Mediational Role Of Organizational Justice Between Authentic Leadership Style And Employee Burnout In Information Technology Sector

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Abstract: In today’s global economic turmoil, organizations are challenged every day to stay not only in competition but also ahead, for the sake of its stakeholders. It is the leaders of an organization who spearhead the changes and handle contingent situations. After the leaders, the employees are the core strength of an organization. The top management invest a lot to ensure a contented workforce. Employees in all levels, give importance to the way they are being treated with respect and dignity. They demand that the compensation and remuneration they receive are justified and deserving. If there is a conflict of these situations, then an employee is under undue stress to perform better, even when not satisfied with the workplace leading to emotional exhaustion, cynicism, feeling unaccomplished and physical strain. In short, the employee experiences burnout. In this research study, authentic leadership style is analyzed with respect to their influence on an employee’s perception about organizational justice and the burnout experienced. The impact of these leadership styles in ensuring a positive perception of organizational justice in employees is studied along with their influence in reducing employee burnout. The role of organizational justice is studied in a mediating capacity. A sample of 700 employees belonging to various organizations in information technology are chosen for the study.

Keywords: Authentic leadership, Organizational justice, burnout, Information technology sector, Mediation

I. INTRODUCTION

In today’s economically uncertain times, organizations face a tough challenge to even stay in competition, if not ahead. There is an alarming trend among organizations, big and small, filing for bankruptcy due to the growing economic crisis (Kruglova & Sverchkova 2015). This puts a huge stress on the organizations to stay afloat and to be accountable for their stakeholders. In times of such crisis, the management looks to its leader(s) to steer it to safety. The leaders of an organization play a decisive role in achieving organizational success and also ensuring that this performance is consistent. With the volatile market, demanding stake holders and ever changing customer needs, organizations face new challenges cropping up every day. During these testing times, the leaders are looked upon to spear head organizations. It is imperative that organizations equip their managers to face the changing demands of clients, customers as well as the employees. For this, the managers should become capable leaders. The current study focuses on how leadership and justice practices in an organization help alleviate employee burnout. Authentic leadership style of managers and the organizational justice present in information technology sector are observed in this study.

II. LITERATURE REVIEW

A. AUTHENTIC LEADERSHIP

Authentic leadership has been garnering significant interest in the organizational studies research, as the impact of having unethical leaders has far reaching negative consequences on every level of the organization, as well as
society at large. The incidents of large scale corruption and the resultant loss to the economy is increasing, leading to a critical deliberation on its root cause - if it can be curbed in the organizational level or not. In several instances, the importance of implementing and following just practices in an organization is grossly undermined.

A study by Avolio et al. (2004) describes authentic leaders as showing consistency in their behavior and their personal values. This leads them to garner respect and followership from their subordinates. Several studies have thereupon worked extensively on this notion of authenticity. Avolio & Gardner (2005) define authentic leadership as “the root construct underlying all positive forms of leadership and its development”. In their study, Avolio and Gardner (2005) state the four behavioral patterns that would constitute the paradigm of being an authentic leader – balanced processing, relational transparency, self-awareness and internalized moral perspective. Several research studies explain these four components briefly: balanced processing is unbiased and fair minded decision making, relational transparency as the word suggests is being transparent and genuine while interacting with team, self-awareness is being aware of one’s weaknesses and acknowledging the same and finally internalized moral perspective is being ethical to the core (Bass & Steidlmeir 1999; Cooper et al. 2005; Hannah et al. 2005; Walumbwa et al. 2008).

Authentic leaders have been found to influence several positive outcomes in various levels of an organization (Yammarino et al. 2008; Ozkan & Ceylan 2012; Hsuwing 2012), on an individual level they have a profound impact on employees’ attitude (Avolio et al. 2004; Jensen & Luthans 2006), engagement (Leroy et al. 2009; Wang & Hsieh 2013), innovation (Zhou et al. 2014), and job satisfaction (Onarato & Zhu 2015). On the group level, they play a crucial role in working on team commitment (Darvish & Razaei 2011) and teamwork performance (Lyubovnikova et al. 2015). In the organizational level, studies have proved that they bring about many positive outcomes such as improved organizational performance (Khan, 2010), organizational identification (Čeri-Booms 2012), organizational culture (Shirey 2009; Azanza et al. 2013). These studies further fortify the fact that authentic leaders would be a valuable asset to an organization as well as society at large.

Very few studies have delved on the antecedents of authentic leadership behavior. Research by Peus et al. (2012) claims self-knowledge and self-consistency as the factors that cause authentic leadership behavior in an individual. Employees who possess knowledge about one’s strengths and weaknesses, coupled with consistency in moral principles and behavior were found to have authentic leadership traits. Baron (2012) claimed that authentic leadership behaviors could be cultivated in individuals through experiential training. This is very beneficial for organizations where the need of the hour is authentic employees.

Apart from promoting positive organizational traits in employees, studies have proved authentic leadership as effective in curbing negative organizational behavior of employees. These negative traits would be deviant behavior in workplace (Erktutlu & Chafra 2013), turnover intention (Laschinger & Fida 2013; Azanza et al. 2015; Lee & Cha 2015; Gatling et al. 2016), and work place bullying (Laschinger et al. 2012; Wong & Grau 2012; Laschinger & Fida 2013; Warszewska-Makuch et al. 2015).

B. ORGANIZATIONAL JUSTICE

A taxonomy study by Greenberg (1987) describes organizational justice as the perception of employees on how they are being treated in their organization. Several studies define the three components of organizational justice - distributive justice, interactional justice and procedural justice (Colquitt et al. 2001; Colquitt & Greenberg 2005; Cropanzano et al. 2007). Distributive justice is the perception of an employee on how fairly the organization’s rewards and pay structures are distributed amongst the employees (Blodgett et al. 1997). Interactional justice is the unbiased and non-discriminatory behavior of a manager with his employees (Skarlicki & Folger 1997). All three dimensions were analyzed in a study by Usmani & Jamal (2013). The authors found that the dimensions of organizational justice led to increased job satisfaction of employees.

Studies have dealt with the severe repercussions caused by negative perceptions of justice in organizations. The consequences of these negative perceptions varied from retaliation to supervisor (Skarlicki & Folger 1997) and insomnia (Greenberg 2006).

C. BURNOUT

Occupational burnout is the feeling of exhaustion, lack of motivation and enthusiasm coupled with feeling frustrated and cynical on the job (Maslach & Jackson 1984; Demerouti et al. 2001; Argentero et al. 2008). The concept of burnout was first proposed by Freudenberger (1974). In this study, burnout was explained in terms of the employees’ displaying physical signs and behavioral changes. This paper also explained how to prevent and also to treat staff burnout. Many research studies have since been conducted on burnout and its negative effects on individual, team as well as the organization at large.

Several studies have delved on the causal factors of psychological burnout. Role stress has been found to be a key factor causing burnout in employees (Bacharach et al. 1991; Gil-Monte et al. 1993). Several more studies have established the critical role played by job-role stress to cause burnout in employees. These studies have proved this relationship in various sectors ranging from health care professionals in service sector to teaching faculty in education sector (Firmian & Blanton 1987; Chan 2003). Fogarty et al. (2000) claimed that factors such as role ambiguity, role conflict and role overload are key factors causing burnout in employees. It could be collectively observed that job related stress leads to burnout in employees.

Many detrimental effects of burnout have been identified and explored by research studies in the past. In an interesting study by Clavruel (1982), it had been stated that burnout leads to employee negligence on the jobs. The study claimed that a combination of factors such as lack of recognition and proper communication, unclear policies and responsibilities, led to employee getting angry and frustrated. This in turn had resulted in the employee experiencing burnout. A major effect
of burnout is that it affects the job performance of an employee (Garden 1991; Wright & Hobfoll 2004; Taris 2006; Babakus et al. 2009). An employee suffering from burnout would not be able to concentrate on the job, hence affects the productivity, leading to lower performance on the job. Employees suffering from burnout were also found to have increased turnover intention. The intention to quit their jobs was found to be high when suffering from burnout. Many studies have established the strong link between burnout and turnover intention (Houkes et al. 2001; Kim & Stoner 2008; Kim & Lee 2009). As the turnover intention is mostly followed by an employee leaving the organization, this leads to loss of skilled resources.

Several studies have delved on strategies to overcome the effects of burnout and to prevent employees from experiencing burnout. Employee engagement has been found to be a major factor to avert burnout (Cawford et al. 2010; Cole et al. 2012; Angelo & Chambel 2015). These studies expound the ways in which organizations actively promoting employee engagement could avert burnout in employees. Study by Maslach & Goldberg (1999) focused on preventing burnout, by creating a better job fit for the employee.

III. RESEARCH MODEL

From the literature reviewed, certain research gaps have been identified. There is a dearth of research on authentic leadership traits of managers. Significant research is lacking on how justice practices are perceived in information technology sector. The influence of these two factors on an employee’s occupational burnout has not yet been studied. Based on these research gaps the following research model is framed.

![Figure 1: Hypothesized Research Model](image)

Hypothesis 1: Authentic leadership behavior in supervisor leads to a significant decrease in burnout experienced by employees.

**B. AUTHENTIC LEADERSHIP AND ORGANIZATIONAL JUSTICE**

A few studies have been conducted which analyze the relationship between authentic leadership behaviors and justice perception of employees. Lalas & Valle (2007) conducted a study on fostering a climate of social justice that would in turn inculcate the students to exhibit authentic behaviors. This study is of interest as it provides an insight into the symbiotic relationship between authentic leadership and justice. Organizational citizenship behavior was found to be influenced by both authentic leadership and organizational justice in a study by Song & Seomun (2014). This study reiterated the fact that justice and authentic leadership were crucial factors in eliciting organizational citizenship behaviors from employees. Kiersch (2007) formulated a moderated mediation model involving authentic leadership, justice, fair climate and employee performance. The author states that authentic leadership causes positive perception of justice in employees and this in turn leads to a fair climate and increased employee performance. This is one of the studies which strongly convey the causal relationship of authentic leadership with organizational justice. From these studies, the following hypothesis is derived.

Hypothesis H2: Authentic leadership behaviors in manager would lead to positive perception of organizational justice by employees.

**C. ORGANIZATIONAL JUSTICE AND BURNOUT**

Organizational justice is the employees’ perception of being treated fairly in the workplace by both supervisor and management (Cropanzano et al., 2001). Justice perceptions are related to employee wellbeing ensuring that employee doesn’t experience burnout. Several studies have been conducted to analyze the direct link between employee justice perceptions and the burnout experienced. Moliner et al. (2005a) in their study have determined that not only does the perception of organizational justice influence an employee burnout, but also the strength of justice perceptions determine the strength of burnout experienced. This indicates that more than ensuring the presence of organizational justice in the workplace, it is also essential to be consistent. The influence of justice perceptions on burnout has been widely explored in education sector (Xiao-Hong & Lei 2010; Mengnan et al. 2012; Haimei et al. 2013; Loerbroks 2014; Li 2014), banking sector
(Pashootanizadeh et al. 2014; Elçi et al. 2015), police force (Kaygusuz & Beduk 2015). These studies provide the basis for the following hypothesis.

Hypothesis 3: Positive organizational justice perception in employees reduces their workplace burnout.

The above hypotheses will lead to the following mediation effect hypothesis:

Hypothesis 4: Organizational justice indirectly affects the influence of authentic leadership on employee burnout.

IV. RESEARCH METHODOLOGY

Taking into consideration the research objective which is to understand the mediation effect of organizational justice between authentic leadership style and employee burnout, a quantitative research design is chosen for this study. The survey sample for this study comprise of employees working in various Information Technology firms in various parts of India. A cross-sectional survey based research plan is adopted in this study where the respondents are administered survey questionnaires either paper based or web based.

The three major variables used in this study are: authentic leadership behavior of the supervisor is the independent variable; follower’s perception of organizational justice acts as the mediating variable and finally, follower’s burnout is the dependent variable. The survey was administered by two means of two methods- web based and through questionnaires given in paper. Both web based and paper based questionnaires were identical, except for the means of administration. Each questionnaire started with a basic demographic profiling, asking questions about the age, gender, and organizational tenure in terms of total experience, experience in current organization, as well as work experience under the current supervisor. Following this, the questionnaires had 3 instruments to measure- authentic leadership behavior of the supervisor, perceived organizational justice and self-burnout experienced.

Totally 1000 questionnaires were distributed to human resource departments of various information technology firms. Of these, 870 were returned, with the response rate being 87%. Of these, 722 were found to be complete and hence considered to be suitable for further study.

A. RESEARCH INSTRUMENTS

For authentic leadership, Authentic leadership Questionnaire (ALQ), designed by Walumbwa et al. (2008) was used for this study. This is a 16 item instrument consisting of four dimensions of authentic leadership – Transparency (5 items), Moral/Ethical (4 items), balanced processing (3 items) and Selfawareness (4 items). A 5 point Likert scale grading from strongly disagree to strongly agree is used in this instrument. Several authentic leadership studies have found this instrument effective to measure authentic leadership (Giallonardo et al. 2010; Caza et al. 2010; Woolley et al. 2010; Hsuing 2012; Wong & Laschinger 2013).

To measure Organizational justice, the 20 item questionnaire designed by Niehoff & Moorman (1993) was used. This instrument measures three dimensions of organizational justice-procedural, distributive and interactional justice. Many research studies on organizational justice have adopted this instrument to measure justice perceptions (Devonish & Greenridge 2010; Gracia et al. 2015).

The burnout of employee was measured using a 6 item questionnaire designed by Broome et al. (2009). This is a uni-dimensional measure. The instrument focuses on the disillusionment (“You feel disillusioned and resentful”), depression (“You feel depressed”), physical exhaustion (“You feel that it is a real effort to come to work”, “You feel overwhelmed with paperwork” and “You feel tired”), personal accomplishment (“You feel like you aren’t making a difference”). Several studies on burnout have used this instrument to measure burnout (Landrum et al. 2012; Oser et al. 2013)

For the current study, age, gender and employees’ total work experience, tenure in current organization and tenure under current supervisor are considered as control variables.

V. DATA ANALYSIS

Frequency of participants and their mean scores provide an insight into the demographic range of the sample participants.

<table>
<thead>
<tr>
<th>Demographic parameters</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>31-40</td>
<td>54.98</td>
<td>146</td>
<td>20.2%</td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>58.59</td>
<td>37</td>
<td>5.1%</td>
</tr>
<tr>
<td>Gender</td>
<td>Female</td>
<td>53.60</td>
<td>273</td>
<td>37.8%</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>54.59</td>
<td>449</td>
<td>62.2%</td>
</tr>
</tbody>
</table>

Table 1: Descriptive statistics- mean scores and frequency of sample

The age and gender segregations of the respondents is displayed in Table 1. It is observed that a majority of the participants are aged between 21 and 30 (74%). The sample is predominantly made of people aged between 21 and 30. This finding corroborates with the existing knowledge that employees in Indian information technology sector are from the age group 21-30. This could imply that employees switch their career after a few years in the information technology sector. This result corroborated with a study The Economic Times (2015) stating that employees tend to change jobs more frequently owing to the prime market conditions and the potential of candidates. This is a clear indication of the high attrition rate in this sector. It is evident that only 5% of employees are aged above 41 years. These might be employees with many years of work experience who occupy top management positions in the organizations.

This hypothesized model is to check if organizational justice plays a mediating role between authentic leadership and burnout as represented in Figure 1. Using Baron and Kenny’s four step process for mediation testing, the following steps are executed.

In the first step, the regression equation between authentic leadership and the prospective mediator- organizational justice was calibrated. It was observed that Authentic leadership had a
strong correlation with organizational justice (R=.781). This held true both in the presence and absence of control variables. ANOVA was later used to study the significance of this relationship. The ANOVA results stated that the relationship between authentic leadership and organizational justice is significant (p=0.00; p< .05). It is hence established that authentic leadership has a significant positive influence on organizational justice perceptions thus proving Hypothesis 2. Employees reporting to authentic leaders have a positive perception of organizational justice in their workplace.

The regression results of the second step in Baron and Kenny’s model involves establishing that there exists a significant positive regression relationship between organizational justice and employee burnout.

The summary of the regression model presented the fact that organizational justice explains a considerable variance (R2 = .452). The ANOVA results proved the significance of this relationship. It could be concluded that organizational justice has a significant relationship with burnout. This implies that employees who have a positive perception on organizational justice experience less burnout in workplace. The only control variable which has a significant negative relationship with burnout is the total work experience (β= -.133; p<0.05), implying that the more the work experience, the less burnout experienced.

The control variables were examined and it was deduced that, independently, the variables- respondent age, total work experience and work experience in current organization have a negative relationship with burnout. However, when studied together in the model, multicollinearity issues arise. Due to this, the control variables are excluded from the regression model.

The step 2 of Baron and Kenny’s mediation model is thus proved, as there is a significant causal relationship between the mediator (organizational justice) and the outcome (burnout). Thus, hypothesis H3 – Positive perceptions of organizational justice in employees lead to a significant decrease in their burnout is proved.

In step 3, the impact of authentic leadership on employee burnout is tested. It was observed that authentic leadership has a strong correlation with burnout (R=.412). The ANOVA results provided the significance of the relationship between authentic leadership and burnout without the presence of control variables. This relationship was found to be significant (p=0.00; p< .05). From this, it could be concluded that authentic leadership has a significant negative relationship with burnout. For estimating the strength of regression of all the predictor variables (authentic leadership and control variables), the value of standardized β coefficient is observed. It was observed that the standardized β coefficient between authentic leadership and burnout is -0.412. This indicates that authentic leadership causes a decrease in employee burnout. This is found to be significant (p=0.00; p< 0.05). Thus proving Hypothesis 1 as true.

As the first three steps proved the existence of significant relationships between the key variables, the final mediation analysis is proceeded. In the final step, the multiple regression model involving the independent variable (authentic leadership) and mediator (organizational justice) is obtained. It is checked here if the impact of authentic leadership on burnout is affected by the presence of organizational justice.

The correlation and variance of the output variable that is explained by the independent variable is determined from model summary. It was observed that organizational justice and authentic leadership together, have a strong correlation with burnout (R=.462). Organizational justice and authentic leadership could explain a large proportion of variance in burnout (R square = 21.3%). Adjusted R square presents the adjusted variance in burnout if new independent variables are introduced in the model (adjusted R square = 21.1%). The ANOVA results prove that the relationship between authentic leadership, organizational justice and burnout is significant (p=0.00; p< .05).

The regression model for this relationship is obtained and the results are displayed in Table 2. It could be observed that the impact of authentic leadership on burnout has decreased from -0.412 to -0.152 when organizational justice is introduced. This proves that organizational justice partially mediates the relationship between authentic leadership and burnout. Thus, Hypothesis 4 – Organizational justice partially mediates the relationship between authentic leadership and burnout is proved.

### Table 2: Regression Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficient</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>STEP 1: AUTHENTIC LEADERSHIP--ORGANIZATIONAL JUSTICE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without control variables</td>
<td>(Constant)</td>
<td>16.147</td>
<td>1.543</td>
<td>10.465</td>
</tr>
<tr>
<td>Authentic Leadership</td>
<td>0.936</td>
<td>0.028</td>
<td>0.781</td>
<td>33.592</td>
</tr>
<tr>
<td>With control variables</td>
<td>(Constant)</td>
<td>17.007</td>
<td>1.767</td>
<td>9.623</td>
</tr>
<tr>
<td>Authentic Leadership</td>
<td>0.927</td>
<td>0.028</td>
<td>0.774</td>
<td>33.026</td>
</tr>
<tr>
<td>Total work experience</td>
<td>0.319</td>
<td>0.12</td>
<td>0.117</td>
<td>2.668</td>
</tr>
<tr>
<td>Work experience in present</td>
<td>-0.263</td>
<td>0.125</td>
<td>-0.066</td>
<td>-2.107</td>
</tr>
<tr>
<td><strong>STEP 2: ORGANIZATIONAL JUSTICE--&gt; BURNOUT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without control variables</td>
<td>(Constant)</td>
<td>27.15</td>
<td>0.772</td>
<td>35.16</td>
</tr>
<tr>
<td>Organizational Justice</td>
<td>-0.154</td>
<td>0.011</td>
<td>-0.452</td>
<td>-13.594</td>
</tr>
<tr>
<td>With control variables</td>
<td>(Constant)</td>
<td>27.07</td>
<td>0.884</td>
<td>30.627</td>
</tr>
<tr>
<td>Organizational Justice</td>
<td>-0.148</td>
<td>0.011</td>
<td>-0.436</td>
<td>-13.016</td>
</tr>
<tr>
<td>Total work experience</td>
<td>-0.124</td>
<td>0.058</td>
<td>-0.133</td>
<td>-2.129</td>
</tr>
<tr>
<td><strong>STEP 3: AUTHENTIC LEADERSHIP--&gt; BURNOUT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without control variables</td>
<td>(Constant)</td>
<td>25.973</td>
<td>0.767</td>
<td>33.876</td>
</tr>
<tr>
<td>Authentic Leadership</td>
<td>-0.168</td>
<td>0.014</td>
<td>-0.412</td>
<td>-12.14</td>
</tr>
<tr>
<td>With control variables</td>
<td>(Constant)</td>
<td>25.784</td>
<td>0.873</td>
<td>29.551</td>
</tr>
</tbody>
</table>
Total effect denotes the effect of authentic leadership on burnout. Direct effect is the effect of independent variable-authentic leadership on burnout in the presence of mediating variable. Indirect effect does not have t-statistic or p-significance, instead the bootstrapping intervals are used to determine the significance of the effect at 0.05 level.

From the above table, bootstrapping technique proves that authentic leadership has a significant negative relationship with burnout ($\beta = -0.1682; p<0.05$). The strength of this impact is found to be reduced in the presence of organizational justice, ($\beta = -0.0619; p<0.05$). The values are depicted in Figure 2.

**VI. RESULTS DISCUSSION**

Organizational justice perceptions in employees, partially mediate the supervisor’s authentic leadership style and the burnout experienced by the employee. The top management of an organization, should thus focus on not only training supervisors to be better authentic leaders, but also ensure that the individual justice dimensions are being practiced in the workplace. In an organization, the management should give equal importance to supervisors’ leadership potential, as well as the organizational justice prevailing in the workplace. Both these have the capacity to influence an employee’s burnout capacity.

In an organizational setting, supervisors’ authentic leadership reduces employee burnout by acting through the perception of organizational justice. Hence, the more positive the perception of organizational justice by the employee, the supervisor’s authentic leadership is more effective in reducing employee burnout. In this setting, authentic leadership works through justice perceptions. If an employee has negative or less positive perception about workplace justice, then the supervisor’s authentic leadership wouldn’t be as effective in reducing employee burnout.

**VII. CONCLUSIONS**

Based on the findings of this study it is deciphered that organizations need to give importance to leadership training for the supervisors in order to combat the many organizational
challenges. Based on the results, the organizations should acknowledge the importance placed by the employees on organizational justice. Efforts should be taken by organizations to ensure that their policies and procedures practiced are in line with the employee expectations. Organizations could apply the results in their workforce and reap positive benefits such as having managers equipped with multiple leadership traits, positive prevalence of organizational justice and reduced employee burnout. These changes could snowball and create a competitive advantage for the organization in the long run. Future research could expand the current study by analyzing how other leadership styles such as servant leadership and ethical leadership would function in this model. There is scope to further study other outcome parameters of leadership styles and justice apart from reduced burnout, such as trust, performance, innovation, etc.

REFERENCES


