

AN EXPLORATION OF THE RELATIONSHIP BETWEEN ORGANIZATIONAL IDENTIFICATION AND CYNICISM: THE ROLE OF AUTHENTIC LEADERSHIP

İlge Kurt

Niğantaşı University/Faculty of Economics, Administrative and Social Sciences
Assistant Professor Dr.

E-mail: ilgekurt@gmail.com

—Abstract—

The purpose of this study is to first explore the relationship between organizational identification and cynicism and secondly, to investigate the role of authentic leadership on the relationship between organizational identification and cynicism. The research is conducted by 122 participants from different sectors through survey method. Empirical findings reveal that organizational identification affect organizational cynicism negatively and significantly, but authentic leadership is not found to moderate the relationship between them. The research concepts can be considered as contemporary areas in organizational behavior literature and the findings are expected to provide theoretical contribution. The study also intends to provide further practical contribution to the literature by pointing out managerial implications of the findings.

Key Words: *Organizational Identification, Organizational Cynicism, Authentic Leadership*

JEL Classification: M19

1. INTRODUCTION

In light of the dynamic work environment, globalization, mergers and acquisitions, and the emergence of virtual organizations; organizations continue to realize that analysis of the bond between employees and the organizations have become even more important (Rousseau,1998). As implied by Kreiner and Ashforth (2004), interest in organizational identification has grown considerably over the last decade. While globalization, rough competition, technological developments and innovation have impact on organizations; mergers and acquisitions, restructuring, downsizing of organizations have also been influencing employees. Under these circumstances, researchers have started to explore a newly emerging attitude called cynicism. Employees seem to be increasingly cynical in the new millennium, especially in corporate environments (Twenge et. al., 2004). Organizational cynicism, which is a negative attitude towards one's employing organization, has been theorized to be associated with negative consequences for organizations including reduced levels of performance, job satisfaction, and organizational commitment, and increased levels of intention to quit (Dean et al, 1998).Therefore, studies linking cynicism with various antecedents and outcomes together with mediating and moderating variables may provide an insight to fill the gap in literature for a comprehensive understanding of cynicism. In a work context where new challenges, technologies, market demands, and competition constantly emerge, the need for positive leaders who lead with purpose, values, and integrity has also arisen (Avolio and Gardner 2005:315). That precipitated focus on the concept of authentic leaders as genuine leaders who are transparent, have integrity and high ethical standards and who create trust (Gardner et. al., 2005). The purpose of this study is to first explore the relationship between organizational identification and cynicism and secondly, to investigate the role of authentic leadership on the relationship between organizational identification and cynicism.

2. LITERATURE REVIEW

2.1. Organizational Identification

As stated by Ashforth et. al. (2008: 327), the construct of organizational identification owes its foundation in social identity and social categorization theories. Identification includes social identity comprising salient group classifications and organizational identification can be conceptualized as a specific form of social identification in which the employees identify with the organization, by assuming the perceived prototypical characteristics of the organization as part of their own self-concept (Mael and Ashforth, 1992:105).

Organizational identification refers to the individuals' feeling of being a part of the organization, internalizing the organizational values, feeling pride in the membership and an overlap between the employees' image of the organization and the self (Riketta and Van Dick, 2005:491). It can be defined as a specific form of social identification where the individual defines him or herself in terms of the membership in a particular organization and the perceived oneness with an organization together with the experience of the organization's successes and failures as one's own (Mael and Ashforth, 1992: 103).

2.2. Organizational Cynicism

Studies of organizational cynicism began to show improvement by the late 1980s and early 1990s (James, 2005:24). It can be defined as general or specific attitudes symbolized by the disappointment, insecurity, hopelessness, anger and mistrust of institutions or person, group, ideology and social skills (Andersson, 1996: 1397). Wilkerson (2002:533) stated that it is a negative attitude toward one's employing organization in general, and toward its procedures, processes, and management, that is based on a conviction that these elements generally work against the employee's best interests. In the organizational context, Dean et al. (1998:345) conceptualized cynicism as a multidimensional construct and defined cynicism as "a negative attitude towards one's employing organization comprising three dimensions: a belief that the organization lacks integrity; negative affect toward the organization; and tendencies to disparaging and critical behaviors toward the organization that are consistent with these beliefs and affect." According to the first dimension employees believe that the practices of their organizations betray a lack of principles such as fairness, honesty, and sincerity. The affect dimension comprises several emotions such as anger, distress, disgust, scorn, shame. Finally, the most obvious behavioral tendency for those with cynical attitudes is the expression of strong criticisms of the organization, pessimistic predictions, and ironic humor (Dean et.al., 1998:346).

2.3. Authentic Leadership

Authenticity has its roots in Greek philosophy meaning, to thine own self to be true (being true to oneself) (Gardner et. al., 2005:319). According to Avolio et al. (2004:802) authentic leaders are the leaders who are deeply aware of how they think and behave and are perceived by others as being aware of their own and others' values/moral perspective, knowledge, and strengths, and who are confident, hopeful, optimistic, resilient, and high on moral character. Walumba et. al. (2008:94) defined authentic leadership as a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive

ethical climate, to foster greater self-awareness, internalized moral perspective, balanced processing of information, and relational transparency. The authentic leadership construct comprises four dimensions (Gardner et. al., 2005:324). The first dimension, self awareness, refers to showing an understanding of one's own talents, strengths, weaknesses, sense of purpose, core values, beliefs and desires. The second dimension, relational transparency, involves making personal disclosures, such as openly sharing information and expressing true thoughts and feelings, indicating that the leader has trust, openness and self-disclosure in relationships. The third dimension, balanced processing, involves objectively analyzing all relevant information before making a decision. The final dimension, internalized moral perspective, refers to an internalized and integrated form of self-regulation, guided by internal moral standards and values.

3. RESEARCH MODEL AND HYPOTHESIS

Researches about cynicism and organizational identification have revealed that both concepts are associated with employee attitudes and behavior. However, the empirical studies exploring the relationship between cynicism and organizational identification are limited. Kreiner and Ashforth (2004:18) explored and found that identification was inversely related with societal cynicism towards institutions, whereas cynicism was positively associated with disidentification. For the work context, Bedeian (2007:24)'s study on academic staff showed that a higher level of organizational identification was negatively related to the strength of cynicism. In a study conducted in Turkey by Polat et. al. (2010:145), it was found that organizational identification had a negative effect on cynicism. A higher level of cynicism closely related with experience that casts doubt on the motives, actions, and values of one's employing organization may be related with employees' unwillingness to define themselves in terms of organizational membership and therefore lower levels of organizational identification can be expected. Furthermore, individuals who are cynical may be more likely to disidentify because they tend to see the organization in a negative or pessimistic perspective. Within the framework of literature review, it is possible to propose the following hypothesis.

H1: There is a negative and significant relationship between organizational identification and cynicism.

The role of authentic leadership on the relationship between cynicism and organizational identification has been under-researched in literature. Despite the existence of some studies exploring the relationship between leadership styles and organizational identification (Iyer et.al.,1997; Cicero and Pierro,2007), the studies

exploring the relationship between authentic leadership and organizational identification are very limited. Booms (2010) in her empirical study with employees working at companies with corporate governance rules found that trust plays a mediating role between authentic leadership and organizational identification. Avolio and Gardner (2005) suggested that authentic leaders help followers find meaning at their work through greater self-awareness and internalization of values, therefore the follower's identification with the organization can be expected to be higher with authentic leaders. On the contrary, if the employees believe that the leader is not honest and lacks integrity, in other words, not authentic; this might affect organizational identification level negatively. Furthermore, organizational identification is found to be positively related with procedural and distributive justice (Olkkonen and Lipponen, 2006:202) and cynicism is found to be negatively associated with justice (Kutani and Çetinel, 2010). Authentic leadership with relational transparency and internalized moral perspective dimension can be expected to promote justice and organizational identification. Some studies (Laschinger et. al., 2012: 1266) demonstrated the importance of authentic leadership's role in preventing negative work behaviors such as workplace bullying. Laschinger et. al.(2013: 541) in his study revealed that the authentic behavior of nursing leaders contributed to lower levels of cynicism. Therefore, within the framework of literature review, authentic leadership perceptions can be expected to moderate the relationship between cynicism and organizational identification.

H2: Authentic leadership perceptions moderate the relationship between organizational identification and cynicism.

4. METHODOLOGY

The data were gathered conveniently from 122 white collar employees who work in companies of different sectors and departments, both as traditional paper and pen form of survey and as soft copy form survey. 220 questionnaire forms were distributed and 122 were returned with % 55.45 response rate. For measuring organizational identification, Male and Asforth's (1992) scale is used. The five point Likert type scale comprises 6 items. Organizational cynicism is measured by five point Likert type scale consisting of 13 items which was developed by Brandes et.al. (1999). It comprises three dimensions, which are cognitive, affective and behavioral. For measuring authentic leadership, Gardner et. al. (2005)'s 16 item five point Likert type authentic leadership scale is used. The scale comprises 4 components, which are self-awareness, relational transparency, balanced processing and ethical/moral.

5. RESEARCH FINDINGS

Results of this study were evaluated using the SPSS 16.0. A brief look at the demographic figures of the participants reveals that 58% of the respondents were male. It was observed that 63% of them had graduate degrees and 40% of them were specialists. The majority of the respondents (35%) were between the ages of 30-40 years. Nearly half of the respondents had work tenure of more than 5 years. Factor analysis was conducted for the variables. For organizational identification, it was seen that KMO value was 0.912 and Bartlett's Test of Sphericity was significant ($p = 0.000 < 0.001$); which indicated that the data was adequate and appropriate to conduct factor analysis. One factor was acquired, parallel with the literature review. It explained 74.789 % of the variance. Cronbach's alpha for the factor was 0.93. For cynicism, it was seen that KMO value was 0.897 and Bartlett's Test of Sphericity was significant ($p = 0.000 < 0.001$). Two factors were acquired: Behavior and cognitive components of cynicism comprised one factor, whereas affect component comprised the second factor. Explained variance by behavior and cognitive components was 38.924%, whereas it was 31.241% variance of the scale for affect. In total, they explained 70.165% of the variance. Cronbach's alpha for the factors were 0.897 and 0.908 respectively. For authentic leadership, KMO value was 0.888 and Bartlett's Test of Sphericity was significant ($p = 0.000 < 0.001$). Three factors were acquired and it explained 65.867 % of the variance. Relational transparency and balanced processing components of cynicism comprised the first factor and internalized moral perspective component comprised the second factor, whereas self awareness component formed the third factor. Cronbach's alpha for the factors were found as 0.885, 0.851 and 0.866 respectively. As can be observed from Table 1, correlation analysis was conducted to explore the relationships between the research concepts. There is found to be a strong negative relationship between organizational identification and cynicism. A regression analysis was conducted to test the hypothesis statistically. The regression model was found to be significant as a whole ($F:86.967, p<0.01$); it explained 42 % of the change in cynicism. The findings showed that, as predicted in H1, organizational identification has negative and significant effect on creative work involvement ($\beta: -0.648, p<0.01$). Thus, H1 is supported. The moderating role of authentic leadership was tested with a hierarchical regression analysis. The purpose of this analysis is to see whether the effect of organizational identification on organizational cynicism changes or not, when it interacts with authentic leadership. The centralized values of organizational identification and authentic leadership are multiplied with each other to find their interaction term. The dependent variable (organizational

cynicism) is regressed on the organizational identification, authentic leadership and their interaction terms, which are entered into the analysis separately in successive steps. Table 2 exhibits the results of the hierarchical regression for H2. In the last stage, when the interaction term was included in the analysis, the explanatory power of the model remained nearly the same and it was not significant. Therefore, it can be said that the interaction term did not have any explanatory power on organizational cynicism. Thus, H2 was not supported. Regarding demographics, there were not any significant differences found in terms of gender, age, education, work-position, organizational tenure, and work tenure.

Table 1: Correlation Analysis

		Cynicism (Total)	Cynicism (behavior and cognitive) (Factor 1)	Cynicism (affect) (Factor 2)	Organizational Identification
Organizational Identification	r	-.648**	-.660**	-.415**	1
	p	.000	.000	.000	
Authentic Leadership (Total)	r	-.431**	-.401**	-.385**	.251**
	p	.000	.000	.000	.005
Authentic Leadership (Relational Transparency & Balanced Processing, Factor 1)	r	-.293**	-.246**	-.331**	.142
	p	.000	.000	.000	.12
Authentic Leadership (Internalized moral perspective, Factor 2)	r	-.476**	-.450**	-.409**	.245**
	p	.000	.000	.000	.007
Authentic Leadership (Self Awareness, Factor 3)	r	-.358**	-.366**	-.233**	.281**
	p	.000	.000	.000	.002

** : p < 0.01

Table 2: Hierarchical Regression Analysis

Independent Variables	β	p	Adj.R ²	F
Step 1 Organizational Identification	-0.648	.000	0.415	86.967*
Step 2				
Organizational Identification	-0.576	.000	0.488	58.757*
Authentic Leadership	-0.286			
Step 3				
Organizational Identification x Authentic Leadership	-0.040	.541	0.487	39.091*

Dependent Variable: Cynicism

*p < 0.001

6. CONCLUSION

The results support the literature review, which contend that there is a negative relationship between organizational identification and cynicism (Kreiner & Ashforth, 2004; Bedeian, 2007; Polat et. al., 2010). If the employees feel that they are the part of the organization by internalizing the organizational values, feeling pride in the membership and perceiving an overlap between the image of the organization and themselves (Riketta and Van Dick, 2005); they would tend to exhibit less negative attitude toward their employing organization in terms of beliefs, affect and behavior (Dean et. al., 1998). When dimensions of cynicism is taken into account, organizational identification is especially negatively associated with the belief that the organization lacks integrity and with the behavioral tendencies to disparaging and critical behaviors toward the organization that are consistent with these beliefs. There is also found to be a moderately strong negative relationship between authentic leadership and cynicism. Among the dimensions of authentic leadership; internalized moral perspective is observed to have the strongest negative correlation with the organizational cynicism. That is, if the employees perceive their leaders to exhibit an internalized and integrated form of self-regulation, guided by internal moral standards and values; they would tend to show less cynicism. Although perceptions of authentic leadership were found to have positive association with organizational identification and negative association with cynicism parallel with literature review (Laschinger et. al., 2013; Booms, 2010), the regression analysis showed that authentic leadership did not have a moderating role on the negative relationship between organizational identification and cynicism. The effect of organizational identification on organizational cynicism does not change, when it interacts with authentic leadership. One reason may be dependent on the fact that there may be other individual, leadership and organizational factors influencing the relationship. The moderating role of transformational leadership or paternalistic leadership may be explored for future studies. The results of organizational cynicism may be destructive for both employees and organizations, therefore it is vitally important to explore the antecedents of cynicism. The results of the study regarding the strong and negative relationship between organizational identification and cynicism draw attention to the importance of person-organization fit and value congruence in organizations. Studies about authentic leadership are still at their infancy in Turkey. Therefore, the results about its association with organizational identification and cynicism can also be expected to contribute to the literature. Although not contributing as a moderating variable on the relationship between organizational identification and cynicism; authentic leadership behaviors, especially displaying an internalized and integrated form of self-

regulation, guided by internal moral standards and values, may contribute to lower levels of organizational cynicism. The results of the study serve some suggestions for managerial implications as well. Developing an organizational identity through training programs, providing opportunities for employees that would enable them to perceive the organizational identity positively, providing strong organizational justice perceptions, providing a respectable vision and mission for the organization together with career plans for employees, building trust relationships and open communication channels may stimulate higher levels of organizational identification and eventually lower levels of cynicism.

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