

## The Impact of Authentic Leadership on Subordinates' Trust and Work Performance in Educational Organization: A Structural Equation Modeling

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**ABSTRACT:** Previous investigations have pointed out the unique and indispensable role that leadership styles play in shaping the overall success and direction of an organization. Said styles are crucial in addressing the issues arising from the growing organizational needs and human resource development. Interestingly, authentic leadership has been identified as an effective form of management that can address organizational and societal problems. However, its focus and application were mostly seen in the business context. Hence, the aim of the study is to examine the influence of authentic leadership on subordinates' trust and work performance in the context of school and school systems. The result of the study provides some guideposts as to how the effectiveness of authentic leadership in the academic environment can be realized by both budding and seasoned educational leaders in facing organizational challenges. The study made use of quantitative approach and purposive sampling technique with a sample of 300 college teachers from a reputable university in the Philippines. The data was examined using Structural Equation Modeling (SEM), bootstrapping and Sobel test of significant mediation. The results of the study indicated that authentic leadership has a positive effect on subordinates' work performance directly and indirectly through its effect on subordinates' trust. Also, trust has a positive effect on work performance. Finally, the results of the study signify that authentic leadership has a positive influence on both subordinates' trust and work performance in educational organization.

**Keywords:** Authentic Leadership, Trust and Work Performance.

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### INTRODUCTION

Leaders' authenticity has given global consideration over the past several years (Walumbwa et al., 2011). It is due to its importance in times of challenges caused by social pressures that self-entrapped moral dilemmas (Opatokun et al., 2013). For example, challenging phenomena such as ethical meltdowns and corporate scandals call for organizational leaders who have high moral standards and integrity that can provide direction and meaning to their subordinates' work (Gardner et al., 2005; Roche, 2010; Wong & Cummings, 2009; Wang & Hsieh, 2013; Avolio & Gardner, 2005; Tonkin, 2013).

Authentic leadership is envisioned as the root concept of positive leadership and perceived by their followers as honest, true to one's self with high moral standards and integrity (Wong & Cummings, 2009). It has gained recognition from both leadership practitioners and researchers as a relevant leadership style for attaining favorable organizational outcomes (Owusu-Bempah et al., 2011). It was not only acknowledged as an effective form of leadership that can address challenges and rapid changes faced by organizations in the local and global environment, but it was also suggested to have a positive effect on winning employees' trust (Wang & Hsieh, 2013) and positively influence performance outcomes (Burke et al., 2007). A good example is the study of Diddams and Chang (2012) which shows that authentic leadership

cultivates employees' trust by being transparent and consistent. In addition, the study made by Peterson et al. (2012) confirms that authentic leadership affects followers' performance in the context of police and military organizations.

Several studies have also explored the impact of authentic leadership on employees' trust and work performance in the context of small and medium scale enterprises (Abid et al., 2012), new business ventures (Khan, 2010; Jensen & Luthans, 2006), law firms (Hmieleski et al., 2012), banks (Hassan & Ahmed, 2011; Walumbwa et al., 2011; Gardner et al., 2005; Miniotaite & Buciniene, 2013) and construction industry (Toor & Ofori, 2009).

Although these studies reveal that authentic leadership was mainly contextualized in the field of business, Carr (2012) considers that the leadership skills needed to manage corporations and schools are similar. However, there is still hardly any empirical evidence to support the ubiquitous acknowledgement that authentic leadership is important as an emerging theory in the field of education (Opatokun et al., 2013). This is unfortunate because educational organizations have a significant impact on communities (Braun et al., 2013). Schools and school systems are considered microcosms of society where the former encapsulate and reflect the characteristics and events that shape the latter, including how they handle challenges and issues (Treston, 2007). In effect, education will not be able to alienate itself from the negative perceptions

that leadership standards are steadily plummeting down, as the society becomes progressively worse (Opatokun et al., 2013).

At present, the demand for educational leaders who are more open, straightforward, trustworthy, and can perform better and more effectively has escalated (Opatokun et al., 2013). This is due to various challenges that educational organizations are experiencing now. For example, school dropouts, teachers' dissatisfaction, absenteeism of faculty, staff, and students, finding ways to improve overall academic performance of the students (Bento & Ribeiro, 2013) and deterioration in work performance of tenured teachers (Early & Weindling, 2007) are some problems in the academic environment that are needed to be addressed. Thus, it would be timely to explore whether the significance of authentic leadership, which was initially established in business organizations, can also be reconciled within the context of an educational organization.

The results of this study can provide insights that will be beneficial for both potential and tenured educational leaders in handling educational challenges. Additionally, this study has the potential to improve educational management since most of the existing programs tend to focus on enhancing administrative skills instead of leadership competencies (Mulford, 2003). Moreover, it may transform educational practices where the leaders exemplify authentic behaviors that will benefit higher learning rather than self-interest (Opatokun et al., 2013). The study can also provide insights to creating policies for investing in leadership development and creating a healthy work environment (Shirey, 2006) among members of educational organizations. This study may also provide empirical evidence and confirm the theory that authentic leadership is significant in education. Finally, the study aims to come up with results that will serve as a springboard for future research in authentic leadership and educational leadership advancement.

### **Research Background**

Authenticity as a concept has originated in Greek philosophy. It means, "to thine own self be true" (Avolio & Gardner, 2005) and defined as being true to one's self (Avolio & Wernsing, 2008). Authenticity is expressing oneself in accord with the inner thoughts and feelings (Avolio & Gardner, 2005). It is considered a self-referent process where individuals have the freedom to choose their own reality and define their authentic self-identity. It also recognizes the fact that it is not the only reality (Kernis, 2003 cited in Diddams & Chang, 2012). Furthermore, authenticity is also regarded as the core of authentic leadership seeking

coherence between one's self and one's actions (Alok & Israel, 2012).

Avolio and Gardner (2005) describe authentic leadership as a "root construct" because it is the foundation of other positive leadership styles such as servant, transformational, spiritual and charismatic leadership. Kiyani et al. (2013) and Brown and Trevino (2006) claim that an authentic leader is not necessarily transformational or charismatic, but he/she can have whatever forms of positive leadership that exist. Leadership style of a leader can be enhanced if a leader is an authentic leader, which is characterized as being true to one's self with genuine actions. Furthermore, Bjarnason and LaSala (2011) has differentiated authentic leadership with other forms of leadership as having a deep sense of self and personal conviction in terms of personal values and beliefs. Authentic leaders are also described as those who do not live or act in order to conform to the usual existing conventions, but rather they are motivated by their intrinsic commitment to being fair for the common good of others (Owusu-Bempah et al., 2011). It is also described as a pattern of behavior of a leader that stimulates relational transparency, balanced processing, internalized moral perspective and self-awareness that positively affect the followers. It also enhanced followers' psychological capacities as well as positive ethical climate (Walumbwa et al., 2008). According to Wong and Cummings (2009), authentic leaders work consistently with values that are visible to others. They focused on what is ethical or what is the right thing to do. They are more focused on the development of others and ensure to have a transparent communication and relationship with their followers. In addition, authentic leaders have personal values that grounded in morality, and these values help them to be respected and followed by their subordinates (Wang & Hsieh, 2013). Authentic leaders are attuned not only to their own moral values, knowledge, and strengths, but to those of others as well. They have high moral character and possess confidence, hope, optimism, and resilience (Avolio et al., 2004, as cited in Cooper et al., 2005).

Recent studies on leadership stress the importance of leader's authenticity in times of organizational crisis and social challenges. It is due to its characteristics that promote relationship and trust between leaders and followers, which result in followers' high standard of performance and conduct (Cavazotte, et al., 2013). The underlying rationale is that authentic leaders turn into the steady force in a continually changing world (Roche, 2010). Numerous definitions have appeared throughout the years, but the earlier conceptualization of authentic leadership describes it as a multi-dimensional construct that consists of elements from various domains such as

behaviors, context, traits, states and attributions (Toor & Ofori, 2009). Authentic leadership consists of four components namely: Relational transparency, balanced processing, internalized moral perspective and self-awareness (Walumbwa et al., 2008).

Relational transparency is about disclosure, which involves openness in partaking information as well as articulating true thoughts and feelings (Peterson et al., 2012; Walumbwa et al., 2010). It shows one's authentic self instead of a distorted or fake image (Peus et al., 2012). By showing genuineness, leaders also encourage others to do the same. Thus, this component also forms the foundation of a transparent relationship (Owusu-Bempah et al., 2011). Internalized Moral Perspective pertains to the leadership behaviors that conform to intrinsic moral standards and values against external factors like peers, organizational, and societal pressures (Walumbwa et al., 2010). It indicates an integrated form of self-regulation (Valsania et al., 2012; Hsiung, 2012). Authentic leaders are capable of orienting themselves with their internal compasses of morality in order to help themselves through morally ambiguous and unethical situations (Diddams & Chang, 2012). Balanced processing is analyzing situations and information before a leader makes a decision (Rego et al., 2012b). Authentic leaders listen to different views and seek their followers' advice and confirmation, especially those who question their strongly held convictions before coming to conclusions (Tonkin, 2013). They also have a balanced perception of one's self (Dimovski et al., 2012). Self-awareness means getting to know one's self by observing and evaluating one's behaviors and attitudes to understand one's preferences, beliefs, desires, and talents, and realizes one's knowledge and abilities (Dimovski et al., 2012). Leaders understand their limitations and strengths. They are mindful of how they affect others and how others see them (Rego et al., 2012a; Rego et al., 2012b). They also know when is the right time to reevaluate one's position regarding important issues (Clapp-Smith et al., 2009), and they seek feedbacks from others (Avolio & Wernsing, 2008). In addition, they are aware of the way they behave that are apparent to other people as being mindful of the context in which they lead (Shirey, 2006).

Moreover, scholars suggest that an essential part of authentic leadership is followership, in which followers are anticipated to replicate authentic leader development (Emuwa, 2013). Developing followers to become authentic leaders is a strategic advantage that authentic leaders can do within their organizations. They can act as role models in demonstrating devotion, dedication and commitment. They can establish high standards when it comes to performance through their own examples (Toor &

Ofori, 2009). They encourage followers to do the same by helping them recognize their true potentials (Alok & Israel, 2012).

Authentic leadership is constructed and operationalized through these components and core values. However, leaders are essentially judged by the authenticity of their actions and in finding ways to create a sustainable positive impact rather serving one's self (Avolio & Wernsing, 2008). Authentic leaders attain authenticity by displaying authentic actions, building authentic relationships and practicing self-acceptance (Gardner et al., 2005; Abid et al., 2012). Consequently, they display sustained performance (Alok & Israel, 2012) and establish trust (Hassan & Ahmed, 2011). George (2003) believes that authentic leaders show genuine purpose in giving service to other people.

Trust is one of the most commonly examined concepts in the current organizational literature. Numerous definitions have emerged indicating its role as an antecedent that influences performance outcomes (Burke et al., 2007). It originated as a cognitive process that distinguishes between people who are trustworthy and those who are not (Bitmis & Ergeneli, 2013). Trust is described as having the confidence and willingness to act based on another person's actions, decisions, and words. It has long been acknowledged as an essential part of cooperative relationships, and the cornerstone of positive organizational cultures (Wang & Hsieh, 2013; Wong & Cummings, 2009). Its development has also been assumed to rely on the direct experiences of followers with their leaders, and has been considered as one of the most important factors that influence organizational interactions and success (Braun et al., 2013). It also shows willingness to become vulnerable but without taking advantage of their vulnerabilities and having the assurance that their relationships are safe and respectful (Norman et al., 2010; Hassan & Ahmed, 2011). It can be both distinguished as a state and as a process. The state depicts the way someone is trusted at a given time while the process pertains to the way trust is established (Sue-Chan et al., 2012). For example, Zhu et al. (2013) believe that the degree to which followers are willing to expose themselves is based on how their leaders treat them. Trust can also be established by positive behavior from a mutual interaction in the past, and it can be enhanced by satisfying the expectations from a positive behavior in a mutual interaction at present (Krot & Lewicka, 2012). It can also be established when individuals are involved in the making of decisions that concern them, and when the positions within an organization are held by people who have the necessary skills (Sun, 2013).

In relation to authentic leadership, trust can be cultivated by authentic leaders when they are consistent and transparent toward their followers. It can be achieved through deeper self-knowledge of their strengths and weaknesses (Diddams & Chang, 2012). By cultivating trust-based relationships as opposed to coercing or controlling them, authentic leaders earn the loyalty and commitment of their followers. They can empower them to learn, grow, and succeed (Khan, 2010). Trust is also important so people can feel safe and free to proffer unconventional ideas, as well as introduce conflicting views without being afraid of the consequences (Avolio et al., 2004; Walumbwa et al. 2010 as cited in Rego et al., 2012a). Authentic leaders can influence their followers through followers' unconditional trust (Macik-Frey et al., 2009). Those who demonstrate balanced processing of information and decisions, transparency, a moral perspective and self-awareness are believed to be capable of nurturing a trusting relationship with their followers (Clapp-Smith et al., 2009). The leader-follower relationship is deepened when leaders disclose themselves to their followers, and this forms the basis of the followers' trust in their leaders (Owusu-Bempah et al., 2011). Exchange theory, is a foundation of effective leadership trust, suggests that leaders and followers must develop a mutual relationship because followers who trust their leaders are more willing to be vulnerable at the expense of their leaders' actions (Hassan & Ahmed, 2011).

Performance has been defined as a person's behaviors and actions that contribute to an organization's goals and objectives. It can be gauged based on their level of proficiency (Minavand et al., 2013), and it is likely to be considered as the single most direct as well as transparent way through which subordinates can show their competence and dependability, as well as concern towards their leader and organization (Sue-Chan et al., 2012).

Employees' performance can be categorized into two kinds of activities, namely: task and contextual performances. Task involves activities with work behaviors that are demanded by a formal job description. It is more concerned about how effective the individuals perform their activities and how significant are their contributions to the core purposes of the organization. In contrast, contextual performance is comprised of activities that are accomplished voluntarily and are not necessarily required by the job. These activities affect the core purposes of the organization and contribute to the social, and psychological contexts of the job (Minavand et al., 2013; Wang et al., 2011).

Walumbwa et al. (2011) used three measures of performance, namely: innovation, direction, and

initiative. Firstly, innovation is a measure of performance that can be achieved in an organization when the members have creative ideas and varying perspectives (Boerner et al., 2007). Leaders can motivate followers' innovativeness by raising questions about their assumptions, reframing problems, and handling old situations in new ways (Obiwuru et al., 2011). Consequently, followers' innovative behaviors stimulate the development and implementation of ideas, and ultimately, they have a definitive effect on performance (Danish et al., 2013). Secondly, direction is another measure of performance, which is not imposed by leaders, but rather developed through the confidence of their followers (Khan, 2010). Direction is about having their own ability in taking some explicit steps and utilizing their potentials in order to achieve the desired performance (Ahmed et al., 2012). Finally, initiative is another performance indicator, which mainly relies on followers (Zhu et al., 2013). It is formed from creativity and innovation of the followers leading to improve performance that is coherent with the tasks of an organization and not based on the ability of the leader (Kiyani et al., 2013; Valsania et al., 2012). Individuals are believed to have initiative when they are personally identified with the organization (Leroy et al., 2012). Jing and Avery (2008) believe that there are various reasons for a more defined relationship between leadership and performance such as the leadership's role in facilitating and sustaining improvement in organizational performance. This view is shared by numerous surveys that indicate the importance of leadership style as one of the key drivers of performance within organizations (Ozsahin et al., 2011; Yuan & Lee, 2011). For example, Vigoda-Gadot (2007) shares that a direct relationship exists between leadership and performance. Additionally, Uchenwamgbe (2013) shares that good leadership styles enhance work performance.

Authentic leadership theory suggests that when followers are able to attain higher levels of well-being, they will perform positively (Hsiung, 2012). Moreover, authentic leaders who focus on the core characteristics of their followers can enhance their work performance, which in turn further affect the performance of the organization (Khan, 2010).

### **Objective of the Study**

The objective of this study is to examine the impact of authentic leadership on subordinates' trust and work performance in an educational organization.

### **Hypotheses of the Study:**

**H1:** Authentic leadership has a direct positive effect on subordinates' work performance in an educational organization.

**H2:** Authentic leadership positively influences subordinates' trust in an educational organization.

**H3:** Subordinates' trust has a positive effect on their work performance in an educational organization.

**H4:** Subordinates' trust has a mediating effect on the relationship between authentic leadership and subordinates' work performance in an educational organization.

## **MATERIAL AND METHOD**

This study used quantitative approach to determine the impact of authentic leadership on subordinates' trust and work performance in the context of educational organization. This method and approach were used in various studies on the impact of authentic leadership on subordinate's trust and work performance in the context of business organizations. The study used quantitative approach since it is preferred when testing existing theories (Gardner et al., 2011).

The data was analyzed using Structural Equation Modeling (SEM) technique. SEM is a statistical modeling tool, which is ideal for measuring the multiple dependency relationships among latent variables (Cavazotte et al., 2013) including direct and indirect effects (Moghimi-Firozabad, 2013) as well as mediating effect of a variable (Montes & Irving, 2008). SEM allows to test all variable relationships simultaneously (Peterson et al., 2012; Silva et al., 2012) and minimizes measurement errors, which strengthens the findings (Vigoda-Gadot, 2007). Further analysis using resampling technique through bootstrapping and Sobel test of significant mediation were also used to examine the mediating effect of trust between authentic leadership and work performance.

This quantitative study chose college teachers from a reputable university in the Philippines as the sample. The sample qualifies in the structural equation modeling (SEM) since the number of teachers from various colleges of the university within its campus is sufficient. SEM's required sample size is an important criterion in order to detect mediation effects (Alok & Israel, 2012; Cavazotte et al., 2013). There are various perceptions on the specific sample size of SEM that is deemed most favorable, but the widely accepted and recommended sample size is 200 or more (Laschinger et al., 2012). Thus, the total sample size of 300 teacher respondents from different colleges is sufficient to achieve a well-founded result with regards to the impact of authentic leadership of the department chairs on teachers' trust and work performance.

The study utilized purposive sampling technique that was based on informational considerations to make sure that the people included in the sample are relevant to the study and the information gathered would be maximized (Toor & Ofori, 2009). Certain guidelines were stipulated to minimize the threats to the study's validity. Firstly, the respondents were chosen from different departments to ensure diversity and lessen homogeneity despite having only one school for the sample. Secondly, both the teachers and department chairs should have been employed for a minimum of five months in their current respective departments. This is to ensure that a professional relationship has already been established between the teachers and their respective department heads, and the teachers are qualified to provide well-founded assessment of their department chairs' authenticity as leaders. Lastly, the participants are assured of utmost confidentiality, protecting their welfare and privacy to be able to solicit honest answers.

The study utilized questionnaires in conducting the survey. Authentic Leadership was measured using the 16-item Authentic Leadership Questionnaire (ALQ) of Avolio et al., (2007). The Authentic Leadership Questionnaire (ALQ) is distributed by Mind Garden, Inc., the publisher of ALQ. It was used to measure the four components of authentic leadership namely: relational transparency, internalized moral perspective, balanced processing and self-awareness. It was used to measure the leadership style of the Department Chairs using a 5-point Likert Scale (0=not at all to 4=frequently, if not always). Sample items include; "... encourages everyone to speak their mind (relational transparency); "... demonstrates beliefs that are consistent with actions (internalized moral perspective); "... listens carefully to different points of view before coming to conclusions" (balanced processing); "... knows when it is time to reevaluate his or her position on important issues" (self-awareness).

Trust in leadership was measured using Robinson's and Rousseau's (1994) 7-item scale of trust. In this study, the teachers were provided a rating of their perceived degree of trust in their respective Department Chair using a 5-point Likert scale (1=strongly disagree to 5=strongly agree). A sample item includes "My Department Chair is open and upfront with me."

Work performance was measured using Bono and Judge's (2003) 12-item performance measure which was used by Walumbwa et al. (2011) to measure employees' work performance. The questionnaire includes four items each for innovation, direction, and initiative, using a 5-point

response scale (1 = needs improvement to 5 = excellent). Sample items include “working to implement new ideas” (innovation); “redesigning job tasks for greater effectiveness and efficiency” (direction) and “searching for the cause of work problems I encounter” (initiative).

Finally, a Robotfoto was utilized to provide background information about the respondents who were college teachers. A Robotfoto is a cartographic sketch in Dutch, which was drawn from a description of a suspect in a criminal investigation (Kelchtermans & Ballet, 2002). In research study, Robotfoto refers to personal data sheets of the research respondents, which include their vital personal and professional information (de Guzman & Tan, 2007).

**RESULTS**

The demographic profile of the respondents appears in Table 1. Majority of the sample were females (57%) with twenty-one to thirty-five years of age (46.7%), married (51.3%) and teaching full time at the university (70.7%). Most of them have finished their master's degree (35%) and worked in their present department for not over ten years (60.3%). Majority of the respondents have fifteen years and below teaching experience (66%).

The hypothesized model is shown in Figure 1. Authentic leadership is hypothesized to influence

performance through trust. Hence, a mediated effect is assumed. Following analysis using maximum likelihood estimation, the hypothesized model generated adequate fit (Table 2). However, modification indices suggested covariance between error terms. Thus the emerging model (see Figure 2) had better fit indices with Comparative fit index or CFI = .97 and root mean square error of approximation or RMSEA=.06. Peus et al. (2012) describe models with good fitting if the CFI is .95 or greater and RMSEA is equal to or less than .06.

Results of the path analysis are presented in Table 3. Notably, authentic leadership positively influences work performance ( $\beta=.371, p<.01$ ) directly ( $\beta=.212, p<.05$ ) which supports Hypothesis 1 and indirectly ( $\beta=.159, p<.05$ ) through its effect on trust ( $\beta=.618, p<.01$ ). These results support Hypothesis 2 and 4. The results also show that trust positively impacts work performance ( $\beta=.258, p<.05$ ) which supports Hypothesis 3.

Table 4 shows the significance of mediation. Further analysis using resampling technique through bootstrapping and Sobel test of significant mediation indicate that trust partially mediates (Sobel's statistic = 3.324,  $p<.01$ ) the effect between authentic leadership and performance. Thus, the results support Hypothesis 4.

**Table 1.** Demographic Profile of the Respondents (N=300)

Profile	No. of Respondents (N)	%	
Age	21-35	140	46.7
	36-50	103	34.3
Gender	51 and above	57	19.0
	Male	129	43.0
Civil Status	Female	171	57.0
	Single	144	48.0
Job Status	Married	154	51.3
	Separated	1	.3
	Widow/er	1	.3
	Part Time	88	29.3
Educational Attainment	Full Time	212	70.7
	Bachelor's Degree	21	7.0
	With Master's Degree units	61	20.3
	Master's Degree	105	35.0
Years in Present Department	With Doctor's Degree units	34	11.3
	Doctorate Degree	79	26.3
Years of Teaching Experience	5 months-10 years	181	60.3
	11 years- 20 years	68	22.7
	21 years-30 years	32	10.7
	Over 30 years	19	6.3
Years of Teaching Experience	15 years and below	198	66.0
	16 years and above	102	34.0

**Table 2.** Model Fit Indices

Model	Fit Indices					
	CMIN	P	CMIN/DF	GFI	CFI	RMSEA
Hypothesized Model	163.34	.000	2.28	.93	.95	.07
Emerging Model	138.20	.000	1.92	.94	.97	.06

CFI = .95 or greater; RMSEA = .06 or less

**Table 3.** Path Analysis

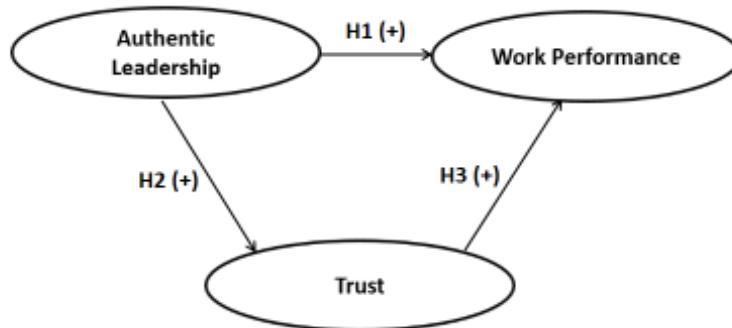
Variables	Authentic Leadership			Trust		
	Indirect	Direct	Total	Indirect	Direct	Total
Trust	.00	.62**	.62**	.00	.00	.00
Performance	.16*	.21*	.37**	.00	.26*	.26*

\*Significant at .05 level; \*\* Significant at .01 level

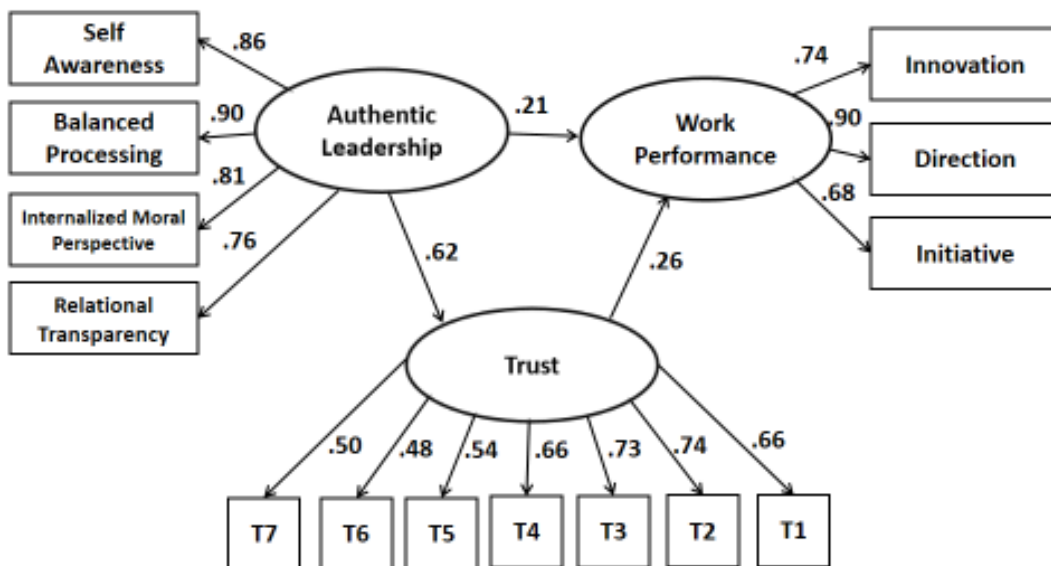
**Table 4.** Significance of Mediation (Bootstrapping and Sobel's Test)

Variables	Direct Effect Without Mediator	Direct Effect with Mediator	Indirect Effect	Sobel's Statistics	Type of Mediation
Authentic Leadership	.367**	.212*	.159*	3.324**	Partial

\*Significant at .05 level; \*\* Significant at .01 level



**Figure 1.** Hypothesized Model



**Figure 2.** Emerging Model  
Structural Equation Modelling (SEM) Results

## DISCUSSION

The results of the present study, which was conducted in the context of educational organization, confirm the conclusions of previous studies regarding the significance of authentic leadership in an organization. However, these studies were mostly seen in the context of business organizations. Thus, the purpose of this study is to examine the impact of authentic leadership in educational organization.

The results indicated that authentic leadership has a direct positive effect on subordinates' work performance. Teachers who rated their performance well also rated their respective department chairs as authentic leaders, supporting Hypothesis 1 that authentic leadership has a direct positive effect on subordinates' work performance. This reaffirms the results of the previous study of Peterson et al. (2012), Abid et al. (2012), Hmieleski et al. (2012), Khan (2010), Jensen & Luthans (2006) and Walumbwa et al. (2011) that authentic leadership has an impact on performance. The result of the study also implies that the most perceived authentic leadership indicators are balanced processing and self-awareness. These characteristics affect the teachers' trust most on their department chairs that positively affect their performance.

The results also show that authentic leadership positively influences trust. The teachers who perceived their department chairs as authentic leaders also show that they trust their leaders, which supports the Hypothesis 2 that authentic leadership positively influences subordinates' trust. This result reaffirms previous studies that show the significance of authentic leadership in cultivating trust (Diddams & Chang, 2012; Bird & Wang, 2011; Gardner et al., 2005; Hassan & Ahmed, 2011; Miniotaite & Buciuniene, 2013; Walumbwa et al., 2011).

The results of the study imply that trust has an impact on work performance which supports the Hypothesis 3 that subordinates' trust has a positive effect on their work performance. Teachers who show trust to their respective department chairs also rated themselves well on their work performance. This outcome reaffirms the previous study of Hansen et al. (2002) that trust has a positive effect on work performance.

Finally, the results of SEM, bootstrapping and Sobel test indicated that trust partially mediate authentic leadership's impact on work performance thus, providing support for Hypothesis 4. Department chairs who show authentic behaviors as perceived by the teachers have a direct and indirect influence on the teachers' work performance through trust. This supports the results of the study of Clapp-Smith et al.

(2009) regarding the mediating effect of trust between authentic leadership and work performance. They discovered that leaders who embrace authenticity have a positive effect on their followers' trust and performance. Their study found that trust has a mediating effect between authentic leadership and performance in the context of a small chain of retail clothing stores. Thus, the results of this study provide validation to the long existing assumption that trust and performance are related (Wong & Cummings, 2009; Silva et al., 2012).

## CONCLUSION AND RECOMMENDATIONS

The results of the study highlight the importance of authentic leadership in educational organization. Results indicated that the authentic leadership of the department chairs builds trusting relationship with the teachers and motivates teachers to perform their best as educators and faculty members. Having authentic leaders in an academic environment has a promising effect that the organization can be able to overcome whatever challenges the organization may encounter. This study provides insights to educational leaders on the effectiveness of authentic leadership in school and school systems. Thus, the results of the study shed light on various assumptions about the effect of authentic leadership on educational organizations. Hence, this study serves as an impetus for further studies that can explore authentic leadership as well as trust and performance, which in turn will contribute to the betterment of educational organizations and the benefit of higher learning.

The results of the study proved the significance of authentic leadership in the academic environment. Thus, the study recommends that educational leaders should adopt this kind of leadership style in their organizations to have a trusting relationship with subordinates that motivates them to perform well in the organization. Consequently, it would contribute to the success of their organizations. The study also recommends that scholars and researchers should have further studies on the effect of authentic leadership in schools and school systems using other constructs to strengthen the results of the importance of authentic leadership in educational organization.

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