contract Behaviour and Organisational Citizenship Behaviour: When the employees find that the behaviour of the employer

does not match with his expectations, naturally he is drawn towards disappointment which may be trivial at the beginning and tends to mount on depending on the level of his expectations. As a response to such disappointments, the employee begins to develop attitudinal changes which culminate to behavioural changes shaping into deviant behaviours. The first and foremost attitudinal change usually observed among such employees is job dissatisfaction (Hess & Jespen 2009). Research has constantly attributed psychological contract breach as a criteria for reduced job satisfaction (Gakovic & Tetrick 2003; Suazo 2009; Zhao et al 2007) On perceiving a psychological contract breach, employees are unwilling to commit themselves for voluntary tasks and exhibit reduced desire to remain in the organisation (De Hauw, De Vos 2010) Job satisfaction is a crucial factor which demands the performance of the employees (Kuruuzum, Cetin & Irmak 2009) As citizenship behaviours are not enforced, it becomes the first victim when an employee perceives a psychological contract breach (McLean Parks & Kidder 1994)

Prior researches have demonstrated that psychological contract breach is negatively associated with organisational outcomes such as lowered citizenship behaviour, reduced satisfaction and commitment (Robinson, Kraatz & Rousseau 1994; Robinson & Rousseau 1994) Studies reveal that perceived employer obligations explained unique variance in the dimensions of citizenship behaviour (Coyle-Shapiro, J. A.-M. 2002)

Though the negative waves created by psychological contract breaches are well established over the years (Zhao, Wayne, Glibkowski, Bravo 2007) the aftermath created or the way in which its responses are moulded has not been thoroughly explored (Lo & Aryee 2003) The psychological contract literature has accumulated a vast amount of research about the impact of perceived contract breach and violations on outcomes of organizational interest, such as poor citizenship behaviour, reduced job satisfaction, and intentions to quit (e.g., Blomme et al, 2010; Chen et al, 2008; Dulacet et al, 2008; Orvis et al, 2008; Rigotti, 2009; Suazo, 2009). Psychological contract breach is negatively related to work performance (Turnley et al., 2003; Zhao et al., 2007). And organizational citizenship behaviours (extra-role; OCBs; Organ, 1988; Williams and Anderson, 1991) When employers do not fulfil their promises and obligations, the employee reciprocates by altering his or her contributions to the organization (e.g. by reducing their efforts and performance). Thus, psychological contract breach is expected to be negatively related to employee job performance. Moreover, when the organization fulfils its promised obligations, employees may be motivated

and engage in discretionary behaviours, including increased effort and organizational citizenship (Coyle-Shapiro, 2002)

Positive Organisational Behaviour: The emerging trend of Positive Organisational Behaviour is led by positive psychology reinforced by C.Peterson (2006) who stated that, “what is good about life is as genuine as what is bad and therefore requires equal attention”. Though this emphasis on Positive Organisational Behaviour is quiet recent, it is based on traditional theory building processes (Luthans 2002, Luthans, Youssef &Avolio 2007). Luthans (2002) defines Positive Organisational Behaviour as “the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed and effectively managed for improvement of performance in workplace”. In order to be accommodated in the Positive Organisational Behaviour framework, the Psychological resource capacity should possess two criteria: (1) the capacity must be validly measurable (2) the capacity must be liable to change or development.

Empirical evidence has always supported that positive states and constructs have a relationship with and impact on organisational behaviours and outcomes (Stajkovic & Luthans 1998) Positive Organisational Behaviour has evolved from positive psychology movement and purports the approach of employee happiness, health and personal achievement rather than their productivity alone.

The Positive Organisational Behaviour movement studies positive psychological conditions at the individual level and establishes its relationship with employee well-being and ultimately to organisational outcomes. Among the numerous Positive Organisational Behaviour researches that have convincing evidence that positive organisational occurrences can make exceptional contributions to various organisational outcomes overtaking the negative ones, a pioneering one is the study of Fredrickson and Losada (2005). They empirically validated that amid teams of members, the most distinguishingly successful were the ones which possessed positive communications and expressions of support between members.

Authentic Leadership Style (ALS): Authentic leadership has reaped more attention among scholars and practitioners due to the publication contribution from Harvard professor and former Medtronic CEO *Bill George*. Authentic leadership has begun as a dominant component in positive leadership studies since its conceptualization in the late 1970s and

academically extended into a “root construct in leadership theory” (Avolio & Gardner, 2005).

George (2003) writes that authentic leaders exhibit a profound sense of purpose for their leadership. Their activities always echo their core ideals. They acknowledge themselves as agents and servants and lead with their hearts as well as their heads while committed to build enduring organizations. Ofori and Toor (2008), in a study of authentic leaders, debate that such authentic leaders possess the values, characteristics and qualities that help them to accomplish difficult tasks and address challenges.

2. RESEARCH QUESTION

- ✓ What is the influence of Psychological Contract Breach on Organisational Citizenship Behaviour?
- ✓ Does Authentic Leadership Style mediate the relationship between Psychological Contract Breach and Organisational Citizenship Behaviour?

3. OBJECTIVES

1. To observe the level of Psychological Contract Breach.
2. To bring out the level of Organisational Citizenship Behaviour exhibited.
3. To evaluate the influence of Psychological Contract Breach on Organisational Citizenship Behaviour
4. To assess the level of Authentic Leadership Style.
6. To investigate the mediating effect of Authentic Leadership style in PCB - OCB relationship.

4. NEED FOR THE STUDY

A majority of psychological contract studies are based in American, European or western contexts (Millward & Brewerton 2000; Rousseau 1998; Rousseau & Schalk 2000). Very few psychological contract studies have been conducted in collectivist or non-western contexts (Hui, Lee & Rousseau 2004; Restubog & Bordia 2006; O'Donnell & Sheilds 2002; Westwood 2001). Responding to the enormous growth of Asian economies, there is higher mandate for more research on psychological contract in non-western contexts.

Though there is a vast expanse of study on psychological contract breach, studies examining the role of individual variables on psychological contract breach are rather insufficient (Reynolds, 2003; Coyle-Shapiro & Neuman, 2004) Much of the available research presumes that the content of the psychological contract is general across most types of individuals (Atkinson and Cuthbert 2006)

5. CONCEPTUAL FRAMEWORK

The psychological contract literature has amassed a huge expanse of research about the impact of perceived psychological contract breach on outcomes of organizational concern, such as poor citizenship behaviour, (e.g., Blomme *et al*, 2010; Chen *et al*, 2008; Dulacet *et al*, 2008; Orvis *et al*, 2008; Rigotti, Suazo, 2009). Psychological contract breach relates negatively to work performance (Turnley *et al.*, 2003; Zhao *et al.*, 2007).

Based on the above literature, this study proposes that employees' observation that the psychological contract is broken will have an impact on the organizational citizenship behaviour. Thus, Hypothesis 1 is put forward.

Hypothesis 1: The degree of employees' perception of breaches of psychological contracts is negatively related to organizational citizenship behaviour.

Research works in the social sciences have shown that authenticity leads to healthy psychological functioning (Kermis and Goldman, 2005), which leads to a number of positive psychological outcomes (Lakey *et al.*, 2008). Studies have also exposed that deficiency of authenticity can lead to negatively affected psychological health (Neff and Suizzo, 2006).

Previous research has noted that it is important to understand how authentic leadership relates to positive psychological constructs considering their potential to influence performance (Gardner & Schermerhorn 2004, Kahn 1990, Ryan & Deci 2001).

Higher the authentic leadership, the higher will be the followers' Job satisfaction, commitment, organizational citizenship, among others (Avolio *et al.*, 2005; Luthans *et al.*, 2007; Walumbwa *et al.*, 2008, 2009 & 2010; Leroy *et al.*, 2012).

Based on the above literature, this study proposes that Authentic Leadership style will have an impact on their organizational citizenship behaviour. Hypothesis H2 and H3 are put forward accordingly.

Hypothesis 2: the degree of psychological Contract breach is negatively related to Authentic Leadership style.

Hypothesis 3: the degree of Authentic Leadership style is positively related to Organisational Citizenship Behaviour.

The general goal of this study is to examine the mediating effect of Positive Organisational Behaviour in suppressing the negative effect caused by PCB on OCB. Specifically, the components of POB, the one representing the employers - Authentic Leadership Style (Avolio & Gardner, 2005) is considered. Hence the following hypothesis.

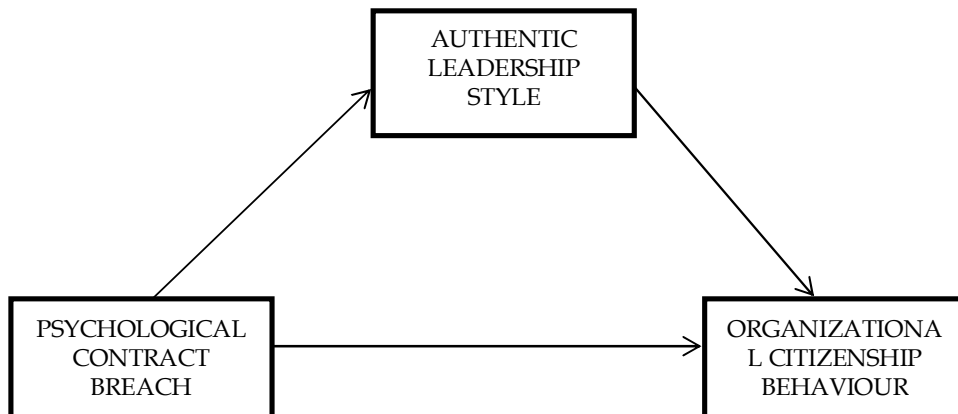
Hypothesis 4: POB will suppress the influence of PCB on OCB.

Hypothesis 4A: ALS will reduce the influence of PCB on OCB.

5.1 Path Model

The Path Model depicting the association between the latent variables:

Figure 1: Path Model



6. RESEARCH METHODOLOGY

6.1 Nature of Data

Employees belonging to IT companies in Chennai were approached for Survey. A total of 500 employees were approached. The employees who responded were asked to refer their friends and colleagues in the organisation, and hence it is a Non-probability Snow-Ball sampling. To encourage their free and frank opinion, the respondents were ensured of their anonymity and that the purpose was purely an academic research. Survey questionnaires were distributed and retrieved by the researcher.

About 88% ($n = 442$) of the participants returned the questionnaires. On the basis of the survey it was found that the average age of respondents was below 30 years and the average duration of time employed in this organisation was more than 3 years.

6.2 Research Measures:

Psychological Contract Breach (25 items) was measured using six-point scale, adapted from Robinson & Morrison (2000). Sample items included: When my organization says it's going to do something, I wonder if it will really happen. I see little similarity between what my organization says it will do and what it actually does ;(1 = strongly disagree and 6 = strongly agree). Reliability and Validity was found to be CR (Composite Reliability) = 0.748, AVE (Average Variance Extracted) = 0.499, MSV (Mean Shared Squared Variance) = 0.630, ASV (Average Shared Variance) = 0.489.

Organisational Citizenship Behaviour was measured using the twenty-item scale developed by Suzy Fox and Paul E Spector (2011). Sample items included: Picked up meal for others at work; Decorated, straightened up, or otherwise beautified common work space (1 = Never (did) and 6 = (did) Everyday). Reliability and Validity was found to be CR (Composite Reliability) = 0.812, AVE (Average Variance Extracted) = 0.468, MSV (Mean Shared Squared Variance) = 0.630, ASV (Average Shared Variance) = 0.589.

Authentic Leadership Style was measured using the sixteen item scale developed by Suzy Fox and Paul E Spector (2011). Sample items included: Displays emotions exactly in line with feelings; Makes difficult decisions based on high standards of ethical conduct (1 = Not at all and 6 = Frequently/Always). Reliability and Validity was found to be CR (Composite Reliability) = 0.8, AVE (Average Variance Extracted) = 0.575, MSV (Mean Shared Squared Variance) = 0.567, ASV (Average Shared Variance) = 0.475.

6.3 Exploratory Factor Analysis

An EFA was done in AMOS to check if the items were properly loaded into the respective constructs. In the 35 item PCB scale, items 1,3,4,15,23, 24 and 25 were removed as the factor loadings were below the 0.7 threshold. Thus the PCB scale for analysis was reduced to 18 items scale. Whereas all the other scales were properly loaded into their relative constructs.

Figure 2: EFA of the Construct Psychological Contract Breach

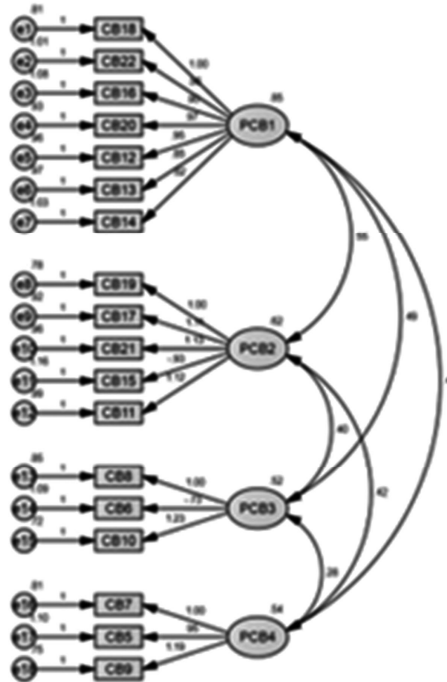


Figure 3: EFA of the Construct Organisational Citizenship Behaviour

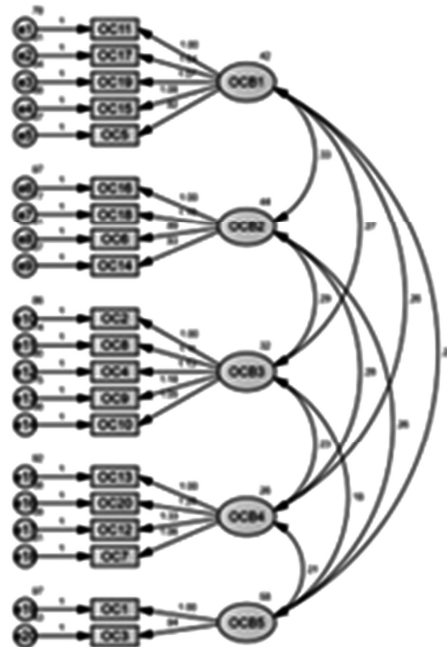
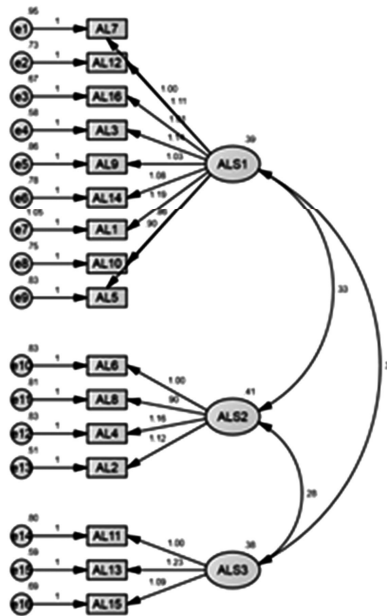


Figure 4: EFA of the Construct Authentic Leadership Style



The Measurement Model

Figure 5: CFA of the variables

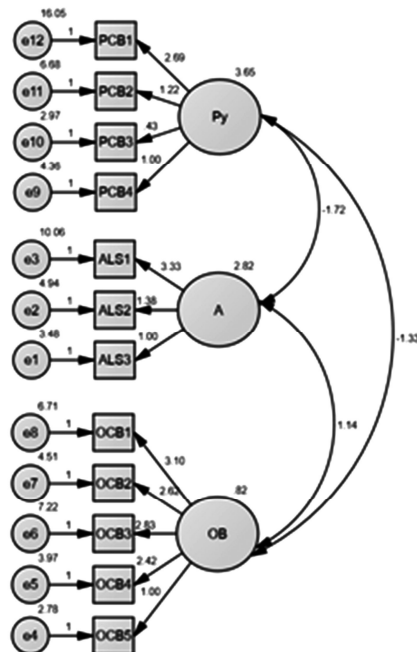


Table 1.
Model fit indices

<i>CONSTRUCTS</i>	χ^2	χ^2/ df	<i>GFI</i>	<i>AGFI</i>	<i>CFI</i>	<i>RMSEA</i>
PCB	373.884	2.898	0.912	0.884	0.906	0.066
OCB	393.987	2.592	0.924	0.895	0.892	0.060
ALS	285.953	2.831	0.927	0.902	0.909	0.064

P=0.000

Note: χ^2 - Chi Square, χ^2/ df - Normed Chi Square, *GFI* - Goodness of Fit Index, *AGFI* - Adjusted Goodness of Fit Index, *CFI* - Comparative Fit Index, *RMSEA* - Root Mean Square Error of Approximation

6.4 ANALYSIS & FINDINGS

The descriptive results (Table 3) revealed a medium level of PCB ($M = 3.16$, $SD = 0.29$) as well as OCB ($M = 3.31$, $SD = 0.11$) and the employees ALS being ($M = 2.33$, $SD = 0.13$). Next, the correlations between the variables of the research were calculated. The relation between PCB and all the other three variables is negative, while all the other variables exhibited positive inter-relationships (Table 3)

6.5 Descriptive Statistics

Table 2.
Correlation between Variables

	<i>Cumulative Mean</i>	<i>Std. Deviation</i>	<i>PCB</i>	<i>OCB</i>	<i>ALS</i>
PCB	3.16	0.29	1.00		
OCB	3.31	0.11	-.54	1.00	
ALS	2.33	0.13	-.38	.59	1.00

Hypothesis Tests

The research hypothesis is tested by conducting regression analysis. The analysis results are listed in Table 3. Firstly, according to Table 3, employees perceive that the degree of organizational psychological contract breach has a negative influence on Organisational Citizenship Behaviour (β value of -0.586), so hypothesis 1 is supported. Also, employees perceive that the degree of psychological contract breach has a negative influence on Authentic Leadership Style (β value of -0.367), so hypothesis 2 and hypothesis 3; the higher the degree of employees' perception of Authentic leadership style the higher will be their organisational citizenship behaviour is supported ($\beta = 0.583$)

Table 3.
Regression analysis for hypothesis testing

Hypothesis	Variables	Unstandardised Coefficients		Standardised Coefficients	t	Sig	Remarks
		B	SE	B			
		H1	PCB→OCB	-0.620			
H2	PCB→ALS	-0.335	0.041	-0.367	-8.261	.000	Accepted
H3	ALS→OCB	0.660	0.044	0.583	15.037	.000	Accepted

6.6 Mediation Study

A mediator is involved in contributing for the influence of the independent variable on the dependent variable (Cohen et al., 2003). To test the mediator Psychological Well-Being, the tests suggested by Baron & Kenny 1986; Judd & Kenny et al., 1998 was followed and the SEM procedures were applied using the maximum likelihood estimation algorithm. It has been previously argued that in the area of mediation analysis, when conditions of CFA are met (James & Brett, 1984), and when models have incorporated latent variables (Kenny et al., 1998), SEM bids a better substitute to tradition regression tests of mediation. However, here, conceptually the procedure of testing mediation using SEM is analogous to Baron and Kenny's (1986) approach.

The relationship (total effect) pertinent between PCB and OCB has been tested to be significant (Table 3). Under ideal conditions, when all variables to the relationship between PCB and OCB are controlled, the mediating effect of the mediator is found to suppress the influence of PCB and OCB but this significant and indirect effect (Table 5) does not nullify the influence of PCB and OCB. Hence, it is concluded that the mediator ALS *partially mediates* the influence of PCB on OCB. Thereby hypothesis 4 along with 4A is accepted.

Table 4.
Regression between dependant & independent variable

Model	Regression Coefficients			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	104.168	2.546		40.907	.000
PCB	-.617	.041	-.586	-15.183	.000

a. Dependent Variable: OCB

$$Y = a + B_0X + E$$

$$OCB = 104 - 0.62 PCB + E$$

Table 5.
Regression between dependant, independent & mediator variables

Model	Regression Coefficients			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	54.010	4.131		13.075	.000
1 ALS	.386	.038	.340	8.633	.000
PCB	-.343	.045	-.326	-9.126	.000

a. Dependent Variable: OCB

$$Y = a + B0X + E$$

$$OCB = 104 - 0.34 PCB + 0.37ALS + E$$

7. DISCUSSION

The often quoted theory that supports and explains the relationship between Psychological Contract Breach and Organisational outcomes is the social exchange theory (Blau 1964) and the reciprocity norm (Gouldner 1960). According to the social exchange theory, if the organisation fulfils the employees psychological contracts, the organisation is said to have reached its goal (Rousseau 1995) Critical to this argument is the reciprocity norm which suggests that a generalised moral norm is that individuals are obliged to help individuals who help them . Sticking to this norm employees are motivated to hold negative attitudes which over the time build as deviant behaviours (Bordia et al 2010) when they find that the organisations don't fulfil their psychological contracts. At the minimum employees stop contributing positively to the organisation (Zhao et al 2007).

This reaction of taking revenge or giving back the negativity is acknowledged by the reciprocity norm (Gouldner 1960). The perception that one's psychological contract has been breached is an inherently subjective phenomenon. (Robinson and Morrison, 2000) How does one decide whether a given action or decision constitutes a breach of contract (Ho et al 2004) Assuming a given action or decision to be a Psychological contract breach, does it hurt every employee with the same intensity? A person with high self-determination seems to be undeterred by the action or decision. The employee with high self-determination does not seem to bear the brunt as would an employee with low self-determination would do.

We build on the research of Deci & Ryan (2000) Self-determination theory is a macro theory that defines the intrinsic and varied extrinsic sources of motivation and describes the relative roles of both the motivators.

Though the initial work on SDT dates back to 1970s, only the past decade witnessed mushrooming of research in this theory. SDT is an umbrella which holds six mini theories. First is the Cognitive Evaluation theory (CET) which postulates that the interface between social contexts and interpersonal interaction will either facilitate or undermine the intrinsic motivators. Second is the Organismic Integration theory which views an individual as any other organism and involves the process of internalization of various extrinsic motives. Third is the Causality Orientations theory which brings out the interplay between individual differences and the different aspects of environment which shapes the individuals motivation. Fourth is the Basic Psychological Needs theory (BPNT) which elaborates the concept of evolved psychological needs and their relations to psychological well-being. Fifthly, Goal Contents Theory (GCT) grows out of the distinctions between intrinsic and extrinsic goals and their impact on motivation and wellness. Goals are seen as differentially affording basic need satisfactions and are thus differentially associated with well-being. Extrinsic goals such as financial success, appearance, and popularity/fame have been specifically contrasted with intrinsic goals such as community, close relationships, and personal growth, with the former more likely associated with lower wellness and greater ill-being. **Relationships Motivation Theory (RMT)**, *the sixth mini-theory*, is concerned with the development and maintenance of close personal relationships such as best friends and romantic partners as well, since belonging to groups, is one of the three basic psychological needs.

The leader-member exchange (LMX) theory is a relationship-based approach to leadership that focuses on the two-way (dyadic) relationship between leaders and followers. It suggests that leaders develop an exchange with each of their subordinates, and that the quality of these leader-member exchange relationships influences subordinates' responsibility, decisions, and access to resources and performance. Authentic leaders behave according to their deep personal values and convictions. An authentic leader by his virtuous behaviour builds credibility and gains the trust and respect of followers. Shamir and Eilam (2005) stated that development of authentic leaders is beneficial because it affects followers in positive way. Avolio et al. (2004) argued that authentic leaders, through their authentic behavior, motivate and transform their followers. As a result, followers become more authentic. (Gardner et al.) asserted that authentic leaders affect followers through positive modelling.

The Self-determination theory along with Leader-Member exchange theory explain the role of Authentic Leadership style in suppressing the negativity of Psychological contract breach.

8. PRACTICAL IMPLICATIONS

This study demonstrates the strength of positive organisational behaviours which to a greater extent reduce the friction in employer-employee relationships. Though the organisation does not purposely involve in breach of Psychological Contracts, in certain cases it becomes unavoidable. Leaders with their authentic behaviours enable a fair and open work environment that directly affects employees' attitudes, producing enhanced levels of satisfaction, conviction, assurance, and enthusiasm to perform extra-role behaviours. In this sense, it is indispensable for organizations to have authentic leaders and to design their processes of selection, promotion, and training programs, considering the leaders' moral perspective as relevant variable, because these authentic leadership dimensions stimulate employees' OCBs

9. LIMITATIONS AND FUTURE RESEARCH

One of the potential limitations of this study is that it has used only one construct of Positive Organisational Behaviour. The constructs being very sensitive, most of the respondents were coaxed to participate. Though the accuracy is ensured, the interpretation of the results could not completely rule out the possible influence of non-independence bias (Bliese 2000, Kenny & Judd 1986)

This study highlights several directions for future research. Further studies can compare the other Positive Organisational Behaviour constructs and its relative importance in suppressing the effect of psychological contract breach on organisational outcomes. Another potential approach is to study the perception of relational or transactional Psychological contract breach in the Indian context.

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