Role of Trust in the Relationship between Authentic Leadership and Job Satisfaction and Organizational Commitment among Indian Bank Employees

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Abstract

The present study was aimed to explore the mediating effect of three different types of trust namely dispositional trust, trust in supervisor and trust in coworker in the relationship between authentic leadership and job satisfaction and organizational commitment among Indian banking employees. Data were collected from (N = 115) banking professionals recruited from the branches of five major nationalized banks located in Varanasi (U.P., India). The results of hierarchical regression analysis indicated that the employee’s perceptions of authentic leadership significantly positively predicted multiple forms of trust (dispositional, trust in supervisor, trust in coworker) as well as both job satisfaction and organizational commitment of employees included in the study after controlling the effects of demographic variables. Regarding the relationship between multiple forms of trust and outcomes, the findings indicated that all the three forms of trust significantly positively predicted organizational commitment of employees while only trust in coworker and trust in supervisor significantly positively predicted job satisfaction of employees. The results of mediated regression analysis revealed that only trust in coworker significantly partially mediated the relationship authentic leadership and job satisfaction and organizational commitment and only trust in supervisor significantly partially mediated the relationship authentic leadership and organizational commitment. The findings of the study implicated that organizations should understand the role trust plays in an organization and it should be viewed as a strategy to enhance job satisfaction and organizational commitment of Indian Banking Employees. Given the importance of authentic leadership top management should consider major dimensions of authentic leadership not only in developing strategies, evaluation, and selection of employees but also to trans-
form the entire organization and producing positive workplace outcomes.

**Keywords**

Authentic Leadership, Dispositional Trust, Trust in Supervisor, Trust in Coworker, Job Satisfaction and Organizational Commitment

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**1. Introduction**

Today’s global environment continuously undergoes rapid changes in manufacturing and service sectors, organizations experience ethical meltdowns and face a multitude of challenging and turbulent problems. The banking sector is a fundamental component of economy in almost any given society (Belias & Kouste- lios, 2014). In India, the banking sector continues to face some structural challenges pertaining to fulfilling job targets to strict time deadlines, dual obligation of protecting the banks and its customers, maintaining the balance sheets related to transaction of the day and preoccupation with substantial paperwork all over the day etc. The trends of globalization of operations, development of new technologies, and universalization of banking are fundamentally altering not only the Indian banking industry but the banking sector all across the globe. At present, banks also develop their strategies for giving customers access to their accounts through various advanced services like e-banking, mobile banking and net banking. By adopting these technological changes, banks are facing terrific challenges in terms of integrity (Spitzec et al., 2011), trust (Gill et al., 2006) transparency and accumulation of financial scandals and fraudulent cases (Baron & Parent, 2015). In these challenging scenarios, in the last few years, number of scandals and fraudulent cases in banking sectors have been consistently increased due to unethical practices adopted by managers and authorities of the banking sector.

According to RBI annual report 2019-20, the amount involved in banking frauds grew 2.5 times to Rs 1.85 lakh crore in 2019-20 compared with Rs 71,500 crore in 2018-19. The number of frauds also rose 28% from 6799 cases in 2018-19 to 8707 in 2019-20. (Business Today-Monday, March 1, 2021 Updated 23:28 IST) These financial irregularities have been found in a number of major nationalized banks of India and most of the public scandals, fraudulent cases and financial crises are very serious issues being discussed of late in the Indian banking industry therefore, bank leaders must be ready for accepting these challenges as well. As a result it is becoming increasingly evident that firms particularly in the 21st century require leaders who are purposeful, have strong values and ethics, can build enduring organizations, and who can motivate their employees to give greater customer service (George, 2003; George et al., 2007; Wang & Hsieh, 2013). Thus, positive leadership that might restore the trust of investors, employees and customers in banking institution is the need of the hour. Authentic leadership is increasingly gaining attention among the leadership au-
itors, researchers and practitioners due to alarming increase in level of degrading ethical conduct in the top-level managers (Gardner et al., 2011). Due to unethical behavioral practices in Indian banking sector, we have felt the need to examine the role of a leader from the ethical and moral perspectives. In this streamline, authentic leadership has attracted the concern of many academicians and scholars and in India the study of authentic leadership is still in infancy. Authentic leaders are honest, have a strong sense of purpose and are very dedicated to their basic principles. They create organizations that are long lasting and fruitful in the long term, therefore meeting the needs of all those involved. Although a handful of research has illustrated that a strong relationship exists between authentic leadership and various employee outcomes such as job satisfaction, organizational commitment, intention to stay, organizational citizenship behavior and work engagement) through trust (Agote et al., 2016; Hassan & Ahmed, 2011; Wang & Hsieh, 2013) but little research has been done on the precise authentic leadership behavior that foster trust in them and in turn how trust influences employee outcomes.

The present study contributed in the literature of authentic leadership, trust and its associated outcomes in the following ways. Firstly, past researchers have consistently emphasized to conduct more empirical research on authentic leadership all across the globe incorporating various occupational groups and professions (Alilyyani et al., 2018; Gardner et al., 2011). Mostly the available studies on authentic leadership and its associated outcomes have been conducted on western countries which is very different from the collectivistic countries like India.

Taking into consideration the above-mentioned gaps illustrated in past studies, the major specific objective of the present study was to examine a model linking authentic leadership behaviors with trust and work outcomes in a sample of Indian Banking employees. The present study will fulfill the research gap by examining the effect of authentic leadership on two important work related outcomes namely job satisfaction and organizational commitment with special reference to Indian Banking sector. We have aimed to illustrate that via employee trust, authentic leaders facilitate closer relationships with their employees, increase employee’s commitment and job satisfaction and contribute to the sustainability of the organization. The article is organized as follows—The first section of the paper represents the conceptual framework of the study. The second section deals with review of literature pertaining to the relationship between 1) Authentic Leadership and Outcomes (Job Satisfaction and Organizational Commitment); 2) Trust (dispositional trust, trust in supervisor, trust in coworker) and Outcomes Job Satisfaction and Organizational Commitment; 3) Authentic Leadership and Trust; 4) Authentic Leadership and Outcomes: Mediating Effect of Trust. Further, the third section represents the methodology of the paper. The fourth and fifth section deals with results and discussion respectively and the last section deals with practical Implications, limitations, and future research suggestions.

This study enhances the knowledge about the relevance of emerging area of
positive leadership such as authentic leadership theory and responds to the need to understand underlying mechanisms linking authentic leadership with employee’s commitment and job satisfaction.

2. Conceptual Framework

2.1. Authentic Leadership

The concept was initially investigated by Luthans and Avolio (2003) and was theoretically derived from the positive organization behavior by Avolio et al. (2004). Luthans and Avolio (2003) defined authentic leadership as a process that draws on both positive psychological capacities and a well-structured organizational framework to increase leader’s self-awareness and favorably influence follower’s behaviors.

Authentic leadership has gained attention among academicians due to its positive and significant effects on employees as well as on organizational performance (Walumbwa, Avolio et al., 2008; Walumbwa, Luthans et al., 2011; Walumbwa, Wang et al., 2010) much more empirical work remains to be explored especially in the Indian context. As conceptualized within the emerging field of positive psychology (Seligman, 2002). Walumbwa et al. (2008) defined authenticity as “owning one’s personal experiences, be they thoughts, emotions, needs, preferences, or beliefs, processes captured by the injunction to know oneself” and behaving in accordance with the true self (p. 92)

According to Walumbwa and colleagues’ (2008) authentic leadership comprises four main factors: 1) Self-awareness which refers to an individual’s awareness of, and trust in his or her own personal characteristics, strengths, weaknesses, principles, values, motives, feelings, and cognitions and their effect on followers (Avolio & Gardner, 2005); 2) Balanced Processing which has been described as ‘the heart of personal integrity and character, thereby significantly influencing a leader’s decision making and strategic actions (Ilies et al., 2005: p. 378); 3) Internalized Moral Perspective which refers to a self-regulation system operated by internal moral values and principles that develop the leader’s decision-making skills and behaviors. 4) Relational Transparency which refers to leader’s transparency in sharing information, opinions, and positive emotions with followers. Disclosing one’s true self to one’s followers builds trust and intimacy, fostering teamwork and cooperation (Gardner et al., 2005b) (Figure 1).

In conclusion, authentic leaders are always ready to meet the needs of organizations and individuals who look to their leaders as role models of character, integrity, and authenticity, giving them a direction and help them give meaning to their work and their lives (Gardner et al., 2005a).

2.2. Trust as a Mediator Variable

Besides fairness and respect, trust has also been considered as the foundation of positive organizational cultures primarily defining healthy places of work (Khatri et al., 2007; Lowe et al., 2003). Trust has been termed as the “social glue”
that can hold different kinds of organizational structures together. It is an important element in creating constructive human relationships at work. At the individual level, trust is based on interpersonal interaction (Atkinson & Butcher, 2003). According to Mayer et al. (1995), trust can be defined as “the willingness of a party to be vulnerable to the actions of another party, based on the expectation, that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party.” (p. 712). Trust refers to a person’s belief in and willingness to act on the basis of other person’s words, actions and judgments (McAllister, 1995).

McAllister (1995) has suggested that interpersonal trust can be categorized into two different dimensions: cognitive and affective. Cognitive forms of trust reflect issues such as the reliability, integrity, honesty, and fairness of a referent. Affective forms of trust reflect a special relationship with the referent that may cause the referent to demonstrate concern about one’s welfare.

In the past few years, trust in interpersonal relations at workplace includes primarily between the trustor (the subordinate) and the trustee (the superior/leader) and the trust between the coworkers has been studied as one of the crucial explanatory concept in organizational behavioral and managerial studies. According to Kiffin-Petersen and Cordery (2003), the recent organizational behaviour literature on interpersonal trust has fairly discriminated between dispositional (generalized propensity to trust) and situational bases of trust (trust in co-worker and trust in supervisor). In this streamline, Mayer et al. (1995) relational model incorporates propensity to trust, a dispositional variable, as well as trust that arises from the person’s perception of the other’s trustworthiness (i.e. their perceived ability, integrity and benevolence in a specific situation). In summary, trust is a kind of a mutual understanding that the two persons have between each other, that their vulnerabilities and weaknesses will not be misused in any way and that their relationship will be secure and respectful (Norman, 2006). Taking the above mentioned issues in consideration, we have examined three interpersonal trusting relationships at work mainly 1) dispositional trust; 2) trust between an employee and his or her immediate supervisor; and 3) trust...
between an employee and his or her coworker (3). In the first two trusting relationships (trust in supervisor and trust in co-worker) included items related to cognitive and affective based trust as proposed by McAllister (1995).

2.3. Dispositional Trust

An individual’s propensity to trust is a generalized predisposition or personality trait that develops in varying degrees depending on a person’s personal experiences with significant others, particularly during their early socialization (Rotter, 1971; Wrightsman, 1964).

Initial research on dispositional trust was performed by Rotter (1971, 1980). The author has defined dispositional trust as the general expectation in which the word, assurance, oral, or written statement of another individual or group can be easily relied on (Rotter, 1971: p. 444). Dispositional Trust in general can be defined as the general tendency to believe in the positive characteristics of others. It was further proposed by authors that individuals use their earlier experiences to develop a kind of mental framework about whether other people are trustworthy or not and this framework after a certain period of time evolves into a fairly stable dimension of dispositional trust.

Dispositional trust is referred to as a diffused expectation of others loyalty. It generally starts with early experiences and ultimately becomes a stable personality trait (Rotter, 1971, 1980). The implication is that individuals with a greater disposition toward trusting others will demonstrate greater levels of trust in another entity based upon initial contact with that entity. Researchers have distinguished between (a) the stable, trait-like tendency to trust or not trust others, which we call propensity to trust, and (b) the actual level of trust expressed in a specific other, which we call dispositional trust (Merritt & Ilgen, 2008). Researchers have further suggested that propensity to trust will be positively correlated with dispositional trust, but they are likely to be distinguishable constructs.

It is regarded as important in the earlier stages of a relationship. During the initial stages of relationship people generally tend to rely on their disposition to trust others because they have relatively very little or no specific information which can be used to judge the other party (McKnight et al., 1998).

2.4. Trust in Supervisor/Immediate Supervisor

The most pervasive form of relationship in an organization exists between a subordinate and a supervisor and trust plays a crucial role in such hierarchical, complementary relationships because of the dependency and sensitivity of employees to their supervisors (Poon, Rahid et al., 2006).

In reference to the supervisor-subordinate relationships, trust in supervisor is defined as the subordinate’s (the person who trusts) positive beliefs of capability, loyalty and altruistic behavior of the supervisor (the person who is trusted) (Dirks & Ferrin, 2002; McAllister, 1995). The underlying assumption is that supervisors are considered as experienced and skilled in exhibiting their talents,
skills, capabilities, and intellectual understanding necessary to perform a particular job (Nooteboom, 2002). Further, they are perceived to be trustworthy when their future behavior can be anticipated and when there is uniformity between their words and actions overtime and across different situations. According to Mayer, Davis and Schoorman (1995) ability, benevolence, and integrity are the three attributes of the trustee (i.e. leader) which are critical for the development of trust. Ability or competence refers to those abilities and skills that a person possesses which enables him to have influence within some particular domain (Mayer et al., 1995). The degree to which the trustor (i.e. subordinate) recognizes that the trustee (supervisor) intends to do good for him or her in their relationship is referred as benevolence (Davis et al., 2000). Employees will be more inclined to rely and invest their trust in their boss if they believe he/she cares about their interest and well-being. The cornerstone of a trusting relationship between leaders and followers is integrity. It is action and form loyalty to one’s intellectual convictions (Locke, 2000). Leaders achieve trust if they are ethical, honest, reliable and unbiased in their approach (Kirkpatrick & Locke, 1991). The reason is that those supervisors who possess these attributes are not likely to get involved in opportunistic behaviors and employees will be less likely to observe the actions of their supervisors.

Despite the fact that leaders play a critical role in establishing and developing trust, little research has been done on the precise leadership activities that encourage trust in them. However, a handful of studies has documented that authentic and transformational leaders appear to be more influential than others in enhancing a trusting relationship with their followers in the organization. (Avolio, Gardner et al., 2004; Gardner, Avolio, & Walumbwa, 2005; Hughes, 2005; Norman, 2006)

2.5. Trust in Coworkers

Coworkers are those members of an organization who hold relatively equivalent power or level of authority and with whom an employee can interact during the working hours. In the present study, we have examined trust toward a group of coworkers with whom the respondent interacts most frequently. According to Mayer, Davis and Schoorman (1995) we define trust in coworkers as the disposition of the person to be susceptible to the actions of its equivalent coworkers whose behavior and actions cannot be controlled by that person. Trust built among colleagues increases problem-solving capacity by facilitating information sharing within groups and aligning individual motivation with joint effort (Dirks, 1999; Cho & Park, 2011).

Research has illustrated that coworkers can provide a focal employee with a sense of identity, support, and friendship (Bowler & Brass, 2006). Focal employee has little, if any, power or control over coworkers’ actions (Tan & Lim, 2009). Therefore, coworker trust is prominent in horizontal relationships. Most literature in trust focused on leader-subordinate relations (Dirks & Ferrin, 2002).
Research on trust directed at coworkers in general has been relatively sparse (Ferres et al., 2004; McAllister, 1995). Seeing that trust in coworkers may have unique effects on focal employee behaviors at work, examination of this topic can add value to the existing trust research.

A major reason why trust in co-workers has gained attention is the extensive change of work environments due to the emergence of the work team in the early 1990s (Cho & Park, 2011; Ingraham & Jones, 1999). Thus, the recent organizational trend such as adopting flatter organizational structure has highlighted the importance of coworkers due to more team-based work. For any organization coworker trust is important for three reasons. Firstly, the presence of work teams and the interdependent nature of work tasks create a situation where the employees have to trust and cooperate with each other, reducing the chances of competition and increasing the coordination and collaboration for the achievement of organizational goals (Groysberg & Abrahams, 2006). Secondly, because it is very frequent for the tasks to be dependent, rewarding in nature and the nature of penalty systems are also dependent and team oriented. In this streamline, we assert that when employees express trust in their coworkers to do their best, they are more willing to work hard themselves, as they know that their efforts will be recognized and rewarded accordingly. Finally, interpersonal trust increases the chances of engaging in a social exchange relationship (Blau, 1964). When coworkers trust one another, they are more willing to help each other, as they know that this behavior will be reciprocated in future by their peers.

In spite of the well-developed literature on trust in leaders, very little studies have tried to examine the impact of trust in coworkers especially in the Indian context (Ferres et al., 2004; Parker et al., 2006). In addition, a handful of available studies that have examined trust in coworker have studied it as an antecedent variable (Alge et al., 2003; Ladebo, 2006). In the present study, we have examined trust toward a group of coworkers with whom the respondent interacts most frequently.

### 2.6. Major Outcomes of the Study

Organizational commitment is an issue of prime importance, especially to the management and owners of the organizations. Organizational commitment and job satisfaction are directly related to an organization’s profitability and competitive position in the market.

#### 2.6.1. Job Satisfaction

Job satisfaction is a topic of extensive interest to both people who work in organizations and people who study them because a substantial part of an employee’s life is being spent at work place. It is a most frequently studied variable in organizational behavior research, and also a central variable in both research and theory of organizational phenomena ranging from job design to supervision (Spector, 1997). The word ‘job’ literally means forcing someone to work and the term ‘job satisfaction’ refers to the attitudes and feelings people have about their
work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Abdolshah et al., 2018; Armstrong, 2006). Baron and Greenberg (2000) defined job satisfaction as employees cognitive, affective and evaluative reactions directed towards their job/work. The conceptual dimension of job satisfaction is based on the employee's evaluation of the organization because the level of knowledge of the employee about the organization affects the individuals' job satisfaction level. The emotional dimension of job satisfaction reflects the employee's feelings about work and workplace. When an employee says that he or she has high job satisfaction, it means that he or she really likes his job, feels good about it and values his job dignity.

Thus, it can be apparent from the above mentioned discussion that job satisfaction is an integral component for the environment of organization and an important element for the relationship between management and employees.

2.6.2. Organizational Commitment
Organizational commitment has been a topic widely researched over the years. The importance given to organizational commitment may be attributed to the fact that organizational commitment leads to several favorable outcomes for both individuals and organizations (Chiu & Ng, 2015). Organizational commitment can be defined as an individual's identification with and involvement in the organization, characterized by a strong belief in and acceptance of the organization's goals and values, and a willingness to exert considerable effort on behalf of the organization (Mowday et al., 1979).

According to Meyer and Allen (1997), organizational commitment is defined as an employee's emotional relationship, identification and involvement in the organization. (p. 11) Organizational commitment has also gained interest as it is seen as the core component for cooperation and consensus in a functionally cohesive organization. It is suggested that employees are more empowered to serve the common goal in strong, cohesive organizations, while the attractiveness of values brings the members of the organization closer together. While researchers hold diverse emphasis on the construct of organizational commitment, but most of them suggest that commitment represents both attitude that describes an individual's linkage to the organization and set behaviors by which individuals manifest that link. Thus, it can be concluded that having loyal employees is very important for organizations since there is evidence that loyal employees add to the value of an organization, which help in attracting and retaining the very best individuals (Al-Qarioti & Al-Enezi, 2004).

2.7. Importance of Studying Job Satisfaction and Organizational Commitment of Employees with Special Reference of Banking Professionals

The nature of the bank work involves meeting the customer requirements, handling money transactions and maintenance of records. The Indian Banking Sec-
tor is facing problems in matching with the updating, technological advancement and challenges from inside and outside of the organization. Organizations, like banks, are considered to be one of the most stressed-out sectors in the world (Ebiringa, 2011) and the same applies to the Indian banking sector too. In one study, Sundstrom, Town, Rice et al. (1994) have found that 54 percent of employees are disturbed by the sounds of telephone conversations and ringing while working that predisposes work ability, mentality, and performance and targets to be accomplished.

In view of this, contemporary Indian banking business considers satisfaction and organizational commitment of their employees as important factors for growth of the organization. The study of job satisfaction among bank employees is important because there are various positive and negative aspects of the banking job that lead to satisfaction and dissatisfaction respectively. Positive aspects of banking job include the opportunity to work in bank facilitating employees to accomplish common goals, developing banking background and the ability to work with co-workers in a team. Efficient human resource management and efforts for maintaining higher job satisfaction level in banks determine not only the performance of the bank but also affect the growth and performance of the entire economy. So, for the success of banking it is very important to manage human resource effectively and to find whether its employees are satisfied or not only if they are satisfied, they will work with commitment and project a positive image of the organization. If they are highly satisfied they produce more and it is profitable for the organization (Sumitha & Padmaja, 2017). Banks are facing high competition due to the entry of new commercial banks, development banks, financial institutions, microfinance and cooperatives operating the same in urban areas. In this situation every bank need to focus on the best managing of human resources so as to ensure high job satisfaction for providing effective and quality services through their competent, committed and motivated psychology of human resource. The profitability of banks and its competitive position on the market are influenced by the organizational commitment of employees. Therefore, it is the responsibility of the bank’s management to attract and retain dedicated employees that can contribute to the overall performance of the institution.

3. Review of Literature and Proposed Hypothesis

The demand for authentic and more accountable leaders is required due to lots of challenges faced by banking industry. Although conceptualizations of authentic leadership can be found many years ago in the literature, the authentic leadership theory is newly emerging and developing in multiple areas of leadership research, positive organizational behavior, and ethics (Avolio & Gardner, 2005; Northouse, 2013; Walumbwa et al., 2008). Authentic leaders can adjust themselves to cope with their follower’s perceptions in order to achieve their common goals, improve commitment, enhance general performance and assure trust
3.1. Authentic Leadership and Job Satisfaction and Organizational Commitment

A large number of studies have been conducted, mostly in the Western context, examining the effects of authentic leadership on several proximal and distal constructs, such as organizational commitment and work engagement (Ausar, Kang, & Kim, 2016; Gardner et al., 2005a, 2005b; Walumbwa et al., 2010; Wang & Hsieh, 2013) job satisfaction (Ayça, 2019; Darvish & Rezaei, 2011), turnover intention (Ausar et al., 2016; Azanza et al., 2015) and organizational performance (Clapp-Smith et al., 2009; Wong & Cummings, 2009) and trust in leaders (Clapp-Smith et al., 2009; Wong & Cummings, 2009; Wong, Spence Laschinger, & Cummings, 2010). Although a handful of studies have shown that the attributes demonstrated by authentic leadership are tremendously significant in attaining the organization’s goals, however this is not sufficient alone. Hence, it is imperative to investigate how an authentic leader influences employee attitudes and behaviors. Thus, in this regard examining the impact of authentic leadership on job satisfaction is critical.

The link between authentic leadership and job satisfaction can be further explained by the propositions of Steffens et al. (2014). The authors have illustrated that the higher degree of authentic leadership as perceived by employees, the stronger the emotional bond that unites them. Further, authentic leaders are capable of preventing strain between both leaders and their employees thereby creating a mutual special sense of “us” shared among the leader and employees leading to higher level of job satisfaction. In a recent study conducted on employees of 13 accommodation establishments with four or more stars who are active in the tourism sector in Istanbul, Ayça (2019) has found that employees want their managers to express good leadership qualities. The gap in the difference between the leadership style displayed by the managers and the leadership style expected by the employees leads to job dissatisfaction. Therefore, the characteristics of authentic leadership positively affect job satisfaction of employees so that the leadership behavior of the managers in the organization brings satisfaction to the employees and lead to communication between the leader and their employees possible.

This can be further explained by the fact that in any organization employees expect their bosses to demonstrate leadership skills. When employees perceive a mismatch between the leadership style demonstrated by managers and the leadership style expected by them, they experience job dissatisfaction. Thus it is apparent from the above mentioned discussion honest leadership has a favorable impact on job satisfaction.

Authentic leaders fulfill the needs of organizations and employees who consider their leaders as epitomes of character, integrity, and authenticity. They give them a direction and provide them a meaning to their work and their lives.
(Gardner, Avolio, Luthans et al., 2005b). To explain the relationship between authentic leadership and organizational commitment, Walumbwa et al. (2008) have also suggested that authentic leadership is directly related to increased organizational commitment (in particular the affective dimension) due to the behavioral pattern of the authentic leader, because it can positively affect the behavior’s and attitudes of employees, developing commitment, organizational citizenship behaviors and performance (Rego, Sousa et al., 2012). This causes followers to feel more committed to achieving the goals and objectives that have been set, given their degree of perceived authenticity (Kernis & Goldman, 2005; Rego et al., 2015).

While the influence of other leadership styles on commitment and job satisfaction is well documented, little work has been conducted that examines the relation between authentic leadership and job satisfaction and organizational commitment. Empirical evidence on the relation between authentic leadership and follower work attitudes and behaviors is still scarce due to the novelty of the construct. Although, recent studies consistently demonstrate leadership and its consequences, but research regarding the influence of authentic leadership and its impact on employee attitudes and behavior is seldom studied. In order to full-fill this gap in the literature the present study aims to investigate the relationship between authentic leadership and job satisfaction and organizational commitment.

Based on the above discussion, we hypothesized the following:

H1- Followers perception of Authentic Leadership will be positively related with

1) Job Satisfaction; 2) Organizational Commitment.

3.2. Trust (Dispositional Trust, Trust in Supervisor, Trust in Coworker) and Outcomes

Trust in interpersonal interactions at work, specifically between a trustor (a subordinate) and the trustee (a superior/leader), has been studied as a major explanatory construct in organizational research over the years.

3.2.1. Dispositional Trust and Job Satisfaction and Organizational Commitment

Researchers investigating dispositional trust mainly recommended that it is a stable trait which is consistent across situations and has important behavioral and interpersonal consequences at workplace (Rotter, 1980; Sorrentino et al., 1995). In one study, Kennerly (1989) investigated the relationship among administrative leadership behaviors, organizational characteristics, and faculty job satisfaction in baccalaureate nursing programs of private liberal art colleges. The existence of organizational behaviors such as mutual trust, respect, certain warmth, and rapport between the dean/chair and the faculty member was a predictive factor in the development of nurse faculty job satisfaction. However, there is little work exploring the relationship between propensity to trust and
organizational commitment.

It is usually regarded as a contribution or component of trust in affecting organizational commitment. For example, in one study Costa (2003) has found that dispositional trust is strongly associated with organizational commitment via work team trust. Tabak and Smith (2005) have studied the relationship between trust and organizational commitment in the context of electronic monitoring at the workplace. They found that disposition to trust affects organizational commitment through the categorization of managerial trustworthiness.

Because dispositional trust has been linked to significant organizational activities in previous research, we believe that trust will be favorably related to workplace perceptions as well. It also affects how people behave in organizations, and how trust influences their work environments and understanding between them. Thus, it is apparent that employees who are more trusting are likely to have a more positive assessment depending on how fairly they are being treated in the organization. In recent years, Social Exchange theory (SET) has received greater attention in organizational research (Tse & Dasborough, 2008; Nambudiri, 2012; Wayne et al., 2002) and been employed as the theoretical basis of this study to explain the relationship between dispositional trust and organizational commitment. Researchers agree that trust is the basis for social exchange as it involves the norm of reciprocity.

Social Exchange Theory (SET) posits that the norm of reciprocity binds the person to return benefits or favors that they have received from others (Blau, 1964, 2017). It obliges the employees to respond to positive action within the organization with greater commitment at the workplace (Gouldner, 1960). As organizational commitment has been viewed as an outcome variable through theoretical lenses of social exchange, it is considered that commitment and dispositional trust are interrelated through the theoretical basis of social exchange.

Rotter (1980) points out that individuals prone to trust others are less likely to engage in deviant behavior such as lie and cheat and more likely to act in a trustworthy manner. Propensity to trust is related to social exchange theory as it is about individual confidence in the ability and willingness of the partner to reciprocate given commodities. Thus, propensity to trust among the working partner is critical in initiating the social exchange process. Nambudiri (2012) has examined the relationship between dispositional trust and the Meyer and Allen’s three dimensions (affective, normative and continuance) of organizational commitment within the Indian pharmaceutical sector. The results revealed that dispositional trust has a positive impact on organizational commitment.

3.2.2. Trust in Supervisor and Job Satisfaction and Organizational Commitment

Tan and Tan (2000) explored supervisor and organization as trust referents and found that the former is affected by the perceived ability, benevolence, and integrity of the supervisor and leads to satisfaction with supervisor and innovative behavior, whereas the latter is affected by procedural and distributive justice and
results in higher organizational commitment and lower turnover intentions. Trust functions as glue that connects people, processes and the workplace environment in making an organization successful. Researchers have illustrated that lack of trust in supervisors and organizations has been found to influence employee’s engagement at work (Covey & Merrill, 2006). Employees feel demotivated when they experience lack of trust in their supervisors.

Researchers who have adopted social exchange theory have focused more on the norm of reciprocity that describes relationships as a result oriented behavior. (Cropanzano & Mitchell, 2005) They have illustrated that followers are more likely to reciprocate when they are fairly treated by their leaders in the organizations (Mayer, Kuenzi et al., 2009).

According to Morrison and Robinson (1997) employees feel that their supervisors are obligated to tell them the truth about the organization. In failing to do so employees feel that they are treated unfairly. Consequently their work engagement is decreased. Thus, the consistency between leader’s beliefs and actions play an important role in enhancing employee's engagement at work (May et al., 2003).

3.2.3. Trust in Coworker and Job Satisfaction and Organizational Commitment
As an indicator of the quality of the relationships with coworkers, trust is proximal to the employee behaviors and therefore should mediate the relationship between co-workers trustworthiness and the focal employee work behaviors and between co-workers social undermining behaviors and the work behaviors. Trust developed among co-workers increases problem-solving capacity by enabling information sharing within groups (Zand, 1972) and aligning individual member’s motivation with cooperative effort (Dirks, 1999). A handful of studies in this regard have shown that trust among group members enhances interpersonal helping behaviors (Choi, 2006; McAllister, 1995). As a result, trust enhances the ability of group members to work together, which in turn is likely to increase team performance (Larson & LaFasto, 1989). Thus, based on the above mentioned findings, trust in co-workers therefore is expected to be positively associated with satisfaction and commitment.

Extending this research in accordance with exchange relationships among co-workers, it is reasonable to believe that when a focal employee trusts his or her coworkers, he or she will likely to exhibit higher organizational commitment. This is based on the norm of reciprocity (Gouldner, 1960) which predicts that when individuals are pleased with their coworkers, they may reciprocate with increased loyalty and commitment in the organization.

In a study on LIC agents of Singapore, Tan and Lim (2009) observed that trust in coworkers is positively related to trust in organizations, and trust in organizations fully mediated the relations between trust in coworkers and organizational commitment, and between trust in coworkers and performance.

In another study on 218 members of forty self-managing work teams em-
ployed by a large Australian water utility, Kiffin-Petersen and Cordery (2003) found that trust in coworkers partially mediates the relation between individual’s propensity to trust strangers and their preference for working in a team. In a sample of 299 employees from a large public health organization, Ferres et al. (2004) found coworker trust to be related to higher perceived organizational support, lower turnover intention, and higher affective commitment. Past studies that have associated trust with organizational commitment have mostly examined trust in organizations (Aryee et al., 2002; Pillai, Schriesheim, & Williams, 1999; Tan & Tan, 2000). These findings suggest that of the foci of trust, trust in organizations is the organizational-level variable that is more likely to predict organizational commitment.

An examination of interpersonal trust within organizations mainly focused on managers as the referent, largely ignoring the topic of trust amongst coworkers. Investigations of coworker trust focus on a different referent, and are expected to have unique effects on employee behaviors. Many of today’s workplace draws on flatter organizational structure and have more team-based work. Research found that coworkers can provide a focal employee with a sense of identity, support, and friendship (Bowler & Brass, 2006). Coworkers support can affect individual employees’ presence at work (Iverson, Olekalns, & Erwin, 1998) and intention to quit (Cox, 1999). Nevertheless, several important questions remain unanswered in the lateral relationships research. To date, no study has been directed to combining entire range of actions originating from coworkers and individual work behaviors. Seeing that trust in coworkers may have unique effects on focal employee behaviors at work, examination of this topic can add value to the existing trust research.

The possible relationship between trust in coworker and outcomes can be explained by the fact that high-trust individuals were perceived as less dependent on others (in making decisions and seeking advice and assistance) and were considered by their peers to be more co-operative and trustworthy (Rotter, 1971) and might therefore hold a more positive attitude towards their job in general leading to high levels of job satisfaction.

Therefore, we hypothesized the following:

H2- Followers perception of Dispositional Trust will be positively related to a) Job Satisfaction; b) Organizational Commitment.

H3- Followers perception of Trust in Supervisor will be positively related to a) Job Satisfaction; b) Organizational Commitment.

H4- Followers perception of Trust in Coworker will be positively related to a) Job Satisfaction; b) Organizational Commitment.

3.3. Authentic Leadership and Trust

Researchers have devoted substantial interest in identifying the conditions that might promote trust in work organizations. In this streamline, Carnevale and Wechsler (1992) have asserted that ‘Despite linkages between trust and these
significant organizational dimensions, there has been little systematic study of the determinants of trust in organizations’ (p. 472).

Though, authentic leadership has gained a lot of attention among academicians due to its positive and significant effects on employees as well as on organizational performance (Walumbwa, Avolio et al., 2008; Walumbwa, Luthans et al., 2011; Walumbwa, Wang et al., 2010) much more empirical work remains to be explored especially in the Indian context. Thus, a major contribution of our proposed model is that it recognizes for the first time the possible role that multiple types of trust (affection based trust, cognition based trust, dispositional trust, trust in supervisor, trust in coworker) may play in the authentic leadership process.

3.3.1. Authentic Leadership and Dispositional Trust

The construct of dispositional trust hailed primarily from dispositional psychology and is related to the extent to which one displays a consistent tendency to be willing to depend on general others across a broad spectrum of situations and persons. Our definition does not literally refer to a person’s trait. Rather, it means that one has a general propensity to be willing to depend on others. Disposition to trust does not necessarily imply that one believes others to be trustworthy. Whatever the reason, one tends to be willing to depend on others. People may grow up with disposition to trust (Erikson, 1968) or may develop it later in life. Either way, it is acted out as a generalized reaction to one’s life experiences with other people (Rotter, 1971).

Because disposition to trust is a generalized tendency across situations and persons, it probably colors our interpretation of situations and actors in situations, but only has a major effect on one’s trust-related behavior when novel situations arise, in which the person and situation are unfamiliar (Johnson-George & Swap, 1982; McKnight & Chervany, 2000). So far we have not found any study which has examined especially the relationship between authentic leadership and dispositional trust. The argument for proposing this relationship can be explained by the fact that when leaders demonstrate integrity, ability, benevolence, the characteristics of an authentic leader which are critical for the development of trust, it affects the followers general disposition to trust in a way that it is more likely to influence employees intentions to trust their leader. (Payne & Clark, 2003)

3.3.2. Authentic Leadership and Trust in Supervisor

A key element of a healthy work environment is trust: trust between staff and their leaders. Authentic leadership is proposed as the core of effective leadership needed to build trust because of its clear focus on the positive role modeling of honesty, integrity, and high ethical standards in the development of leader-follower relationships.

Leadership trust can be defined as a relationship between leader and the follower which is based on mutual respect, interdependence, consistency and fair-
ness (Brower et al., 2000; Dirks & Ferrin, 2002).

According to Avolio et al. (2004) the trust employees have in their leaders is linked with their positive attitudes and performance. Although authentic leadership research is still in its early stages, few studies have found that relational transparency forms an important part of authentic leadership and also strongly predicts trust in a leader (Gardner et al., 2006; Hughes, 2005; Norman, 2006).

Dirks and Ferrin (2002) in a meta-analysis during the past four decades investigated the outcomes and implications of the research on trust in leadership. The authors have illustrated that true leaders are able to manage their actions through end values when trust in leadership is appropriately directed. In other words, when employees are well able to relate with their supervisors, their trust towards them increases and they are more willing to engage in their work. According to Jung and Avolio (2000), leaders may build trust by exhibiting individualized concern (i.e. engagement) and respect (i.e. encouraging diverse viewpoints) for followers. According to social exchange theory (Blau, 1964) a high quality social relationship is likely to lead to gestures of generosity being reciprocated, even to the extent that each party willingly going above and beyond the call of duty (Konovsky & Pugh, 1994).

Covey and Merrill (2006) have emphasized that by leading employees through authentic communication, supervisors or immediate officers gain approval from their employees. Further, employees reciprocate to their supervisors through their increased level of engagement and trust. This assertion is further substantiated by Elsbach & Elofson (2000) and Norman et al. (2010). These authors have suggested that supervisors or immediate officers develop positive and trustworthy relationships with their employees when they use easy language and transparent communication.

Agote, Aramburu and Lines (2016) in their study on 102 Spanish human resource managers indicated that authentic leadership is directly and positively related to follower’s trust in the leader and the experience of positive emotions. When employees believe their superiors are authentic, they are more willing to reciprocate willingly, which builds trust and reliance and allow employees to be more engaged in their work.

Jeong, Lee and Kim (2017) examined the effects of four dimensions of authentic leadership (self-awareness, relational transparency, balanced processing of information, and internalized moral perspective) on two types of trust (trust in supervisor and trust in organization) in the hotel industry. The results revealed three dimensions of authentic leadership have an impact on trust in the leader and relational transparency does not have any effect on trust in the supervisor.

Levesque-Côté, Fernet, Austin and Morin (2018) study provided additional support with positive associations between authentic leadership perceptions and trust in leaders. When employees perceive a leader as lacking in honesty, integrity, fairness, and competence, they are more likely to consider quitting, because they may be concerned about decisions that the leader might make and not want
to put themselves at risk to the leader (Dirks & Ferrin, 2002). Thus, we expect trust in leadership to be associated with followers’ positive attitudes, which in turn will be related to positive behaviors.

### 3.3.3. Authentic Leadership and Trust in Coworker

Studies conducted by Luthans and Avolio (2003) emphasize that authentic leadership constitutes authenticity as one of its most important factors contributing to the willingness of employees to trust in the co-worker and supervisor. Using Singaporean Chinese as sample, Tan and Lim (2009) found that only benevolence and integrity of coworkers were significantly and positively related to trust in coworkers.

Trust in coworkers is said to be developed by authentic leaders (supervisors) who creates an authentic culture and climate for their followers to work. Chung and Jackson (2011) opined that trust in co-workers enhances their ability to share knowledge, information and resources among them thereby leading to an increase in the levels of work engagement. (Ebrahim, 2017) The authors have further emphasized that presence of trust makes an employee more open to receiving feedback and using it constructively, because trust has the ability to instill sentiments of confidence and empowerment in the interaction between coworkers (Chung & Jackson, 2011).

Hence, based on the mentioned discussion on the relationships between authentic leadership, dispositional trust, trust in supervisor and trust in coworker we assume the following hypotheses:

H5- Followers perception of Authentic Leadership will be positively related to their 1) Dispositional Trust; 2) Trust in Supervisor; 3) Trust in Co-worker.

### 3.4. Authentic Leadership and Outcomes: Mediating Effect of Trust

Several models of authentic leadership reveal that an authentic leader builds trust, cooperation and teamwork by displaying his true self to his subordinates. (Gardner et al., 2005b) Although a handful of research has illustrated that a strong relationship exists between authentic leadership and various employee outcomes such as job satisfaction, organizational commitment, intention to stay, organizational citizenship behavior and work engagement) through trust (Agote et al., 2016; Clapp-Smith et al., 2009; Hassan & Ahmed, 2011; Wang & Hsieh, 2013; Wong et al., 2010). Wang and Hsieh (2013) conducted a study on 386 employees recruited from the top one thousand manufacturing organizations and the top five hundred service organizations in Taiwan. The findings indicated partial mediating effect of trust in the relationship between authentic leadership and employee engagement.

Leaders, who display high degree of honesty, are determined and are committed to their core beliefs are labeled as authentic. They build a stable organization that meet the needs of all those who are involved. As a result, they promote a more trusting relationship in their work groups that helps them to produce sev-
eral positive outcomes such as job satisfaction, organizational commitment, and intention to stay, and work engagement.

The ability of leaders and members of the work group to work together effectively is dependent on interpersonal trust. Despite the fact that leaders play a critical role in generating and maintaining trust, little research has been done on the precise leadership activities that foster trust in them. However, there is evidence that some leaders, such as authentic and transformational leaders, are more effective than others at fostering a trusting relationship with their followers. (Gardner, Avolio, & Walumbwa, 2005; Hughes, 2005; Norman, 2006; Avolio, Gardner, Walumbwa et al., 2004)

Thus, the present study attempts to fulfill these gaps in the literature by examining how the attributes of authentic leadership contribute to employees trust in their leaders which in turn predict employees work related outcomes (Figure 2). The underlying mechanism can be explained by in the light of social exchange theory (Blau, 1964). Further, According to Blau (1964), social exchange relationships cannot develop when the trust is lacking. This kind of an exchange cannot develop in the absence of trust (Blau, 1964). Avolio et al. (2004) pointed out that employees’ trust in their leader is associated with their positive attitudes and behavior. Putting other way, when employees identify with their supervisors or immediate officers they express trust in them and are likely to engage in their work. Consequently their level of organizational commitment and job satisfaction is enhanced. Through appropriate social exchange relationship authentic leaders are concerned about their subordinates who are helpful in strengthening the affective based trust in the leader.

Therefore, we proposed the following hypothesis-

H6- Follower’s perception of Dispositional Trust will mediate the relationship between Authentic Leadership and a) Job Satisfaction; and b) Organizational Commitment.

H7- Follower’s perception of Trust in Supervisor will mediate the relationship between Authentic Leadership and a) Job Satisfaction; and b) Organizational Commitment.

Figure 2. Schematic diagram proposed for the study.
H8- Followers perception of Trust in Coworker will mediate the relationship between Authentic Leadership and a) Job Satisfaction; and b) Organizational Commitment.

4. Methodology

4.1. Participants

Respondent in this study were 115 Banking professionals recruited from the branches of five major nationalized banks located in Varanasi (U.P., India). Yamané’s (1967, p.886) formula was used for the calculation of sample size.

\[ n = \frac{N}{1 + N(e)^2} \]

where:
- \( n \) = Sample size
- \( N \) = Population size
- \( e \) = level of precision

After applying the above formula, 109 or more measures were required to have a confidence level of 95%. Participants were classified into three ranks – Managerial (14%), Assistant/Clerical (59%), and others (27% including bank teller internal auditor etc.) The age of participants ranged from 22 to 55 years. The mean age was 28.37 years and S.D. = 6.17. Demographic characteristics of the sample showed that, 83% of the participants were male while 32% of employees were female in the study. Concerning marital status, 39.1% of participants were found unmarried and 60.9% of participants were found married. The information about the salary of the participants was found as: 27.8% of the participants were getting below than 20,000 Rupees per month, 52.2% participants were getting 20,000 to 40,000 Rupees per month, and 20% participants were getting more than 40,000 Rupees per month. Furthermore, concerning the educational level 1.7% of the participants were intermediate, 51.3% of participants were Undergraduate and 47% participants were Postgraduate with or without professional qualification.

The sample consisted of 81.7% participants working in between 6 to 9 hours while 18.2% of participants worked for more than 9 hours. With respect to total work experience (for the present organization) 91.3% of the participants worked for the organization from 3 to 8 Years, 3.47% of the participants were working for the organization from 9 to 14 Years, and 5.21% of the participants worked for the organization for 14 years and more.

4.2. Measures

**Authentic leadership** (\( \alpha = .91 \)) was measured using the 16-item Authentic Leadership Questionnaire (ALQ) recently validated by Walumbwa, Avolio, Gardner et al. (2008). Walumbwa et al. (2008) showed that the scale has both convergent and discriminant validity with respect to other leadership constructs such as transformational and ethical leadership. The authors confirmed four theoretically related substantive factors including balanced processing (3 items),
internalized moral perspective (4 items), relational transparency (5 items), and self-awareness (4 items) that formed a core higher order authentic leadership construct. This scale was anchored with a response format ranging from 1 (Not at all) to 5 (Frequently, if not always), with a composite internal consistency (coefficient alpha) of .91.

**Dispositional Trust** in the present study was assessed with the help of 10-item International Personality Item Pool (2001) trust scale that corresponds to the NEO-PI-R trust construct. Each item was preceded by the stem, “I am the sort of person who generally tends to …” followed a trust-related dispositional tendency such as “… trust others,” or “… believe that others have good intentions.” We deleted the four reverse-coded items because of the low correlations between them and the positively coded items. The reliability coefficient for this scale is .78.

**Trust in their supervisor** was measured using an adapted form of the scale from Robinson’s (1996) study which included seven items reflecting the domain of trust identified by Gabarro and Athos (1976). Sample items include, “I believe my supervisor has high integrity,” “I can trust my supervisor to treat me in a consistent and predictable fashion,” and “My supervisor is not always honest and truthful,” (reverse coded). Reliability coefficient for this scale is .88.

**Trust in coworker** was measured with subscale developed by Ferres (2002) which included twelve items. Sample items include “I behave on the basis that my co-workers will not disclose personal information”. High measure of internal consistency was found by James (2011) who reported an alpha coefficient at .97. Cronbach alpha reliability coefficients between .90 and .97 in both the South African and Australian context have further been reported (Ferres, 2002).

**Organizational Commitment** A fifteen-item version of the Organizational Commitment Questionnaire (Mowday, Steers, & Porter, 1979) was used to assess the degree of commitment one feels towards his/her organization. The overall reliability of the scale found in this study was .76 (Cronbach’s alpha). Out of 15 items, 9 items were true-keyed and 6 items were false-keyed. The response format was a 7-point Likert scale ranged from 1 (Strongly disagree) to 7 (Strongly agree) for true-keyed items. For false-keyed items the pattern of scoring was reversed. The average of the 15 items was used as a global measure of organizational commitment. The researchers extensively use this scale since its development.

**Job satisfaction** Job satisfaction was assessed with the help of Brayfield and Rothe’s (1951) index of Job Satisfaction. This measure is a very popular tool for assessing an employee’s level of job satisfaction, as it provides a quick measure of global job satisfaction. This is a 5 items scale scored on 7 point rating scale 1 (strongly disagree) to 7 (strongly agree). In one study, Judge, Bono and Locke (2000) have reported Cronbach’s alpha of .80 for this scale.

### 4.3 Control Variables

Questionnaires pertaining to the demographic information were included in the
personal data sheet. Demographic variables included: age, gender, marital status, salary, designation, educational qualifications, number of working hours, and total number of work experience in the organization. We have included these variables to control for extraneous variances in such a cross-sectional study. Following the suggestions of Tan and Lim (2009), we have also controlled the effects of gender, age, education, organizational tenure as they may impact the experience of trust in coworkers and organizations. In a very recent study on banking sector of Pakistan, Farid et al. (2020) have found that gender was the significantly associated with cognitive-based trust.

A handful of studies have shown that age (Mathieu & Zajac, 1990; Riordan, Griffin, & Weatherly, 2003) gender and tenure (Angle & Perry, 1981) were found to be positively associated with organizational commitment. Results from several studies have indicated that there is a relationship between age and job satisfaction (Andrew, 1996; Nadiri & Tanova, 2010; Mathieu & Zajac, 1990). Past researches have reported gender differences in the experience of job satisfaction such that women have been found to report significantly higher job satisfaction than men (Okpara, 2004). Several scholars have illustrated that level of education significantly impacts the job satisfaction (Gürbüz, 2007). Studies have also demonstrated that work experience has been cited as a factor in job satisfaction (Lee & Wilbur, 1985). Thus, it is apparent from the above-mentioned discussion that demographic variables such as gender, age, education, organizational tenure and marital status were controlled because they may have systematic relationships with participants’ perceptions of authentic leadership, trust or personal and work-related outcomes. In the present study, demographic variables were coded as follows: male participants were coded as 1 and female participants were coded as 2. Regarding marital status 1 was coded as married and 2 was coded as single. In the category of education, 1 was coded as intermediate, 2 was coded as graduate and 3 as post graduate and above. In the category of salary, 1 was coded as up to 20,000, 2 between 20 to 40,000 and 3 as greater than 40,000. In the category of designation, 1 was coded as manager, 2 were coded as assistant/clerical and 3 were coded as others.

4.4. Procedure

The scholars visited different banks and discussed the importance of the study with each and every bank manager and motivated staff members to participate in the study. After the formal approval of managers, the self-administered questionnaire was distributed among all the potential employees of the banks in English, together with a cover letter stating the purpose of the study. Initially around 250 questionnaires were administered out of which 115 (46%) were regarded as complete. The selection of participants was consistent with the ethical requirements for conducting research on human subjects. The participants were informed that their participation is voluntary and to protect anonymity, informed consent forms were distributed and after the participants were complete the
survey the questionnaires were collected. The participants were assured for the confidentiality of the data provided by them and they were assured that the data would be used for academic purpose only.

5. Results

The data of the study were analyzed using, descriptive statistics, correlation and hierarchical mediation regression analyses, and Sobel test (to assess the significance of the indirect effect of mediation analyses). In the present study, all the demographic variables that were assessed have been used. This is because they were related to several variables of interest. Rather than using none or some combination, they were all included in the analysis for simplicity.

The results of hierarchical regression analysis were explained in terms of standardized regression coefficients or coefficients which were reported in Step 1 and Step 2 of each analysis. Descriptive statistics such as mean, SD and range of scores was computed to describe the basic characteristics of the data. (Table 1)

The results concerning the relationships between authentic leadership, dispositional trust, trust in supervisor and trust in coworker and outcome variables of job satisfaction and organizational commitment are displayed in Table 2. The results indicated significant positive correlations between authentic leadership and dispositional trust, and trust in coworker and outcome variables of job satisfaction and organizational commitment. These results thus, provided preliminary support for H1, H3 and H4. H2 was partially supported as the relationship between authentic leadership and trust in supervisor was found to be non-significant. Inspection of results depicted in Table 3 indicated that dispositional trust, trust in supervisor and trust in coworker were found to be significantly

Table 1. Descriptive statistics of the study variables (N = 115).

<table>
<thead>
<tr>
<th></th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>24.00</td>
<td>40.00</td>
<td>64.00</td>
<td>53.38</td>
<td>5.61</td>
</tr>
<tr>
<td>Dispositional Trust</td>
<td>19.00</td>
<td>17.00</td>
<td>36.00</td>
<td>23.35</td>
<td>3.64</td>
</tr>
<tr>
<td>Trust In Supervisor</td>
<td>10.00</td>
<td>19.00</td>
<td>29.00</td>
<td>22.38</td>
<td>2.05</td>
</tr>
<tr>
<td>Trust In Coworker</td>
<td>11.00</td>
<td>14.00</td>
<td>25.00</td>
<td>22.75</td>
<td>1.95</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>11.00</td>
<td>10.00</td>
<td>21.00</td>
<td>16.46</td>
<td>2.63</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>49.00</td>
<td>39.00</td>
<td>88.00</td>
<td>64.48</td>
<td>10.33</td>
</tr>
</tbody>
</table>

Table 2. Correlation coefficients between authentic leadership and organizational trust (dispositional trust, trust in supervisor, and trust in co-worker).

<table>
<thead>
<tr>
<th></th>
<th>Job Satisfaction</th>
<th>Organizational Commitment</th>
<th>Dispositional Trust</th>
<th>Trust in Supervisor</th>
<th>Trust in Coworker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>.308**</td>
<td>.503**</td>
<td>.271**</td>
<td>.162</td>
<td>416**</td>
</tr>
</tbody>
</table>
Table 3. Correlation coefficients between dimensions of organizational trust (dispositional trust, trust in supervisor, and trust in coworker) and employee outcomes (job satisfaction organizational commitment).

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Job Satisfaction</th>
<th>Organizational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dispositional Trust</td>
<td>.244**</td>
<td>.238**</td>
</tr>
<tr>
<td>Trust in Supervisor</td>
<td>.288**</td>
<td>.594**</td>
</tr>
<tr>
<td>Trust in Coworker</td>
<td>.365**</td>
<td>.311**</td>
</tr>
</tbody>
</table>

positively associated with outcome variables of job satisfaction and organizational commitment providing initial support for H4.

For the first four hypothesis linear hierarchal regression analyses were performed. For the last three hypotheses the mediating method suggested by Baron and Kenny (1986) and a Sobel test were performed. These analyses also examined the three conditions of mediation proposed by Baron and Kenny (1986). First, the predictor must significantly influence the criterion variable. Second, the predictor variable must significantly influence the mediator variable. Third the influence of predictor variable on criterion must either become non-significant (full mediation) or less significant (partial mediation) in the third equation when the criterion is regressed on both independent and mediator variables. In these analyses, the effects of demographic variables were controlled.

To examine the relative contribution of authentic leadership, dispositional trust, trust in supervisor and trust in coworker in predicting job satisfaction and organizational commitment, four separate sets of hierarchical regression were computed (columns 1 to 5 in Table 4 and Table 5).

Corroborating the results of correlational analyses, the results revealed that employees’ perceptions of authentic leadership, trust in supervisor and trust in coworker significantly positively predicted job satisfaction of employees after controlling the effects of demographic variables. Demographic variables accounted 28.9% of variance in the prediction of job satisfaction at Step-I. However, in step-II as hypothesized, authentic leadership, accounted for 5.8% of variance (ΔF_{1,105} = 9.36, p < .01), trust in supervisor accounted for 2.6% of variance (ΔF_{1,105} = 3.94, p < .05), trust in coworker accounted for 6.1% of variance (F_{1,105} = 9.83, p < .01), in the prediction of job satisfaction over and above demographic variables. In general, these results indicated that authentic leadership (β = .265, p < .01), trust in supervisor (β = .183, p < .05), and trust in coworker (β = .268, p < .01) significantly positively predicted job satisfaction. Findings also illustrated some non-significant relationships. The relationships between dispositional trust and job satisfaction, (β = .160, p > .05) was found to be non-significant (Table 4).

The results demonstrated in Table 5 indicated that in the prediction of organizational commitment, demographic variables accounted 31.1% of variance at Step-I. In the Step-II, as hypothesized, authentic leadership, accounted for 19.0%
Table 4. Results of hierarchical regression analyses predicting job satisfaction from authentic leadership, dispositional trust, trust in supervisor and trust in coworker.

<table>
<thead>
<tr>
<th>Predictor Variable</th>
<th>Criterion Variable</th>
<th>Job Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic Variable</td>
<td>Step 1</td>
<td>Step 2</td>
</tr>
<tr>
<td>Age</td>
<td>.508*</td>
<td>.410*</td>
</tr>
<tr>
<td>Gender</td>
<td>-.202*</td>
<td>-.236*</td>
</tr>
<tr>
<td>Marital status</td>
<td>.179</td>
<td>.033</td>
</tr>
<tr>
<td>Salary</td>
<td>.084</td>
<td>-.005</td>
</tr>
<tr>
<td>Designation</td>
<td>-.051</td>
<td>-.038</td>
</tr>
<tr>
<td>Education</td>
<td>.355**</td>
<td>.321**</td>
</tr>
<tr>
<td>Work hour</td>
<td>-.349**</td>
<td>-.289**</td>
</tr>
<tr>
<td>Total work experience</td>
<td>-.281</td>
<td>-.225</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Authentic Leadership</th>
<th>Dispositional Trust</th>
<th>Trust in Supervisor</th>
<th>Trust in Coworker</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.265**</td>
<td>.160</td>
<td>.183*</td>
<td>.268**</td>
</tr>
<tr>
<td>R²</td>
<td>.289</td>
<td>.347</td>
<td>.308</td>
<td>.314</td>
</tr>
<tr>
<td>ΔR²</td>
<td>.289</td>
<td>.058</td>
<td>.020</td>
<td>.026</td>
</tr>
<tr>
<td>F</td>
<td>5.378**</td>
<td>6.198**</td>
<td>5.198**</td>
<td>5.352**</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>9105</td>
<td>9105</td>
<td>9105</td>
</tr>
<tr>
<td>ΔF</td>
<td>5.378**</td>
<td>9.368**</td>
<td>2.967</td>
<td>3.947*</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>1105</td>
<td>1105</td>
<td>1105</td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001.

of variance (ΔF1,105 = 40.14, p < .01), dispositional trust accounted for 3.8% of variance (ΔF1,105 = 6.18, p < .01), trust in supervisor accounted for 19.3% of variance (ΔF1,105 = 40.81, p < .01), trust in coworker accounted for 2.4% of variance (F1,105 = 3.72, p < .05), in the prediction of organizational commitment over and above demographic variables. In general, these results indicated that authentic leadership (β = .480, p < .01), dispositional trust (β = .225, p < .01), trust in supervisor (β = .502, p < .01), and trust in coworker (β = .167, p < .05) significantly positively predicted organizational commitment (Table 5). These results fully supported H1 and H3 of the study and partially supported H2 of the study.

The direction of these relationships in general indicated that employees who perceive their leader as authentic and believe in his or her positive role modeling of honesty, integrity, and high ethical standards are more likely to build trusting relationships and enhance the level of job satisfaction. Further the higher levels of authenticity are likely and foster loyalty among employees resulting in a highly committed individual. These results have further indicated
Table 5. Results of hierarchical regression analyses predicting organizational commitment from authentic leadership, dispositional trust, trust in supervisor, trust in coworker.

<table>
<thead>
<tr>
<th>Predictor Variable</th>
<th>Organizational Commitment</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic Variables</strong></td>
<td><strong>Step 1</strong></td>
<td><strong>Step 2</strong></td>
<td><strong>Step 2</strong></td>
<td><strong>Step 2</strong></td>
<td><strong>Step 2</strong></td>
</tr>
<tr>
<td>Age</td>
<td>.423</td>
<td>.246</td>
<td>.283</td>
<td>.409*</td>
<td>.376</td>
</tr>
<tr>
<td>Gender</td>
<td>−.111</td>
<td>−.173*</td>
<td>−.072</td>
<td>−.167</td>
<td>−.065</td>
</tr>
<tr>
<td>Marital status</td>
<td>.283**</td>
<td>.018</td>
<td>.250*</td>
<td>.095</td>
<td>.290**</td>
</tr>
<tr>
<td>Salary</td>
<td>−.092</td>
<td>−.253*</td>
<td>−.025</td>
<td>−.234*</td>
<td>−.030</td>
</tr>
<tr>
<td>Designation</td>
<td>−.156</td>
<td>−.132</td>
<td>−.190</td>
<td>−.059</td>
<td>−.120</td>
</tr>
<tr>
<td>Education</td>
<td>.123</td>
<td>.062</td>
<td>.076</td>
<td>.044</td>
<td>.110</td>
</tr>
<tr>
<td>Work hour</td>
<td>−.374**</td>
<td>−.265**</td>
<td>−.406**</td>
<td>−.179*</td>
<td>−.352**</td>
</tr>
<tr>
<td>Total work experience</td>
<td>.039</td>
<td>.141</td>
<td>.133</td>
<td>−.061</td>
<td>.066</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Authentic Leadership</th>
<th>Dispositional Trust</th>
<th>Trust in Supervisor</th>
<th>Trust in Coworker</th>
</tr>
</thead>
<tbody>
<tr>
<td>R²</td>
<td>.311</td>
<td>.502</td>
<td>.350</td>
<td>.504</td>
</tr>
<tr>
<td>ΔR²</td>
<td>.311</td>
<td>.190</td>
<td>.038</td>
<td>.193</td>
</tr>
<tr>
<td>F</td>
<td>5.989**</td>
<td>11.751**</td>
<td>6.271**</td>
<td>11.858**</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>9105</td>
<td>9105</td>
<td>9105</td>
</tr>
<tr>
<td>ΔF</td>
<td>5.989**</td>
<td>40.148**</td>
<td>6.181**</td>
<td>40.810**</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>1105</td>
<td>1105</td>
<td>1105</td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001.

that trusting relationships with leaders and coworkers foster more favorable attitudes and behaviors leading to satisfied and committed employees. The results demonstrated in Table 6 indicated that demographic variables accounted 24.1% of variance in prediction of dispositional trust, 23.4% of variance in prediction of trust in supervisor, 15.4% of variance in prediction of trust in coworker at Step-I. However, in Step-II authentic leadership accounted 7.1% of variance (ΔF₁,₁₀₅ = 10.889) in the prediction of dispositional trust, accounted for 9.0% of variance (ΔF₁,₁₀₅ = 13.973, p < .01) in the prediction of trust in supervisor and accounted for 3.6% of variance (ΔF₁,₁₀₅ = 4.619, p < .05) in the prediction of trust in coworker. In general, these results indicated that authentic leadership significantly positively predicted dispositional trust (β = .293, p < .01), trust in supervisor (β = .329, p < .01) and trust in coworker (β = .207, p < .05).

The results regarding the mediating effects of dispositional trust, trust in
Table 6. Results of hierarchical regression analyses predicting dispositional trust, trust in supervisor, trust in co-worker from authentic leadership.

<table>
<thead>
<tr>
<th>Predictor Variable</th>
<th>Dispositional Trust</th>
<th>Trust in Supervisor</th>
<th>Trust in Coworker</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demographic Variables</strong></td>
<td><strong>Step 1</strong></td>
<td><strong>Step 2</strong></td>
<td><strong>Step 1</strong></td>
</tr>
<tr>
<td>Age</td>
<td>.624**</td>
<td>.515*</td>
<td>-.094</td>
</tr>
<tr>
<td>Gender</td>
<td>-.173</td>
<td>-.211*</td>
<td>.113</td>
</tr>
<tr>
<td>Marital status</td>
<td>.143</td>
<td>-.019</td>
<td>.373**</td>
</tr>
<tr>
<td>Salary</td>
<td>-.297**</td>
<td>-.395**</td>
<td>.283*</td>
</tr>
<tr>
<td>Designation</td>
<td>.152</td>
<td>.166</td>
<td>-.195</td>
</tr>
<tr>
<td>Education</td>
<td>.209*</td>
<td>.172</td>
<td>.157</td>
</tr>
<tr>
<td>Work hour</td>
<td>.141</td>
<td>.208*</td>
<td>-.390**</td>
</tr>
<tr>
<td>Total work experience</td>
<td>-.418</td>
<td>-.356</td>
<td>.200</td>
</tr>
<tr>
<td><strong>Independent Variable</strong></td>
<td><strong>Authentic Leadership</strong></td>
<td><strong>Authentic Leadership</strong></td>
<td><strong>Authentic Leadership</strong></td>
</tr>
<tr>
<td>R²</td>
<td>.293**</td>
<td>.329**</td>
<td>.207*</td>
</tr>
<tr>
<td>ΔR²</td>
<td>.241</td>
<td>.312</td>
<td>.234</td>
</tr>
<tr>
<td>F</td>
<td>4.197**</td>
<td>5.288**</td>
<td>4.058**</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>9105</td>
<td>8106</td>
</tr>
<tr>
<td>ΔF</td>
<td>4.197**</td>
<td>10.889</td>
<td>4.058**</td>
</tr>
<tr>
<td>d.f.</td>
<td>8106</td>
<td>1105</td>
<td>8106</td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001.

supervisor and trust in coworker in the relationship authentic leadership and job satisfaction are displayed in Table 7. The results indicated that authentic leadership significantly positively predicted job satisfaction and dispositional trust, trust in supervisor and trust in coworker over the effects of demographic variables, thereby meeting the first two conditions of mediation proposed by Baron and Kenny (1986). In step-3, separate regression analyses regression analyses were performed for job satisfaction simultaneously dispositional trust, trust in supervisor and trust in coworker within the equation. The results revealed that only trust in coworker significantly partially mediated the relationship authentic leadership and job satisfaction. There was a small decrement in beta values for the prediction of, when trust in coworker was entered into the equation. The beta values changed .265 (p < .01) to .219 (p < .01; Sobel’s Z = 3.12 p < .001) (Figure 3(b)). Furthermore, when authentic leadership and dispositional trust, and
Table 7. Results of mediating effect of trust and its dimensions (dispositional trust, trust in supervisor, and trust in coworker) in the relationship between authentic leadership and job satisfaction.

<table>
<thead>
<tr>
<th>Criterion Variable</th>
<th>Job Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictor Variable</td>
<td>Equation (1)</td>
</tr>
<tr>
<td>--------------------</td>
<td>---------------</td>
</tr>
<tr>
<td><strong>Demographic Variables</strong></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.410*</td>
</tr>
<tr>
<td>Gender</td>
<td>−.236*</td>
</tr>
<tr>
<td>Marital status</td>
<td>.033</td>
</tr>
<tr>
<td>Salary</td>
<td>−.005</td>
</tr>
<tr>
<td>Designation</td>
<td>−.038</td>
</tr>
<tr>
<td>Education</td>
<td>.321**</td>
</tr>
<tr>
<td>Work hour</td>
<td>−.289**</td>
</tr>
<tr>
<td>Total work experience</td>
<td>−.225</td>
</tr>
<tr>
<td><strong>Independent Variable</strong></td>
<td>Authentic Leadership</td>
</tr>
<tr>
<td>R²</td>
<td>.347</td>
</tr>
<tr>
<td>Δ R²</td>
<td>.058</td>
</tr>
<tr>
<td>F</td>
<td>6.198**</td>
</tr>
<tr>
<td>d.f.</td>
<td>9105</td>
</tr>
<tr>
<td>Δ F</td>
<td>9.368**</td>
</tr>
<tr>
<td>d.f.</td>
<td>1105</td>
</tr>
<tr>
<td>Interpretation</td>
<td>No Mediation</td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001.

trust in supervisor were simultaneously entered into the regression equation, the effects of dispositional trust (β = .083 \( p > .05 \)), and trust in supervisor (β = .101 \( p > .05 \)) on job satisfaction became non-significant thereby indicating direct main effect. Thus, dispositional trust, and trust in supervisor significantly directly influenced job satisfaction. It is interesting to note that among all the dimensions of organizational trust, only trust in supervisor significantly partially mediated the relationship authentic leadership and organizational commitment. There was a small decrement in beta values for the prediction of, when trust in
supervisor was entered into the equation. The beta values changed .480 (p < .01) to .356 (p < .01; Sobel’s Z = 3.89 p < .001) (Figure 3(a) (Table 8)). Furthermore, when authentic leadership and dispositional trust, and trust in coworker were simultaneously entered into the regression equation, the effects of dispositional trust (β = .078, p > .05), and trust in coworker (β = .073 p > .05) on organizational commitment became non-significant thereby indicating direct main effect.

To enhance the credibility of results, robustness was estimated in regard to multi-collinearity among predictor variables and homoscedasticity both of which are central to linear regression models. Tolerance statistics and Variance Inflation Factor (VIF) were computed in SPSS to find multi-collinearity among predictor variables in each set of multiple regression analysis. Tolerance value for all the predictor variables were found to be more than .3 (cut-off value) and Variance Inflation Factor (VIF) were found to be less than 4 (cut-off value) indicating that predictor variables are not significantly correlated among themselves. Thus, it failed to show multi-collinearity among predictor variables. One of the key assumptions of linear regression is that the residuals (error term) are distributed with equal variance for all the values of the predictor variables. This
Table 8. Results of mediating effect of trust and its dimensions (dispositional trust, trust in supervisor, and trust in coworker) in the relationship between authentic leadership and organizational commitment.

<table>
<thead>
<tr>
<th>Predictor Variable</th>
<th>Criterion Variable</th>
<th>Equation 1</th>
<th>Equation 3</th>
<th>Equation 3</th>
<th>Equation 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic Variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Organizational Commitment</td>
<td>.246</td>
<td>.205</td>
<td>.281</td>
<td>.231</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td>−.173*</td>
<td>−.157</td>
<td>−.199*</td>
<td>−.151</td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
<td>.018</td>
<td>.019</td>
<td>−.054</td>
<td>.030</td>
</tr>
<tr>
<td>Salary</td>
<td></td>
<td>−.253*</td>
<td>−.222</td>
<td>−.317**</td>
<td>−.221</td>
</tr>
<tr>
<td>Designation</td>
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<td>−.145</td>
<td>−.066</td>
<td>−.117</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td>.062</td>
<td>.048</td>
<td>.018</td>
<td>.058</td>
</tr>
<tr>
<td>Work hour</td>
<td></td>
<td>−.265**</td>
<td>−.281**</td>
<td>−.147</td>
<td>−.259</td>
</tr>
<tr>
<td>Total work experience</td>
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<td>.169</td>
<td>.040</td>
<td>.149</td>
</tr>
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<td>Independent Variable</td>
<td>Authentic Leadership</td>
<td>Authentic Leadership Dispositional Trust</td>
<td>Authentic Leadership Trust in Supervisor</td>
<td>Authentic Leadership Trust in Coworker</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>.480**</td>
<td>.457**</td>
<td>.356**</td>
<td>.464**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.078</td>
<td>.375**</td>
<td>.073</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>.502</td>
<td>.506</td>
<td>.597</td>
<td>.506</td>
</tr>
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<td>.190</td>
<td>.195</td>
<td>.285</td>
<td>.195</td>
</tr>
<tr>
<td></td>
<td>R²</td>
<td>11.751**</td>
<td>10.654**</td>
<td>10.390**</td>
<td>10.656**</td>
</tr>
<tr>
<td></td>
<td>d.f.</td>
<td>9,105</td>
<td>10,104</td>
<td>10,104</td>
<td>10,104</td>
</tr>
<tr>
<td></td>
<td>ΔF</td>
<td>40.148**</td>
<td>20.498</td>
<td>36.806**</td>
<td>20.505**</td>
</tr>
<tr>
<td></td>
<td>d.f.</td>
<td>1,105</td>
<td>1,105</td>
<td>1,105</td>
<td>1,105</td>
</tr>
<tr>
<td>Interpretation</td>
<td>No Mediation</td>
<td>Partial Mediation</td>
<td>Sobel’s Z = 3.89**</td>
<td>No Mediation</td>
<td></td>
</tr>
</tbody>
</table>

*p < .05, **p < .01, ***p < .001.

assumption is known as homoscedasticity. When this assumption is violated, we say that heteroscedasticity is present in the residuals. When this occurs, the results of the regression become unreliable. The assumption of homoscedasticity was tested with the help of Breusch-Pagan test which can be computed indirectly in SPSS in two simple steps. Breusch-Pagan test use to determine if heteroscedasticity is present in a regression model. The null hypothesis for this test is that the error variances are all equal (homoscedasticity). The alternate hypothesis is that the error variances are not equal (heteroscedasticity). The analysis indicated
that residual values of both the criterion variables did not increase with the increasing values of predictor variables as the values of F test for job satisfaction and organizational commitment were .211 \((p > .05)\) and .261 \((p > .05)\) respectively. Thus, we have accepted the null hypothesis that homoscedasticity is present.

6. Discussion

Despite continued research on authentic leadership in various organizational domains, empirical research regarding the associations between authentic leadership and its mediators such as organizational trust, and outcomes to guide leadership practice in organizations with special reference to Indian banking sectors is limited. With this regulation this study was designed to examine the mediating effect of multiple forms of trust (dispositional, trust in supervisor, trust in coworker) in the relationships between authentic leadership and outcomes of job satisfaction & organizational commitment in a sample of 115 Banking professionals recruited from the branches of five major nationalized banks located in Varanasi (U.P., India).

**H1 Authentic Leadership and Outcomes Variables of Job Satisfaction and Organizational Commitment**

H1 of the study predicted a positive relationship between follower’s perception of authentic leadership and outcomes (job satisfaction & organizational commitment) Consistent with H1, the results of hierarchical regression analysis indicated that authentic leadership significantly positively predicted job satisfaction and organizational commitment. The aforementioned findings offer some initial insights regarding the potential relationship between authentic leadership and follower’s job satisfaction and team commitment.

These results are consistent with the previous research in this field (Ayça, 2019; Walumbwa et al., 2008; Tate, 2008; Gardner & Schermerhorn, 2004). In this regard, examining the impact of authentic leadership on job satisfaction is critical.

The link between authentic leadership and job satisfaction can be explained by the propositions of Steffens et al. (2014). The authors have illustrated that the higher degree of authentic leadership as perceived by employees, the stronger the emotional bond that unites them. Further, authentic leaders are capable of preventing strain between both leaders and their employees thereby creating a mutual special sense of “us” shared among the leader and employees leading to higher level of job satisfaction. In a very recent study on tourism sector in Istanbul, Ayça (2019) has illustrated that employees experience job dissatisfaction when they perceive a gap in the leadership style displayed by the manager and leadership style expected by the employees. Hence, managers expressing good leadership qualities positively affect job satisfaction of employees. These findings highlighted the necessity to understand the constructions such as authenticity of leaders which have been led to the shared bonding with their subordinates the-
reby increasing their job satisfaction.

Authentic Leadership led by role modeling as they consistently display high moral standards, transparency, integrity and honesty. Consequently, follower employees tend to personally identify with their leader, feel pride and regard their leader as an important part of their self-identity (Avolio et al., 2004). As a result, followers feel more committed to achieving the goals and objectives that have been set, contingent upon their degree of perceived authenticity.

These findings can also be explained by the assumptions of social exchange theory (Blau, 1964) and social learning theories (Bandura, 1977) which suggest that, when employees sense their leader’s respect, consideration, concern, and support and perceive them as authentic, workers can more easily excel (Hinojosa et al., 2014).

While the influence of other leadership styles on commitment and job satisfaction is well documented, little work has been conducted that examines the relationship between authentic leadership and job satisfaction and team commitment. Hence the present study is a significant contribution to the literature of authentic leadership. However, further research is needed to validate the relationship between authentic leadership and other job outcomes.

Hence, this study fills the research gap by demonstrating how the authentic leadership can be a real asset for employees’ outcomes. In sum these findings clearly indicated that there is a link between authentic leadership and outcomes. Employee’s perception of authentic leadership enhances the job satisfaction and commitment. These results fully supported H1 of the study.

**H2 Dispositional Trust and Outcome Variables of Job Satisfaction and Organizational Commitment**

As far as the relationship between dispositional trust and job satisfaction and organizational commitment are concerned the results of hierarchical regression revealed that after controlling the effects of demographic variables, dispositional trust significantly positively predicted organizational commitment of employees.

However, the relationships between dispositional trust and job satisfaction, was found to be non-significant. The kind of dispositional tendencies that are brought at the workplace and in particular their tendency to trust other people may also be related with their commitment in organizations. The significant positive relationship between dispositional trust and organizational commitment can be explained by the assertions of Colquitt, Scott and LePine (2007) that have highlighted that those individuals having a greater propensity to trust others were more likely to behave constructively towards the organization.

Individuals who believe that others are trustworthy in general are more likely to reciprocate with identification with and involvement in the organization, characterized by a strong belief in and acceptance of the organization’s goals and values, and a willingness to exert considerable effort on behalf of the organization.

The non-significant relationship between dispositional trust and job satisfaction can be explained by the fact that dispositional trust is affected mostly by
personality and predisposition of the individual. Further job satisfaction is more dependent on situational factors such as nature of the work, rather than the personality characteristics of the individual. Thus, H2 of the study was partially supported.

**H3 Trust in Supervisor and Outcome Variables of Job Satisfaction and Organizational Commitment**

Regarding the relationships between trust in supervisor and outcomes are concerned, the results of hierarchical regression revealed that after controlling the effects of demographic variables, trust in supervisor significantly positively predicted both job satisfaction and organizational commitment of employees. As direct supervisors function mostly at the level of organizations they are more likely to predict organizational commitment. The beneficial effect of trust in supervisor can also be explained in terms of high-quality relationship between leader and follower which lies on respect, collaboration, work commitment, consistency and equity. Based on the exchange theory, it was proposed that leaders and members create a kind of mutual exchange relationship.

This finding lends support to the fact that for exchanges that have evolved beyond pure transactional exchanges to social exchanges (i.e. friendship), followers may develop a sense of commitment to the organization because they have grown by trusting their supervisors in the organization. The follower employees demonstrate trust in their supervisors because they create positive experiences for their follower employees (such as positive support, informal interdependencies, greater job latitude, common bonds, open communication, high degree of autonomy etc.), the follower employees desire to remain in their organizations are likely to increase (Meyer et al., 1998). Thus, they are likely to reciprocate by being more committed to the organizations. Leadership trust is important for effective functioning in organizations like banks where tasks are very complex and they require higher levels of interdependence, cooperation, information sharing and above all trust.

Thus, it is apparent from the above-mentioned discussion that trust in leaders is particularly important for effective functioning in organizations such as banks where tasks are complex and require high levels of interdependence, cooperation, information sharing and above all trust. Thus, these results provide full support to H3.

**H4 Trust in Coworker Outcome Variables of Job Satisfaction and Organizational Commitment**

The results pertaining to H4 indicated that after controlling the effects of demographic variables, trust in coworker significantly positively predicted both job satisfaction and organizational commitment of employees. The possible relationship between trust in coworker and outcomes can be explained by the fact that high-trust individuals were perceived as less dependent on others (in making decisions and seeking advice and assistance) and were considered by their peers to be more co-operative and trustworthy (Rotter, 1971) and might there-
fore hold a more positive attitude towards their job in general leading to high levels of job satisfaction.

Extending this research to exchange relationships among coworkers, it is reasonable to believe that when a focal employee trusts his or her coworkers, he or she will likely to exhibit higher organizational commitment. This is based on the norm of reciprocity (Gouldner, 1960) which predicts that when individuals are pleased with their coworkers, they may reciprocate with increased loyalty and commitment in the organization. Thus, H4 of the study was fully supported.

One very interesting finding of the present study was that trust in supervisor was found to be the stronger predictor of organizational commitment while trust in coworker was found to be the stronger predictor of job satisfaction. These findings can very well be explained from the authority and power perspective. In any organization, supervisors have authority and power over various factors, including resource allocation and provision of rewards. Thus when supervisors treat their subordinates fairly, high quality mutual exchange relationships are developed among them based on mutual respect, cooperation, commitment, reliability and equity. Consequently, subordinates reciprocate with increased organizational commitment. The stronger relationship between trust in coworker and job satisfaction can be explained by the fact that coworkers are important because they form the emergent informal network in organizations, which is characterized by more horizontal flow of information as opposed to formal networks, which are the legitimate channels of authority in which orders and information are transmitted downward and upward. Most of the time, employees tend to communicate work-related ideas and problems to coworkers, rather than formally designated parties (Stevenson & Gilly, 1991). Since employees spend substantial amount of time at workplace, hence their basic social needs such as affection, affiliation and self-esteem are also gratified by interacting with their colleagues resulting in high trusting relationship among coworkers. This high trusting relationship among coworkers also creates an emotional bond between coworkers leading to increased team based work resulting in high levels of job satisfaction.

Further, trust developed among coworkers also increases problem-solving capacity by enabling information sharing within groups (Zand, 1972) and aligning individual member’s motivation with cooperative effort. All these lead to enhance job satisfaction of employees. This finding is consistent with the finding of Ferres et al. (2004) who have also found coworker trust to be related to higher perceived organizational support, lower turnover intention, and higher affective commitment.

H5 Authentic Leadership will be positively related to their a) Dispositional Trust b) Trust in Supervisor c) Trust in Coworker

Many leadership researchers have considered trust a core basis of effective leadership in organizations (e.g. Fairholm, 1994; Zand, 1997). While leaders have a very important role in forming and developing trust, very few researches have...
examined the specific leadership practices which stimulate trust towards them.

In this regard, H5 of the study stated that follower’s perception of Authentic Leadership will be positively related to their a) Dispositional Trust b) Trust in Supervisor c) Trust in Coworker. The results of hierarchical regression analysis indicated that after controlling the effects of demographic variables authentic leadership significantly positively predicted all the three forms of trust.

**Authentic Leadership and Dispositional Trust**

A handful of scholars have suggested that there are some of the leaders specifically authentic and transformational who are more effective than others in encouraging a trusting relationship with their followers (Avolio, Gardner et al., 2004; Gardner, Avolio, & Walumbwa, 2005).

So far, we have not found any study which has examined especially the relationship between authentic leadership and dispositional trust. The argument for proposing this relationship can be explained by the fact that when leaders demonstrate integrity, ability, benevolence, the characteristics of an authentic leader which are critical for the development of trust, the followers propensity to trust increase in such a way that it is more likely to influence employees intentions to trust their leader (Payne & Clark, 2003). The characteristics of authentic leaders enhances generalised trust as generally trusting employees view information according to their own beliefs formed in the past based on their experiences and also enhances tendency to believe in the positive attributes of others in general. In particular, we contend that generally trusting employees will have more favourable perceptions of their leader who have qualities of authentic leadership. Because disposition to trust is a generalized tendency across situations and persons, it probably colors our interpretation of situations and actors in situations, but only has a major effect on one’s trust-related behavior when novel situations arise, in which the person and situation are unfamiliar (Johnson-George & Swap, 1982; McKnight & Chervany, 2000).

**Authentic Leadership and Trust in Supervisor**

Authentic leadership is proposed as the core of effective leadership needed to build trust because of its clear focus on the positive role modeling of honesty, integrity, and high ethical standards in the development of leader-follower relationships.

As trust is a reciprocal process, leadership is a key for creating a trust-based organization. Moreover, trust in the leader is also considered a fundamental element in the effectiveness of leadership (Bass, 1990). Authentic leaders display the characteristics of transparency, consistency in their thoughts and actions, show an honest concern for their employees, have high moral standards and are open to give and receive feedbacks. These qualities are proposed to help authentic leaders build followers’ trust in them. In fact, it has previously been empirically found that authentic leader influences trust directly at the individual level (Wong & Cummings, 2009; Wong et al., 2010; Zamahani, Ghorbani, & Rezaei, 2011) as well as at the group level (Clapp-Smith et al., 2009), and indirectly at
the individual level through personal identification (Wong et al., 2010). The positive relationship between authentic leadership and trust in supervisor can be explained according to social-exchange theory. When employees consider their supervisors have authenticity, the desire of employees to reciprocate voluntarily increases, which in turn produces trust and dependency, and helps employees to engage more fully in their work. This finding is consistent with a handful of earlier research. In a very recent study, Levesque-Côté, Fernet, Austin and Morin (2018) study provided additional support with positive associations between authentic leadership perceptions and trust in leaders.

Differentiating the impact of authentic leadership on multiple forms of trust included in the study, the results of hierarchical regression analysis indicated that authentic leadership was found to be the strongest predictor of trust in supervisor followed by dispositional trust, and then trust in coworker. Thus, it is apparent from the above-mentioned discussion that when trust in leadership is appropriately directed, authentic leaders guide in their actions through end values. In other words, when employees identify with their supervisors, they will trust their supervisors and be willing to engage in their work (Dirks & Ferrin, 2001, 2002).

The strongest relationship between authentic leadership and trust in supervisor can be explained by the fact that trust in authentic leaders is based on direct experience so general disposition to trust has a weaker effect. However, being a more distal object, perceptions of authentic leaders will also be influenced by a person’s general disposition.

### Authentic Leadership and Trust in Coworker

Regarding the relationship between authentic leadership and trust in coworker, the results indicated that authentic leadership significantly positively predicted trust in coworker. The employee’s perceptions of trust in his or her co-worker is very important because recent organizational trend such as adopting flatter organizational structure has highlighted the importance of coworkers due to more team-based work. This finding is consistent with the study of Luthans and Avolio (2003) who emphasized that leadership authenticity constitute one of the most important factors contributing to the willingness of employees to trust in the co-worker and supervisor. The positive relationship between authentic leadership and trust in coworker can be explained by the propositions of Chung and Jackson (2011) that when trust exists amongst co-workers, an employee is more open to accepting feedback and utilizing this feedback in a constructive manner, as trust ignites feelings of confidence and empowerment in the relationship amongst co-workers. Thus, H5 of the study was fully supported.

### Authentic Leadership and Outcomes: Mediating Effect of Trust

H6, H7, H8 of the study illustrated that all the three forms of trust (dispositional trust, trust in supervisor and trust in coworker) will mediate the relationships between authentic leadership and outcomes variables of job satisfaction and organizational commitment. Out of the six possible mediating mechanisms,
only two were partially supported in the present study indicating most of the direct relationship between authentic leadership and trust (dispositional trust, trust in supervisor, trust in coworker) and trust (trust in supervisor, trust in coworker) and outcomes (job satisfaction and organizational commitment).

The results revealed that trust in coworker and trust in supervisor significantly partially mediated the relationship between authentic leadership and job satisfaction and organizational commitment respectively. Furthermore, dispositional trust did not mediate the relationship between authentic leadership and outcomes variables of job satisfaction and organizational commitment, rather showed a direct effect only on organizational commitment. In addition, trust in supervisor and trust in coworker did not mediate the relationship between authentic leadership and organizational commitment and authentic leadership and job satisfaction respectively. Both trust in supervisor and trust in coworker directly and positively predicted job satisfaction and organizational commitment.

In a workplace, trust is highly influenced by leadership practices and behaviors because leaders model the behavior others will follow. The partial mediating effect of trust in coworker in the relationship between authentic leadership and job satisfaction can be explained by the fact that when leaders express the qualities of authentic leadership such as honesty, ability, integrity, balanced processing they get the opportunity to create conditions of workplace which encourages more confidence, teamwork and support from employees. Authentic leaders by virtue of these qualities are sure that employees are willing to cooperate with each other to attain shared goals of their group. As banking employees mostly work in teams and develop a sense of cohesion and emotional bonding, hence they trust their coworkers. Consequently, trust level is high within coworker relationships. High levels of coworker trust possess more instrumental and informational resources as a result not only they perform well but also highly satisfied. Further, in high trusting relationships, coworker’s basic social needs such as affection, affiliation and self-esteem are also gratified resulting in high levels of job satisfaction. Likewise, the partial mediating effect of trust in supervisor in the relationship between authentic leadership and organizational commitment can be explained by the assumptions of social exchange theory (Blau, 1964) which posits that leaders and members have a mutual reciprocal connection (Rusaw, 2000).

Authentic leaders exhibit care and concern for their followers through the social exchange connection, which helps to create affect-based confidence in the leader. Moreover, because authentic leaders epitomize high moral standards, integrity, and honesty, their appropriate trustworthiness fosters positive expectations among followers, enhancing their levels of trust and willingness to cooperate with the leader for the advantage of the organization.

This finding lends support to the fact that when high quality exchanges occur between authentic leader and their followers (subordinates), followers may demonstrate trust in their supervisors because they create positive experiences
for their follower employees (such as positive support, informal interdependencies, greater job latitude, common bonds, open communication, high degree of autonomy etc.). Consequently, followers may reciprocate by a strong sense of commitment to the organization. The followers employees desire to remain in their organizations are likely to increase because they have grown by trusting their supervisors in the organization (Meyer et al., 1998). Thus, it is apparent from the above mentioned discussion that H7b and H8a were partially supported and H6a, H6b, H7a and H8b were not supported.

### 7. Practical Implications, Limitations and Future Suggestions

Empirical evidence on the relation between authentic leadership and follower work attitudes and behaviors is still scarce due to the novelty of the construct of authentic leadership especially in the Indian context. Hence, this study aims to fulfill the gaps in the literature by demonstrating how the authentic leadership can be a real asset for employees’ work related outcomes. The present study explored the direct effect of authentic leadership on outcomes (job satisfaction, organizational commitment) as well as indirect effect on authentic leadership on outcomes via three major forms of organizational trust (dispositional, trust in supervisor, trust in co-worker). The findings have consistently supported that the qualities of an authentic leader plays an important role in influencing employee influencing employee attitudes and behaviors within organizations.

These results have contributed in the growing body of research on authentic leadership by examining how relevant and applicable the construct is for Indian Banking employees by articulating its important work-related consequences such as job satisfaction and organizational commitment via the pathway of three major forms of organizational trust (dispositional trust, trust in supervisor, trust in coworker). However, they are not only applicable to Indian banking employees but also it can be applied to banking sector in general as the major functions of the bank (such as accepting deposits, cash withdrawal, bank sanctions, transfer of money and e banking etc.) are more or less similar all across the globe. In the face of rapid internal and external changes, organizations face a multitude of challenging and turbulent problems. In view of this organizations need leaders who have strong values and integrity. Authentic leaders are honest, have a strong sense of purpose and are very dedicated to their basic principles. They create organizations that are long lasting and fruitful in the long term, therefore meeting the needs of all those involved.

The results further illustrated that greater level of authenticity in leaders has direct impact on higher satisfaction and commitment. These results have clearly indicated that management should organize leadership training programs for developing authentic leadership in employees that should be linked with behavior and attitudinal change which are observed and rated by others in the workplace and performance at individual, group, and organization levels (Cooper et al., 2005: 
All the major task and functions of the banking sector should be regulated by effective leader and skilled employees. In this regard, George et al. (2007) have suggested the following useful methods to foster authentic leadership in employees: knowing your authentic self, practicing your values and principles, balancing your extrinsic and intrinsic motivations, and empowering people to lead. When supervisors demonstrate these behaviors the likelihood increases employees reciprocating actions, trusting their supervisors, and engaging in their work.

To equip an organization with more effective leaders, the findings of the study recommend that both leaders and organizations should enhance the awareness about the need to organize leadership development programs for present and future aspiring leaders. This will help them in hiring and selecting leaders who are not only self-confident but also self-motivated and who express authenticity in their behavior.

Considering the importance of authentic leadership, the top management should take into account the major dimensions of authentic leadership in developing strategies, evaluation, and selection of employees but also to transform the entire organization (Conger & Benjamin, 1999; Avolio & Luthans, 2006). The findings of this study can be helpful in developing awareness among leaders and managers with special reference to banking sector. The demand for authentic and more accountable leaders is required due to lots of challenges faced by banking industry such as fulfilling job targets to strict time deadlines, maintaining balance sheets, dual obligation of protecting banks and its customers, doing a lot of paper work etc. As part of the implications of the present study, organizations should also cultivate cultures that promote trust among co-workers. Because of the significance of benevolence and integrity as factors of trustworthiness, organizations can promote through visions and campaign the need to be benevolent to fellow co-workers and to exhibit high levels of integrity.

Despite these contributions this study had certain limitations too and the results should be interpreted with caution. Firstly, the cross-sectional nature of this study precludes the inference of causal relations. Future researchers should consider longitudinal research in order to make a sound and robust causal conclusion. Although this is a limitation but it does not affect the contribution of the present study because the relation between authentic leadership, multiple forms of trust (dispositional, trust in supervisor, trust in co-worker) and job satisfaction and organizational commitment followed a presumed causal order based on theoretical rationale and existing research finding. Secondly, we conducted the present study in the context of the banking sector, which may present a limitation, because it is difficult to generalize the findings we obtained to all organizational settings. Hence, the proposed model and findings of the study need to be tested on different occupational groups. In the present study only two outcomes of authentic leadership have been studied namely job satisfaction and organizational commitment. Hence, future researchers should also study other outcome
variables such as creativity, knowledge sharing, mental health and wellbeing, contextual and task performance, financial return, and decreased turnover intention which can further explain how authentic leadership contributes to employees’ outcomes. In the present study three types of trust were included as mediating mechanisms between authentic leadership and outcomes in the model but only few significant indirect effects between authentic leadership and outcomes were found. These findings clearly suggest that indicators used for these mediating mechanisms may have been not appropriate Hence, potential moderators such as organizational culture, efficacy beliefs, positive emotions, perceived organizational support and Psycap that may influence the relationships found in this study should be examined in future research.

8. Concluding Comment

It is apparent from the above mentioned discussion that authentic leadership is an emerging area and has considerable potential to directly influence various forms of trust and outcomes of job satisfaction and organizational commitment. Regarding, indirect effect on authentic leadership on these outcomes via three major forms of organizational trust (dispositional, trust in supervisor, trust in co-worker) the results have revealed only two significant partial mediating relationships. Thus, we hope that the findings of this study will encourage future academicians to examine the trust-based mechanism in greater depth by which authentic leaders influence subordinates’ workplace behaviors. Further, potential moderators that may influence the relationships found in this study should be examined in future research.

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Conflicts of Interest

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