

# Authentic Leadership Will Lead to More Efficient Public-Sector Services in Sri Lanka

*Public-sector services have an economic as well as a political role in Sri Lanka. They deliver services that promote justice, development and democratic law and policy, helping the reconstruction of the country after its long civil war (1983–2009). However, the sector is considered [relatively inefficient](#), preventing the public from reaping the optimum benefits from its services. Subramaniam Sri Ramalu and Nadeera Janadari present the results of their study on the subject that shows that authentic leadership, leading to the development of Organisational Citizenship Behaviour (OCB) and psychological capital amongst employees, is required to make the public sector more efficient in Sri Lanka.*

Civil war between the Sri Lankan Army and the LTTE that had dragged on for nearly three decades (1983–2009) had a significant impact on the economy and well-being of Sri Lankan people. Loss of human life, damage to property and infrastructure, and collapse of ecosystem are among the aftermaths of the war that have severely impacted the country resulting in poverty, starvation, and unemployment. The cost of the 26-year war has been estimated at [\\$200 billion](#). Recovering from a three-decade-long conflict is not easy despite the country's effort and continuous focus on reconstructing its economy and restructuring the distribution of wealth. Medium-term economic development has been targeted as the way forward for the country in responding to turmoil created by the war.

While the private sector can be the engine of growth, innovation and job creation, the role of public sector organisations in Sri Lanka is critical to establish stable and supportive business environments. Yet, the performance of public sector organisations is not up to the mark. [Inefficiency](#), an increasing number of customer complaints, malpractices with lack of transparency, misappropriation of resources and a high rate of institutionalised [corruption](#) are factors that possibly hinder the acceleration of the country's economic growth rate. All this calls for efficient public sector organisations and employees!

Organisational citizenship behaviour (OCB) – discretionary or extra-role behaviour, not directly or explicitly recognised by the formal reward system – plays a key role in the organisational setting, contributing to positive outcomes and a productive work force. In the context of public sector, OCB is [vital](#) for effectiveness, efficiency, fairness, social justice and overall healthy growth and development. Unlike private organisations which aim to maximise profit, public organisations are primarily executors and enforcers of democratic law and policy, serving public interest and providing public services that are generally not sold on economic markets. The nature of their tasks suggests OCB may therefore be more pronounced in public organisations. We believe OCB displayed by public sector employees in Sri Lanka will be the answer for excellent service delivery leading to high-performance public-sector organisations. Hence, a study on determinants of OCB among public sector employees in Sri Lanka is timely.

## Authentic Leadership and Organisational Citizenship Behaviour

A great deal of evidence has confirmed that one of the ways of ensuring OCB may be through effective leadership, which is positively associated with OCB. Studies on this link have been mostly in the Western context. The call for studies on authentic leadership is motivated by a pressing need for a new type of genuine and value-based leadership to restore hope, confidence, integrity and honour in business and institutional paradigms. Such a morally-bound authentic leadership is crucial in the context of developing countries too since corruption there is often associated with poor governance and performance of the public sector.

Furthermore, drawing from the conservation of resources (COR) theory, we believe that authentic leadership behaviour, a specific form of job resource, may improve employees' psychological [capital](#) (the positive psychological state of an individual's development). Psychological capital, a specific form of personal resource, is ultimately related to OCB. We, therefore, examined psychological capital as a mediator variable in a more integrative approach to study the relationship between authentic leadership and OCB in Sri Lanka.

## Our Study

A study was conducted among 396 front-line employees in six public sector organisations in Sri Lanka to examine the effect of authentic leadership on OCB with the presence of psychological capital as a mediating factor. A survey method, using a self-administered questionnaire, was employed to collect the data over four months in 2018. Some examples of questions to measure authentic leadership included 'My leader displays emotions exactly in line with feelings' and 'My leader asks me to behave according to my core values'. As for the OCB, example of questions are: 'I obey company rules and regulations even when no one is watching' and 'I willingly help others who have work related problems'.

The six organisations surveyed – Transport Board, Ceylon Electricity Board, Road Development Authority, Lanka Electricity Company, National Transport Commission and Water Resource Board – are backbone of economic development since they are responsible for providing a supportive business ecosystem. The respondents included 56.6% females and 43.4% males. Majority of the respondents were in the age group of 29–45 years (43.9%) and Diploma/Certificate holders (40.9%). Also, a majority of the respondents, i.e., 38.9% had between one to five years of experience in their current position.

## Our Results

In this study, psychological capital was found to partially mediate the relationship between authentic leadership and OCB. In other words, the relationship between authentic leadership and OCB is both direct and indirect, mediated through psychological capital. The direct relationship between authentic leadership and OCB among the employees in the public sector in Sri Lanka suggests that the moral behaviour of authentic leaders inspires subordinates to voluntarily engage in functional organisational activities beyond the call of duty. The moral behaviour of authentic leaders which is displayed through ethical and transparent behaviours, aimed at serving common group interests, even sometimes in direct conflict with the leader's own personal interests, will facilitate a positive work environment by increasing integrity, positive modelling and being role models. This will create conditions that encourage positive extra-role behaviours of employees.

The results show that

authentic leadership exerts a positive impact on OCB, suggesting that when a manager or immediate supervisor is perceived to be authentic, the satisfaction and commitment among employees, including willingness to engage in extra-role behaviour, is greater.

The evidence of partial mediation found in this study suggests that authentic leadership style (job resource) displayed by organisational leaders helps subordinates to attain a positive psychological state, a form of valuable personal resource which is needed to motivate one to engage in OCB. For example, an authentic leader displays behaviour of inspiring others, motivating followers, stimulating them on an intellectual level, and giving individualised attention. Such behaviour will influence and encourage the development of positive psychological states among followers in the form of self-effectiveness, hope, optimism and resiliency. The present study reveals that

an employee who has proper guidance and direction from moral leaders can secure higher psychological status that is directly proportional to the fostering of OCB.

## Policy Implications

Hence, the findings of present study confirm that authentic leaders can inspire followers to go the extra mile while alleviating institutional ineffectiveness and promoting the public sector. This should provide a guideline to the top management of the public sector in Sri Lanka to design leadership programmes and consider training interventions that can develop authentic leaders.

Additionally, the assessment of authentic leadership qualities should be included in the performance appraisal of public sector leaders. Qualities such as balanced processing (ability to objectively analyse and consider all information prior to decision making, including contrary views), internalised moral perspective (leader's action being guided by deep-rooted moral values and standards), relational transparency (personal disclosures, openly sharing information and expressing true thoughts and motives), and self-awareness (leader's awareness of his or her strengths, limitations, how others see him or her and how the leader impacts others) should be rated and the outcomes communicated to the managers for self-improvement.

Further, public sector organisations may need to incorporate the assessment of authentic leadership traits in their selection and recruitment process as well as during succession planning. Various assessments, such as self-assessment and 360-degree feedback can be used for this purpose. As a conclusion, this study has revealed the critical importance of authentic leadership in the development of psychological capital and OCB among public sector employees in Sri Lanka, which is crucial for efficient public-sector delivery.

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*The views expressed here are those of the authors and not of the 'South Asia @ LSE' blog, the LSE South Asia Centre, or the London School of Economics and Political Science.*