

**AUTHENTIC LEADERSHIP IN DETERMINING EMPLOYEE'S ORGANIZATIONAL  
COMMITMENT: THE MEDIATING ROLE OF KNOWLEDGE SHARING AND  
ORGANIZATIONAL VIRTUOUSNESS**

---

*Nauman Majeed<sup>1\*</sup>*

*Komal Chandni<sup>2</sup>*

*Samia Jamshed<sup>3</sup>*

*Kamran Moosa<sup>4</sup>*

**Abstract:** *This study is conducted to explore the role of authentic leadership on organizational commitment of employees. Knowledge sharing and organizational virtuousness are used as mediating variable in the study. Banking industry is selected for collection of data and result implications. The data was collected using the standard adopted questionnaire for each variable from branches of five major Pakistan's banks. We applied Pearson correlation, regression and hierarchal analysis for pragmatic purposes. Our outcomes point out that all variables have significant positive correlation among all variables of the study. Authentic leadership impact on organizational commitment found significant. Moreover, authentic leadership impact on knowledge sharing and organizational commitment is also found significant. The impact of organizational virtuousness on organizational commitment is significant but the impact of knowledge sharing on organizational commitment is found insignificant. With respect to mediating results both are found to be significant. So we can infer that banks industry put attention towards these variables to enhance their employees performance and improve working environment and ultimately to succeed in their objectives in these competitive corporate environment.*

**Keywords:** Authentic Leadership, Organizational Commitment, Organizational Virtuousness, Knowledge Sharing

---

<sup>1\*</sup> Corresponding Author is Associate Dean of Management Sciences at Lahore Garrison University (LGU), Pakistan E-mail: [majeed.nauman@gmail.com](mailto:majeed.nauman@gmail.com) , [dr.nauman@lgu.edu.pk](mailto:dr.nauman@lgu.edu.pk)

<sup>2</sup> Author is MPhil (HRM) Scholar in Faculty of Business and Management at Superior University, Lahore and PIQC Institute of Quality, Lahore

<sup>3</sup> Author is Assistant Professor in Faculty of Business and Management at Superior University, Lahore

<sup>4</sup> Author is CEO at PIQC Institute of Quality, Lahore

## **Introduction**

Currently, corporate organizations are working in a very competitive global environment disrupted by fiscal crisis. As economic environment is considerably changing, institutions have to adapt to external markets to stay sustainable. While market forces, technology, strategy and competitive positioning are clearly important but extremely effective organizations based on the human capital that leads them towards its ultimate goal. The leadership support, development of human resource and the advancement of modernization may deliver a competitive edge to cover the economic predicament. Human resource becomes the leading asset of the business rather than tangible equipment's or premises. This elastic perception is a challenge for establishments that grasp an outdated rigid leadership culture, usually based on stiff structural arrangements, hierarchy and control. So, scrutinizing the leadership style is that could propagate in flexible cultures and have an affirmative impact on workforces will deliver some strategies for the corporations to develop their efforts towards employee's organizational commitment. (Avolio et al., 2005)

Authentic Leadership (AL) is a new phenomenon in this regard. It refer to leaders with pronounced aptitude to process evidence about themselves effectively (their feelings, values, aims & beliefs) clear persona traits, an aptitude to modify their manners in leadership in connection with their distinctiveness, and capability to complement their preferences with societal demands. Walumbwa et al. (2008) study distinguished and validated four scopes of AL namely balanced processing, self-awareness, internalized moral perspective and relational transparency. Celia et al. (2020)

stated that authenticity is more about "know thyself" and behaving as per own distinct attributes. Authentic leadership is not a constant phenomenon rather it's a continuous development of personality that can be achieve by applying his knowledge and skills. So, a leader must know how to develop leadership skills through knowledge, experiences, and training (Makhmoor, 2018).

Employee's commitment to their institutions has proved to be a significant area in studies of management. Employee's organizational commitment can be affected due to various factors i.e. working environment, employee's motivation, organization cultures, leadership behavior and other human resource practices. Leadership is one of the major factor that can affect the employee's commitment to organization and minimize the employee's turnover. As discussed earlier, now a day's human resource is the main asset of the organization rather than physical assets. This phenomenon was firstly discussed by the (Becker, 1960). The study represents the organizational commitment as the loyalty of individual employee to the organization. It is working response of the employees towards their daily working environment that overall depicts their attachment with the organization. In this study, we will observe the attachment of organizational commitment with authentic leadership of the organization. Meyer et al. (1997) hypothesized the three main modules of organizational commitment i.e. continuance commitment, normative commitment and effective commitment. Wainwright, (2019) describes the employee's commitment with reference to organization goal, connection to organization and connection to job.

Knowledge Sharing (KS) is two way process i.e. offering knowledge on the one hand, and gathering knowledge on the other (Hooff et al., 2014). Knowledge sharing is used to enhance the intellectual capital of the organization. It's a mutual and simultaneous process in the organization as donor on the one side and receiver on the other side to get that. This distinguished between accumulating as the construct of knowledge sharing and knowledge donating, we emphasis on the affiliation among organizational commitment and authentic leadership by focusing on intermediary role of knowledge sharing. Castaneda at el. (2020) indicated that knowledge sharing also leads to innovation in the organization. Knowledge sharing is the transference of experience, skills experiences and practices which stimulate the innovation.

Organizational Virtuousness (OV) is related with what individuals and establishments seek to be when these are at their zenith. Aggregately, virtuousness has been linked with cultures and organizations communities. More expressively, Virtuousness may be defined in association with expressive life persistence, personal prosperous, the ennoblement of human beings which leads to resilience in suffering, pleasure, health and transcendent meaning (Cameron at el., 2004). In addition to these, Kaviyani at el., (2019) explored that OV brings organizational commitment and positive impact on the ethical leadership in the establishment.

The main purpose of this study is to determine the role of AL in improving employee's organizational commitment. Moreover, the mediating role of KS and OV is also empirically tested.

### **Literature Review**

### **Authentic Leadership**

Luthans et al., (2003) developed the concept of authentic leadership in 21<sup>st</sup> century but it is criticized by various developmental studies mainly due to the redundancy of the construct with other already developed paradigm i.e. transformational leadership and they regarded the authentic leadership as old vine in new bottle. Later on, Walumbwa et al., (2008) provides the complete detail of the construct and establish that the authentic leadership is comprises of four main inter related variables i.e. Balanced Processing, Self-Awareness, Internalized Moral perspective and Relational transparency. Empirical evidences suggested that authentic leadership have significant role in affecting ethical culture, improving employees' organizational commitment enhancing employee performance and trust (Iqbal et al. 2020). The variables are the base of the main construct and provide the basis of Authentic Leadership Questionnaire (ALQ). Self-awareness means knowing about oneself and analyzing about one's own unique strengths and weakness that can not only hinder the decisions of leaders but also effect subordinates deeply. Knowing or exploring about one's motives, values, identity, and feelings are main 4 modules of self-awareness. (Avolio et al., 2005).

Relational transparency means the leader brings the true aspect (interior) with others (subordinates). He reflects truly whatever in his mind or actions. This relational transparency promotes the trust among the team members and leads towards achieving of organizational goal. (Avolio et al., 2005). Balanced processing is about managing of all applicable evidence/data without indulging personal biasness or motives into before making any organization's decision.

Balanced processing consists of correct and balanced perception liberated from ego-based defense & assessment of oneself (Gardner et al. 2009). Internalized moral perspective is that leader must be self-guided with ethical behavioral standards that ultimate value for managers among its subordinates. These self-regulations lead one in balancing between external pressure and internal holdings. (Avolio et al., 2005).

Later the ALQ was used widely all across the globe in human resource practices and management services. In Pakistan, Bakari et al., (2017) carried out the study to know the validity ALQ in Pakistan through Structural equation modeling. The study was mainly performed to modify the corporate leadership culture, which is stuck due to lack of ethical climate and corporate scandals in the organizations. The study performed the various analytical tests to explore ALQ validity i.e. confirmatory factor analysis, reliability, and construct validity. A reasonable nationwide sample of 580 individuals was selected for empirical data collection. The outcome of the study revealed that ALQ is valid and reliable construct in Pakistani culture too.

### **Organizational Commitment**

Organizational Commitment (OC) is loyalty bond of experienced workers with its corporation. The committed workers seem most aligned with organization's goal and highly proactive, productive and determined in their work. These workers are real asset of organization. This construct also describes the emotional attachment of employee's measure through one beliefs, attitudes and behaviors towards organization. This phenomenon was firstly discussed by the (Becker, 1960). The study represents the organizational

commitment as the loyalty of individual employee to the organization. It is working response of the employees towards their daily working environment that overall depicts their attachment with the organization. In this study, we will observe the attachment of OC with AL of the organization.

Presently, Meyer et al., (1997) described the 3 main modules of organizational commitment i.e. continuance commitment (attachment with organization due to risk of loss than gain over switching), normative commitment (arises due to self-guilt of leaving the parental organization) and affective commitment (remain to stay with organization owing to self-aligned with its goals).

Continuance commitment is how personnel sense being connected to the association. It may also include the cost of departure from the organization if one decides to leave that one may lost one's entire investment in organization. As time passes the continuance commitment increases day by day. The researchers stated the various reasons for remaining connected to the organization i.e. lack of work alternatives and fringe benefits. Normative Commitment is connected with self-guilt due to leaving the organization and it creates a commitment that improves the feelings of responsibility for the corporation. The over sense of guilt to leave the organization may negatively affect the workers. Affective commitment is the main component of an organization commitment as it arises when the employee wants to stay at organization due to being aligned with organization goals. This commitment may lead to employee as a great asset for the company.

### **Knowledge Sharing**

Knowledge is considered as an ideal resource of organizations, which provides the

competitive advantage over the other firms. The competitive advantage can only be achieved if organizations know how to transfer it perfectly and efficiently in all spheres of the organizations (Mehdi Mousavi et al., 2012). Knowledge sharing is defined as sharing of explicit and implicit skills & experiences with other ones to create new knowledge. The knowledge sharing is considered as two-way simultaneous process i.e.

- Donating knowledge on the one hand;
- Collecting knowledge on the other.

### **Organizational Virtuousness**

Virtuousness is what corporations aim to be when at zenith. Virtuousness state is purely mortal and it represents circumstances of ennoblement, vitality & flourishing. (Kim Cameron et al., 2004). OV is ethical goodness of organization including resilience, wisdom, hope, gratitude, compassion and forgiveness. OV categorically defines organization that depends on the real rational of the association. At the cumulative level, virtuousness has been connected with cultures, organizations and communities. In organization, virtuousness is practically refers to the organizations strategy that supports virtuous activities of its participants. So it talks about elevating, transcendent conduct of the corporation's participants. To sum up, OV includes individual actions, combined activities, cultural traits or procedures that permit distribution and endurance of virtuousness in an association. (Kim Cameron , 2004).

### **Relationship among constructs**

Celia et al. (2020) performed the latest research work on the effects of AL on OC in Philippines Higher Education sector. The study describes teacher attrition and high turnover rate as major problem in Philippines

education sector. So the AL is considered as major factor in boosting teacher's morale and ultimately OC. Hassana et al. (2019) carried out a study regarding relationship of intrinsic motivation, AL and high performance work with mediating role of knowledge sharing. The empirical results stated that authentic leadership has significant association with high performance work but KS does not provide a significant role as mediator with AL to boost creativity in educational sector. Neuza et al. (2018) examined the AL impact on performance of organization through the facilitating role of OC of employees in Portuguese economy. The study was performed to modify the training of managers regarding leadership qualities. The outcomes revealed that AL has a significant impact on organizational commitment and ultimately on performance of the association. Belal et al. (2016) study used the authentic leadership as independent variable to know the impact on organizational commitment. Positive Psychological capital used as mediating variable in research. The results revealed the significant relationship among AL and OC. Another research was led by Choi et al., (2016) to gather information of the effect of AL on employee's organizational commitment & job satisfaction with mediating variable of empowerment. The study was specially conducted on nurse managers in Korea. The results revealed that AL has positive influence on job satisfaction and employee's organizational commitment. Rego (2016) conducted the study to know the association between AL and OC by using the role of positive psychological capital as mediating variable. The results found the significant relationship among the independent and dependent variable whereas three dimensions

of positive psychological capital had a significant role as mediator while resilience affected in a negative way.

Tran (2019) performed the study in Vietnamese economy regarding antecedents of KS. The authentic leadership was selected to check the role of KS within organizational setting. The outcomes stated that AL has a positive and significant impact on individual KS and confirmed that it is one of the antecedents of KS. Tuttle et al. (2009) discussed the relationship between authentic employee's behavior and leadership styles. The data collected was empirically examined and results revealed that among various leadership styles, AL positively influenced the employee's behavior. Hamzah et al. (2017) conducted research in Jordanian higher education system regarding transformational leadership and authentic leadership as independent variable and innovation as dependent variable. The KS is used as mediating variable in the study by using Structural Equation Model. The results revealed the positive role of KS in case of transformational leadership but no significant results were found in case of AL.

Javaid et al. (2018) performed the study in Malaysia to know the impact of AL on KS of employees by using the mediating role of Islamic work ethics. The empirical results showed that authentic leaders have significant impact on Knowledge Sharing Behavior (KSB). Rubab et al. (2018) stated in their research work that authentic leadership improved the confidence level, skills and self-efficiencies of workers. The findings of the study stated the significant role of AL on KSB of the organizational employees. Moreover, each dimension of the AL is perfectly applicable in KS environment. Nikpay et al.

(2016) performed the research in Iranian education system about ethical leadership role in OV by taking OC as mediating variable along with others. The results confirmed the hypotheses formed and suggested that mediating variable can intensify the strength of the leadership on OV. Rego et al. (2015) carried out a study in retail chain stores regarding AL role in predicting organization sales through mediating role of virtuousness and potency. The empirical results indicate that AL can predict potency by mediating role of virtuousness and AL can predict sales through mediating role of virtuousness and potency.

Cameron (2004) conducted the research to explore the association between OV and performance. The study was conducted using data from 18 organizations from the industry. The outcomes of the study depicted positive relationship between OV and perceived organizational performance. The study also stated the two functions of organizational virtuousness i.e. amplifying function and buffering function. The first impact is the positively while other save from negativity like traumas of downsizing. Rodwell (2011) submitted a research paper in conference regarding role of AL and OV in employee's performance especially in downsizing environment. The paper discussed the OV traits i.e. trust, forgiveness, integrity and optimism as norms of Australian corporate culture. The study also depicted the major role of AL and OV in downsizing environment through introduction of activities to cultivate healing at the organizational level.

Mary et al. (2018) conducted study in US professional accounting firms regarding developmental mentoring impact on KS by using OC as a mediator. The findings of the

study stated that through OC, we can improve the knowledge sharing within organization. Moreover, the study also stated the career goal and risk orientation as resistance in KS. Rafique et al. (2017) performed the study about impact of KS and OC on obsoptive capacity in pharmaceutical industry. The results of the study stated that in knowledge intensive environment, management should pay special intention for personnel behaviors towards processing of knowledge activities.

Mehdi (2012) conducted research in Iran regarding knowledge sharing impact on OC in manufacturing Industry. The results revealed that since knowledge sharing improve the skills in employees, the commitment for organization also improved among personnel's. The study also appreciates the role of IT in KS among the employees. Another study was carried out among employees of Iran medical university by Mohammadreza et al., (2013) to identify the association between dimensions of OC and KS. The results depicted significant correlation between OC and KS. Yavuz et al. (2013) submitted a research paper in a conference in Portugal regarding impact of OC on KS. The study stated that it is sometimes individual and organizational restraints that prohibit KS. The results of the study depicted most significant role of emotional commitment in spreading KS in the shape of skills, expertise and talents. Silva et al. (2010) performed the research in Lebanon regarding correlation between OC and KS. The results stated that only affective and normative commitment has affirmative impact on knowledge sharing in the organization.

Kaviyani et al. (2019) carried out a study in Iranian educational system regarding association of OV and OC. The study revealed

that OV has direct and positive effect on OC. Vitor (2012) carried out a study in Portuguese educational sector regarding identifying the antecedents of KS. The study chooses the OC as one of the main factors on the basis of previous studies. The results showed that among other dimensions of organizational commitment, affective commitment has significant impact on knowledge sharing. Akbar et al. (2016) identified the relationship between OV and commitment in the employees of Iranian housing foundation of Islamic revolution. The findings of the study stated that both the variables are significantly correlated. The study also analyzed relationship of different dimensions of these variables. Only optimism, trust and sympathy found insignificant relationship with continued commitment. Sara et al. (2016) performed the study to discover the association of OV and Organizational Citizenship Behavior (OCB) with intervening variable of job satisfaction. The results of the study showed less direct impact of OV on OCB but through mediating effect of job satisfaction both variables have significant association. Keeping in view the above discussion, we propose following hypotheses.

### **Hypotheses**

- H1: Authentic Leadership has a significant impact on Organizational Commitment of employees.
- H2: Authentic Leadership positively affects the Knowledge Sharing.
- H3: Knowledge Sharing positively affects the Organizational Commitment of employees.
- H4: Knowledge Sharing mediates the relationship between Authentic

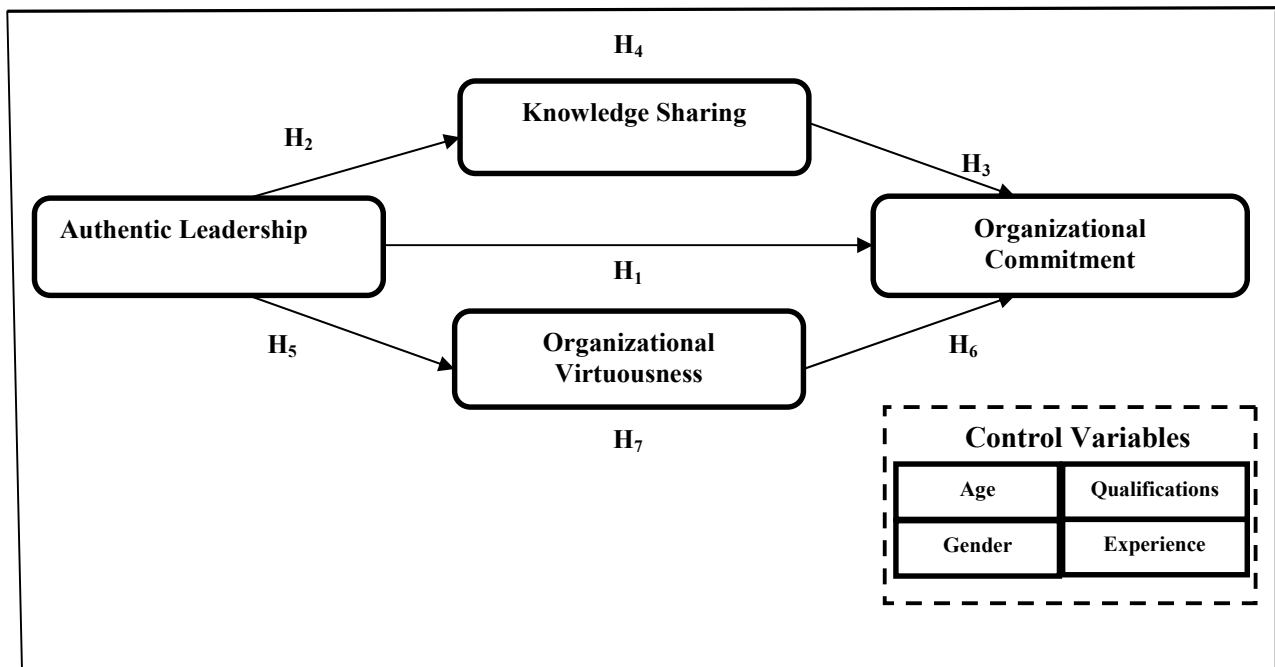
Leadership and Organizational Commitment of employees.

H5: Authentic Leadership positively affects the Organizational Virtuousness.

H6: Organizational Virtuousness influences the Organizational Commitment of employees.

H7: Organizational Virtuousness mediates the association between Authentic Leadership and Organizational Commitment of employees.

### Conceptual Framework





The authentic leadership (AL) is used as an independent variable and Employees Organizational Commitment (OC) is used as a dependent variable. The model will identify the overall affiliation between AL and OC as well as mediating relationship of KS and OV. Firstly, the hypothesis is formed for direct relationship of AL and OC and secondly indirect relationship of both variables is discussed through mediator namely OV and KS. Thirdly, the mediator effect on dependent variable is discussed in this research work.

An authentic methodology to leading is not only appropriate but also effective for evolving human creativity and accomplishing long-term and persistent aftermaths in organizations (George et al., 2007). Authentic leader can contribute positively in making a profound difference in organizational success. Transparent relationships can be promoted resulting in making workplace meaningful, developing commitment and trust amongst the employees, creation and sharing of knowledge (Avolio & Gardner, 2005). The theory of authentic leadership, thus, emphasizes on authenticity as an essential trait of a leader that helps a leader to be authentic through “self-awareness, self- acceptance, self-knowledge, faith, actions and relationships, promotion of authentic relationships with their followers and associates, supported by transparency, trust, integrity and high moral standards” (Besen et al., 2017).

### **Methodology**

The research work is performed to explore the association between AL and organizational OC along with KS and OV as mediators. The study is of quantitative nature. Primary data is collected through questionnaire for empirical purposes. Descriptive statistics are identified to explain the study variables. The unit of

analysis is individual bank employee as data is collected through questionnaire of banking employees. In nature, it's a cross sectional study, due to collection of data in one go and from variety of employees. The structured questionnaire is adapted from various pervious researches and demographics are added to enhance its applicability and understandings of unit of analysis. In last, the primary data gathered through adopted questionnaire has been examined by inferential and descriptive statistics.

The target population of our research paper consists of various grades including grade1, Grade 2, and Grade 3 personnel's of major 5 commercial banks in the region of Lahore that includes Muslim Commercial Bank (MCB), Habib Bank Limited (HBL), Allied Bank Limited (ABL), Bank Alfalah (BAL) and United Bank Limited (UBL). Total number of targeted branches in Lahore is 445. As per location of branch, the average number of respondents varies in every branch so we assume 3 respondents in every branch that would be estimated population of 1335 bank employees. In this study, a random sample of 350 employees was selected from total target population.

### **Operationalization of Variables (Measures)**

#### **Authentic Leadership**

AL is measured by ALQ instrument and used as independent variable in the hypothesis of study. The sixteen items measuring AL are adopted from ALQ established by (Walumbwa et al., 2008). Example of AL question which is asked form respondents: “I do not emphasize my own point of view at the expense of others”. Many researchers have used this scale in their studies like (Arménio Rego, 2013).

**Organizational Commitment**

OC is used as a dependent variable in this study. The 12 items measuring the OC are adopted from (Belal et al., 2016). Example of OC measurement items is: “I enjoy discussing with people outside of work around my organization”. Many researchers used this scale in previous studies namely (Lee 2014)

**Knowledge Sharing**

KS is also measured through adopted questionnaire and used as mediating variable in the hypothesis of study. The 7 items measuring the KS are adopted from (Hooff et al., 2003). “Colleagues within my department tell me what their skills are, when I ask them

about it” is an example to measure the KS. (Hooff et al., 2014) also used the similar measure in their study.

**Organizational Virtuousness**

OV is also used as mediating variable. 15 items are used to measure the OV. (Cameron et al., 2004) mentioned this in their study. “We have very high standards of performance, yet we forgive mistakes when they are acknowledged and corrected” is an example of item which measure the Organizational Virtuousness. Berry, (2001) has used the similar items to measure the organizational Virtuousness in his study. The response rate to our survey questionnaire distributed is 81%.

**Table 1: Demographics**

Variables	Categories	Frequency	Percentage	Total percentage
<b>Gender</b>	Male	269	76.86	100
	Female	81	23.14	
<b>Age</b>	Below 25	225	64.29	100
	25-40	112	32	
	Above 40	13	3.71	
<b>Qualification</b>	Matric & above	86	24.57	100
	Graduate	206	58.86	
	Masters or above	58	16.57	
<b>Experience</b>	Below 3	125	35.71	100
	3-5 years	153	43.71	
	6-10 years	32	9.14	
	11 or above years	40	11.42	

The demographical enquiry of the study discovered that 76.86% of the respondents are male and remaining 23.14% are female. So the data represents both genders. The average age of the respondent's falls within 25 years as 64% of the respondent's falls in this category. So, most of the respondents are younger and at entry level. Secondly 32% of the respondents between 25 to 40 years and remaining 3 % are above 40 years of age.

**Results:**

**Descriptive Statistics & Correlation**

The descriptive statistics explained the snapshot of all constructs used to quantify the required variables and provide determined range in which the replies of respondents fall. The statistics like mean and standard deviation are provided for each variable.

**Table 2: Descriptive Statistics**

Variables	Mean	Standard deviation
<b>Authentic Leadership (AL)</b>	3.79	0.42
<b>Organizational Commitment (OC)</b>	3.62	0.59
<b>Knowledge Sharing (KS)</b>	3.87	0.56
<b>Organizational Virtuousness (OV)</b>	3.75	0.57

The correlation analysis shows that AL has a significant positive relationship with all other variables with  $p < 0.01$ . Moreover, mediating variable and dependent variable also show

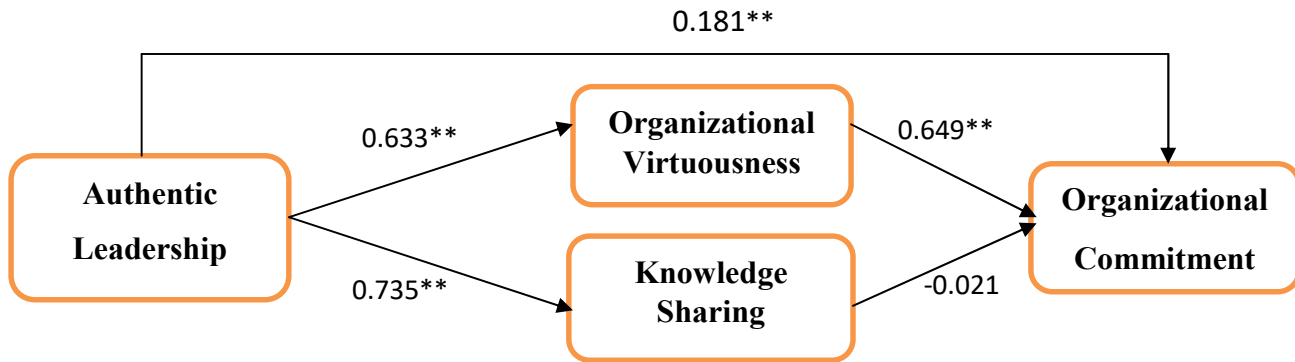
positive significant results with  $p < 0.01$ . Overall results depict positive relationship with all other variables.

**Table 3: Correlation**

	1	2	3	4
<b>1 Authentic Leadership (AL)</b>	1	-	-	-
<b>2 Organizational Commitment (OC)</b>	0.337**	1	-	-
<b>3 Knowledge Sharing (KS)</b>	0.550**	0.293**	1	-
<b>4 Organizational Virtuousness (OV)</b>	0.465**	0.643**	0.450**	1

Regression Test

Figure 2 Regression Coefficient



The regression results show that AL has a significant positive impact on OV with path coefficient  $\beta=0.633^{**}$  with  $p<0.01$ . The AL has a significant positive impact on (KS) with path coefficient  $\beta=0.735^{**}$  with  $p<0.01$ . With respect to OV, the OV has a significant influence on OC with path coefficient  $\beta=0.649^{**}$  with  $p<0.01$ . On the other hand, KS has insignificant impact on OC. In last, the AL impact on OC was explored and also found significant.

**Mediation Analysis/ Hierarchical Multiple Regression:**

Mediating hierarchical regression analysis is applied to explore the mediation effects of organizational commitment on the associations of authentic leadership with organizational virtuousness. As per Baron and Kenny (1986), there are some conditions that must be met for identifying relationship of mediation.

- Condition.1: independent variable must have a significant association with dependent variable.
- Condition.2: independent variable must have a significant association with mediating variable.

- Condition.3: mediating variable must have a significant association with dependent variable.

As per above conditions mediation analysis is executed using hierarchical regression on organizational virtuousness and knowledge sharing mediating between authentic leadership and organizational commitment.

The outcomes of HLR analysis are as: after demographic such as age, qualification, gender and experience of respondents, constructs are controlled in Step 1, Authentic leadership as independent variable is provided to the model through enter mode afterward in Step 2. Organizational virtuousness is entered in system as mediating variable afterward in step 3 by using enter mode. During the course of analysis, in step 2 independent construct , Authentic leadership (AL) has affirmative and significant impact on organizational commitment with path coefficient  $\beta=0.510^{**}$  with  $p<0.01$  after organizational commitment is provided in to the model, the influence of Authentic leadership on organizational commitment transformed from  $\beta=.510^{**}$  to  $\beta=.080$  that after organizational virtuousness

was added to the model; the effect of insignificant which shows that organizational Authentic Leadership is declined and became virtuousness is a full mediator in this study.

**Table 4: Hierarchical Regression Analysis - I**

Variables	Step I	Step II	Step III
Gender	0.132	0.160*	0.021
Age	-0.039	0.043	-0.025
Qualifications	-0.144**	-0.139**	-0.009
Experience	-0.103**	-0.127**	-0.151**
Authentic Leadership		0.510**	0.082
Organizational Virtuosity			0.641**
R <sup>2</sup>	0.291	0.457	0.693
R <sup>2</sup>		0.166	0.236

P<0.01\*\*, P<0.05\*

Afterward in step I all the demographics added 29.1% at dependent variable. Afterward, they together with independent construct added 45.7% in dependent construct in step II& separately independent construct add 16.6% in dependent construct. In the end, independent, mediating variable & demographic added 69.3% in dependent constructs and intervening variable add 23.6% in dependent construct. The outcomes of HLR analysis are as: after demographic such as age, qualification, gender and experience of respondents, constructs are controlled in Step 1, Authentic leadership as independent variable is provide to the model through enter mode afterward in Step 2. Knowledge sharing is entered in system as mediating variable afterward in step 3 by using

enter mode. During the course of analysis, in step 2 the independent variable , Authentic leadership has affirmative and significant impact on organizational commitment with path coefficient  $\beta=0.510^{**}$  with  $p<0.01$  after knowledge sharing (KS) is provided in to the model, the influence of Authentic leadership on organizational commitment (OC) transformed from  $\beta=.510^{**}$  to  $\beta=.416^{**}$  afterward knowledge sharing (KS) was added to the model; the effect of Authentic Leadership is declined but still remain significant which depict that knowledge sharing (KS) is a partial mediator between Authentic Leadership (AL) and organizational commitment (OC).

**Table 5: Hierarchical Regression Analysis - II**

Variables	Step I	Step II	Step III
Gender	0.132	0.160*	0.161*
Age	-0.039	0.043	0.037
Qualifications	-0.144**	-0.139**	-0.122*
Experience	-0.103**	-0.127**	-0.128**
Authentic Leadership		0.510**	0.416**
Knowledge sharing			0.128**
R <sup>2</sup>	0.291	0.457	0.467
R <sup>2</sup>		0.166	0.01

Afterward in step I, all the demographic added 29.1% in dependent constructs. Afterward they together independent constructs added 45.7% in dependent construct in step II and separately independent construct add 16.6% in dependent construct. In the end independent, demographic and mediating construct added 46.7% in dependent construct and intervening construct add 1% in dependent construct.

### Discussion

Regression Analysis was performed to explore the impact of AL on OC. The result found is significant. Belal et al., (2016) and Mohsen, (2015) found the significant results. However, Etebarian et al. (2012) found the association between AL and some aspects of OC as insignificant. We can say that AL significantly influence the KS and resultantly OC. Moreover, KS can be used to enhance the OC

of employees. Hamzah et al. (2017) found the significant results when KS is used as mediating with AL as independent variable.

To explore this effect, we applied the regression test on the AL and KS and found the significant results. It means that AL encourages the KS among the employees of an organization. The results of various previous studies also second our results such as (Ivona et al., 2008).

We deduce that KS can influence the OC as the employees prefer those organizations which encourage KS among employees for personal growth and the employees seems more committed to these organizations. The results of various previous researches are such as Mehdi et al., (2012) confirms our results. Moreover, we deduce that OV can influence the OC as the employees prefer those

organizations which respect the culture and values and the employees seems more committed to these organizations. The results of various previous researches are such as Rodwell, (2011) confirms our results.

### **Implications and Future Directions:**

The research work is performed to identify the AL role in banking industry of Pakistan. Moreover, KS and OV are used as mediating factor in this regard which strengthen the concept of AL. The outcomes are helpful for the administrators of banks to encourage the role of AL which ultimately impact the OC of employees as they prefer those organizations which support virtuousness and KS behavior in their organizations. The study will improve the working environment of the organizations which will bring positive change in the productivity of employees. Banking industry of Pakistan is a growing sector of economy, so we can pay more consideration under the findings of this study to further validate the services of banks.

The identical research may be performed by applying other measuring instruments for the variables of the study. The identical instrument may also be applied to other industries for AL, KS, OC and OV measurement like educational institutions, trade market, Insurance companies, manufacturing industries, telecom sector and health care sector.

### **Conclusion:**

The study was conducted to explore the role of AL on OC of employees. KS and OV are used as mediating variable in the study. Banking industry was selected for collection of data and result implications. The data was collected using the standard adopted questionnaire for each variable from branches of five major banks located in Punjab region of Pakistan. We applied Pearson correlation, regression and

hierarchical analysis for pragmatic purposes. Our outcomes point out that all variables have significant positive correlation among all variables of the study. AL impact on OC is found to be significant. Moreover, AL impact on KS and OC is also found significant. The impact of OV on OC is significant but the impact of KS on OC is found to be insignificant. With respect to mediating results both are found to be significant. So we can infer that banks industry put attention towards these variables to enhance their employees performance and improve working environment and ultimately to succeed in achieving their objectives in these competitive corporate environment.

### **References**

- Akbar, e. K., & changizi mohammadi mojtaba. (2016). The investigation of the relationship among organizational commitment, organizational virtuousness, and procrastination at work with regard to the role of demographic variables. *Iranian journal of public policy in management* , 11-25.
- Arménio Rego, A. V. (2013). Are authentic leaders associated with more virtuous, committed and potent teams? *The Leadership Quarterly*, 61-79.
- Avolio, B. J., & Gardner, W. L. (2005). Authentic leadership development: getting to the root of positive forms of leadership. *The Leadership Quarterly*, 16, 315-338.
- Besen, F., Tecchio, E. and Fialho, F. A. P. (2015). Authentic leadership and knowledge

- management, *Gestao & Producao.*, 24(1). <http://dx.doi.org/10.1590/0104-530X898-13>
- Besen, F., Tecchio, E., & Fialho, F. A. P. (2017). Authentic leadership and knowledge management. *Gestão & Produção*, 24(1), 1-13.
- Bakari, H., & Ahmed Imran Hunjra. (2017). Authentic Leadership Questionnaire: Case of its Validation through Structural Equation Modelling; Evidence from Pakistan. *Business & Economic Review*, 21-48.
- Bart van den Hooff, & Femke de Leeuw van Weenen. (2003). Committed To Share: The Relationship Between Organizational Commitment, Knowledge Sharing And The Use Of Cmc. *University of Amsterdam, Amsterdam School of Communications Research*.
- Becker, H. S. (1960). Notes on the Concept of Commitment. *American Journal of Sociology*, 66: 32.
- Belal Albashiti, Khaleel Hajjaj, & Wael Thabet. (2016). Authentic leadership and organizational commitment: the mediating role of positive psychological capital. *International review of humanities and scientific research*, 499-510.
- Berry, J. W. (2001). Dispositional forgiveness: Development and construct validity of the Transgression Narrative Test of Forgiveness (TNTF). *Personality and Social Psychology Bulletin*, 1277-1290.
- Castaneda, D. I., & Sergio Cuellar. (2020). Knowledge sharing and innovation: A systematic review. *Knowledge and Process Management published by John Wiley & Sons Ltd*, 159-174.
- Cameron, K. (2003). Organizational Virtuousness and Performance . *Positive Organizational Scholarship*, 48-65.
- Choi, H. G., & Ahn, S. H. (2016). Influence of Nurse Managers' Authentic Leadership on Nurses' Organizational Commitment and Job Satisfaction: Focused on the Mediating Effects of Empowerment. . *Journal of Korean Academy of Nursing*, 100-108.
- Duanxu Wang , Huijuan Xue, & Jie Xu. (2009). The Mechanism of Leadership Styles Affecting Team Innovation in the PRC. *IEEE*.
- Etebarian, A., Tavakoli, S., & Abzari, M. (2012). The relationship between psychological capital and organizational commitment. *African Journal of Business Management*, 5057-5060.
- Fred O. Walumbwa, Bruce J. Avolio, William L. Gardner, Tara S. Wernsing, & Suzanne J. Peterson. (2008). Authentic Leadership: Development and Validation of a Theory-Based Measure. *Journal of Management*, 89-126.
- Gardner, W. L., Cogliser, C. C., Davis, K. M., & D. (2011). Authentic leadership: A review of the literature and research agenda. *The Leadership Quarterly*, 1120-1145.
- Gatling, A., Hee Jung Annette Kang, & Jungsun Sunny Kim. (2016). The



- effects of authentic leadership and organizational commitment on turnover intention. *Leadership & Organization Development Journal*, 181-199.
- George, B. (2003). Authentic leadership: Rediscovering the secrets to creating lasting value. . *San Francisco, CA: Jossey Bass*.
- George, B., Sims, P., McLean, A. N., & Mayer, D. (2007). Discovering your authentic leadership. *Harvard Business Review*, 85(2): 129-138.
- Giri, E. E., Umar Nimran, Djamhur Hamid, & Mochammad Al Musadieq. (2014). The Effect of Organizational Culture and Organizational Commitment to Job Involvement, Knowledge Sharing, and Employee Performance: A Study on Regional Telecommunications Employees of PT Telkom East Nusa Tenggara Province, Indonesia. *International Journal of Management and Administrative Sciences (IJMAS)*, 20-33.
- GOTA, G. (2017). *The relationship between psychological capital, work engagement and organizational commitment amongst employees at a selected food processing plant in the western cape*. Cape town: univeristy of western cape.
- Hamzah Elrehail, Okechukwu Lawrence Emeagwali, Abdallah Alsaad, Amro Alzghoul, & Okechukwu Lawrence Emeagwali. (2017). The Impact of Transformational and Authentic Leadership on Innovation in Higher Education: The Contingent Role of Knowledge Sharing. *Telematics and Informatics*,
- <https://doi.org/10.1016/j.tele.2017.09.018>.
- Han, S. H., Seo, G., , Yoon, S. W., & Yoon, D.-Y. (2016). Transformational leadership and knowledge sharing: Mediating roles of employee's empowerment, commitment, and citizenship behaviors. *Journal of Workplace Learning*, 130–149.
- Hassana, S. I., & Badariah Haji Dina. (2019). The mediating effect of knowledge sharing among intrinsic motivation, high-performance work system and authentic leadership on university faculty members' creativity. *Management Science Letters* , 887-898.
- Hooff, B. v., & Femke de Leeuw van Weenen . (2014). Committed to share: the relationship between organizational commitment, knowledge sharing and the use of cmc. *Amsterdam School of Communications Research*, 1-22.
- Hooff, V. d., B.J. Vijvers J., & J.A. De Ridder. (2003). Knowing What to Manage; Foundations and applications of a knowledge management scan. *European Management Journal*. .
- Iqbal, S., Tahir Farid, Muhammad Khalil Khan, Qionghon Zhang, Amira Khattak, & Jianhong Ma. (2020). Bridging the Gap between Authentic Leadership and Employees Communal Relationships through Trust. *International Journal of Environmental Research and Public Health*, 1-14.
- Iqbal, S., Tahir Farid, Jianhong Ma, Amira Khattak, & Mohammad Nurunnabi. (2018). The Impact of Authentic

- Leadership on Organizational Citizenship Behaviours and the Mediating Role of Corporate Social Responsibility in the Banking Sector of Pakistan. *Sustainability*, 1-11.
- Iraj Nikpay, Seyedali Siadat, Reza Hoveida, & Parisa Nilfrooshan. (2014). Developing A Model For Effect of Perception of Authentic Leadership on Individual Oriented and Organizational Oriented Organizational Citizenship Behaviors at Universities. *Educational Research International*, 64-73.
- Iraj, n., & malekyan mofrad marjan. (2016). Investigating the impact of principals' ethical leadership style on teachers' organizational virtuousness with mediation of organizational commitment and organizational trust in khorramabad primary schools. *Journal of school administration*, 107-129.
- Ishfaq Ahmed, Wasim-ul Rehman, Fouzia Ali, & Ghulam Ali. (2018). Predicting employee performance through organizational virtuousness: Mediation by affective well-being and work engagement. *Journal of Management Development*.
- Ivona Vrdoljak Raguž, & Senka Borovac Zekan. (2008). The Impact of Authentic Leadership Style on Knowledge Sharing Behaviour. *Department of Economics and Business Economics, University of Dubrovnik, Dubrovnik*, 615-622.
- Javaid, M. F., Kashif Luqman, Hina Amir, & Tahira Umair. (2015). Authentic leadership affects employee's attitudes (Affective Commitment) through the mediation role of Personal Identification and Organizational Identification. *International Journal of Academic Research in Business and Social Sciences*, 215-231.
- Kaviyani, N., & Saeed Ahmadi. (2019). To Investigate the Relation between Organizational To Investigate the Relation between Organizational Mediatory Role of Ethical Leadership. *International journal of Business Management*, 86-94.
- Lee, H.-C., & Yi-Wen Liu. (2008). Impacts of organizational innovation capability and leadership styles on innovation performance for electronics information industry in Taiwan, Service Operations and Logistics and Informatics. *IEEE International Conference*, 1903-1907.
- Lee, H.-K. (2014). Effects of authentic leadership on organizational commitment for employees. *Journal of Digital Convergence*, 181-190.
- Linton, B. J. (2003). An Examination Of The Relationships Between Leadership Style, Quality and Employee Satisfaction In R&D Environments. - 5/03/\$17.00 02003 IEEE, 803-815.
- Lirong Long, & Minxin Mao. (2008). Impact of leadership style on organizational change. *IEEE*.
- Luthans, F., & Avolio, B. J. (2003). Authentic leadership development. *San Francisco: Berrett-Koehler Publishers*.

Ma. Celia T. Roncesvalles , & Amelita A. Gaerlan. (2020). Authentic Leadership And Teacher Morale: Effects On Organizational Commitment In Higher Education. *International Journal of Advanced Research and Publications* , 85-94.

Investigating the Effects of Authentic Leadership of Managers on Organizational Commitment of Teachers with Organizational Justice as the Mediator Variable. *Ciência e Natura, Santa Maria*, 407-416.

M.Javaid, N.H.Abdullah, A.Zeb, & K.Hussain. (2018). The Impact of Authentic Leadership on Knowledge Sharing Behavior with the Moderating role of Islamic Work Ethics. *International PostGraduate Conference on Applied Science & Physics*, 1-10.

Muhammad Rafique, Shafqat Hameed, & Mujtaba Hassan. (2017). Impact of knowledge sharing, learning adaptability and organizational commitment on absorptive capacity in pharmaceutical firms based in Pakistan. *Journal of Knowledge Management*, 1-20.

Makhmoor, T. (2018). Authentic leadership: Concept of authenticity and qualities of authentic leaders. <https://www.researchgate.net/publication/326676488>, 1-6.

Nikpay, I., & Marjan Malekian Mofrad. (2016). Investigating the Effect of Principal;s Ethical Leadership on Organizational Virtuousness of Teacher with Mediating Role of Corporate Identity, Organizational Trust and Organizational Commitment. *International Business Mangement*, 5885-5895.

Mary B. Curtis, & Eileen Z. Taylor. (2018). Developmental mentoring, affective organizational commitment, and knowledge sharing in public accounting firms. *Journal of Knowledge Management*, 142-161.

Paulo Rego, Miguel Pereira Lopes, & José Luís Nascim. (2016). Authentic Leadership and Organizational Commitment: The Mediating Role of Positive Psychological Capital. *Journal of Industrial Engineering and Management*, 129-151.

Meyer, J. P., & Allen, J. P. . (1997). Commitment in the workplace – Theory, research, and application. *Newbury Park, CA: Sage*.

Rego, A., Dálcio Reis Júnior , & Miguel Pina e Cunha. (2015). Authentic Leaders Promoting Store Performance: The Mediating Roles of Virtuousness and Potency. *Journal of Business Ethics*, 617-634 .

Mohammadreza Neyestani, Maryam Piran, Narjes Alsadat Nasabi, Kamal Nosrati, & Katayoon Maidanipour. (2013). The Necessity of Organizational Commitment for Knowledge Sharing Case Study: Shiraz University of Medical Sciences. *Journal of Sociological Research*, 162-171.

Mohsen Alinezhad, Hosein Abbasian, & Mohammad Reza Behrangi. (2015).

Rodwell, A. (2011). Impact of Authentic Leadership & Virtuousness on

- Organisational Performance during a Downsizing Exercise. *SBS HDR Student Conference. Paper 8.* University of Wollongong.
- Rubab Naqvi, & Akashah Alam. (2018). Impact Of Authentic Leadership On Employees Knowledge Sharing Behavior. *Journal of Management and Human Resource*, 85-97.
- Silva Karkoulian, Nour Al Harake , & Leila Canaan Messarra. (2010). Correlates of Organizational Commitment and Knowledge Sharing via Emotional Intelligence: An Empirical Investigation. *The Business Review, Cambridge*, 89-96.
- Tran, H. P. (2019). How authentic leadership promotes individual knowledge sharing: viewing from the lens of COR theory. *Management and Marketing*, 386-401.
- Tuttle, & Matthew D. . (2009). True north or traveled terrain? An empirical investigation of authentic leadership. *University of South Florida, Dissertations Publishing*.
- Tzu-Shian Han, Hsu-Hsin Chiang, & Aihwa Chang. (2010). Employee participation in decision making, psychological ownership and knowledge sharing: mediating role of organizational commitment in Taiwanese high-tech organizations. *The International Journal of Human Resource Management*, 2218–2233.
- Vitor Costa , & Samuel Monteiro. (2012). Knowledge Sharing Among University Teachers: The Role of Organizational Commitment. *Research Gate*, 226-233.
- Wainwright, B. (2019). What is employee commitment?  
<https://www.effectory.com/knowledge/what-is-employee-commitment/>.
- Walumbwa, Avolio, B. J. , Gardner, W. L., Wernsing T. S., & Peterson, S. J. (2008). Authentic leadership: Development and validation of a theory-based measure. *Journal of Management*, 89-126.
- Walumbwa, F. M. (2011). Linking ethical leadership to employee performance: The roles of leader–member exchange, self-efficacy, and organizational identification. *Organizational Behavior and Human Decision Processes*, 204–213.
- Yavuz Demirel, & Kubilayhan Goc. (2013). The impact of organizational commitment on knowledge sharing. *Annual International Interdisciplinary Conference, AIIC 2013, 24-26 April, Azores, Portugal*, (pp. 954-963). Azores.