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An Exploratory, Correlational, Self-Rater Study on Authentic Leadership Values of Adventist Local Conference Chief Financial Officers in the United States

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ABSTRACT

AN EXPLORATORY, CORRELATIONAL, SELF-RATER STUDY ON AUTHENTIC LEADERSHIP VALUES OF ADVENTIST LOCAL CONFERENCE CHIEF FINANCIAL OFFICERS IN THE UNITED STATES

by

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Title: AN EXPLORATORY, CORRELATIONAL, SELF-RATER STUDY ON AUTHENTIC LEADERSHIP VALUES OF ADVENTIST LOCAL CONFERENCE CHIEF FINANCIAL OFFICERS IN THE UNITED STATES

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The Problem

Seventh-day Adventist (SDA) local conference treasurers, or Chief Financial Officers, are trusted by church members to manage the finances of the church and provide financial leadership, yet the denomination does not know how treasurers develop their values and leadership capacity as financial administrators. This study examined how treasurers compare with the leadership values of morality, integrity, and fairness prevalent today in positive forms of leadership theories. It explores SDA treasurer or financial officer self-assessment with the rating that their team members provide, allowing us to know the authenticity of their values as leaders.
Method

This is a census of a population composed of 50 local conference treasurers, leaders, and 148 followers composed of associates in treasury work and academy treasurers. The participants responded to the Authentic Leadership Questionnaire 1.0 online. Their responses allowed us to know how treasurers see themselves, and how their followers see them. The instrument tested both groups in four dimensions: (a) Relational Transparency, (b) Balanced Processing of Opinions, (c) Ethical/Moral Values, and (d) Self-Awareness, and their responses were processed anonymously online by Mind Garden, Inc. The aggregate responses were analyzed in SPSS.

Conclusions

The results indicate that the self-perceptions of the leaders are significantly higher than the perceptions reported by their followers. The follower group of associates in treasury consistently gave lower means (µ) than did the academy treasurers. The role played by the participants in the study (local conference treasurers, associates in treasury, and academy treasurers) was significantly related to the responses they provided. The leaders’ personal characteristics are significantly related to their own self-perception about authentic leadership, and followers’ personal characteristics are also significantly related to how they perceive the authenticity of their leaders. Beta (β) coefficients of treasurers’ personal characteristics indicate that the longer they work for the denomination, the less authentic they are as leaders. The longer followers work for the denomination, the less they believe in their leaders as authentic leaders.

The disagreement in the perceptions of leaders and followers may be an indication of a disconnect, possibly a degree of discomfort, distrust, skepticism or dissatisfaction.
made evident by the lower statistical means of the followers. This erosion of influence points to issues of power, authority, and leadership within the Adventist church structure. Conference treasurers may not be fulfilling their leadership role appropriately.
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ON AUTHENTIC LEADERSHIP VALUES OF ADVENTIST
LOCAL CONFERENCE CHIEF FINANCIAL
OFFICERS IN THE UNITED STATES

A Dissertation
Presented in Partial Fulfillment
of the Requirements for the Degree
Doctor of Philosophy

by
Juan R. Prestol-Puesán
November 2014
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CHAPTER 1

OVERVIEW OF THE STUDY

Background

During the decades of the 1980s and 1990s, the world of the Seventh-day Adventist Church in the United States was greatly disturbed by the events surrounding the bankruptcy cases of Dr. Donald Davenport and Harris Pine Mills (Wilson, 1983a, 1983c, 1983b, 1987). In the mid-1980s, the Davenport affair revived questions about transparency, ethics, and integrity due to the perceived conflict of interest on the part of some leaders who invested church and personal funds in Dr. Davenport’s real estate ventures. In addition, the bankruptcy and closure of operations of Harris Pine Mills, a wood furniture company which had been donated to the church, led to questioning the leaders’ stewardship and financial management (Hackleman, 2008; Wilson, 1987).

A complete picture of the damage caused by these events was not limited to the financial losses involved. It included a negative impact on the church constituency who expected their leaders to be above reproach, efficient, and effective. The publicity these events generated from the loss of leaders who were, despite the best of intentions, either reprimanded or dismissed from employment for acting misguided presented a negative image of the church to the community.

The public image of the church suffered when in March of 1999, Robert S. Folkenberg, then President of the General Conference of Seventh-day Adventists brought
his presidency to an end by tendering his resignation due to personal financial concerns (Medley, 1999; Thompson, 1999). Episodes like these contribute to the skepticism and distrust of many toward church leadership. The erosion of trust in church leadership touches particularly those who are responsible for fulfilling the church’s financial duties. This perceived erosion of trust moved me to explore the leadership values of financial officers of local Adventist conferences in the United States. This study is the second dissertation study on record involving the local conference treasurers in the United States. The first study was written by Theodore Brown (2005). As it is, local conference treasurers in the United States guide in the financial affairs of thousands of congregations, hundreds of schools, and multiple other church programs and projects. The knowledge regarding the development of these leaders is limited, and yet they are responsible to administer an approximate collective gross income above $1.5 billion per year. This study contributes to the closure of the knowledge gap, and hopefully will contribute to planning their development as financial leaders in the church.

As I endeavored to find an appropriate theoretical framework for this study, the search guided me to consider positive forms of leadership (Avolio & Gardner, 2005; Mazutis, 2007) as a desirable family of constructs, from where Authentic Leadership seemed to be an appropriate fit given the current state of societal affairs.

The lack of trust experienced today by some church members is in harmony with the American societal attitude developed over the last four decades as governmental and corporate events have shaken trust and confidence, fomenting skepticism and distrust (Halberstam, 1972; Reeves, 1982; Walsh, 1997). In the last decade alone we have witnessed how financial scandals and business failures impacted investors, employees,
board members, corporate leaders and ultimately the general public. The stories of Enron, WorldCom, Adelphia, Tyco, Arthur Andersen, HealthSouth, Sunbeam and others speak eloquently about the values and attitudes that led to their malfunction. It is worth noting that two non-profit organizations, the United Way and the Baptist Foundation of Arizona, were also included perhaps to show that organizations established to benefit humanity and to uphold high moral and religious values experience the same need for good financial management, ethical and moral values, transparency, and guidance (Jennings, 2006).

As a result of the cases commented above there has been a reformulation of leadership concepts to address more effectively moral and ethical issues faced today by leaders and followers alike. This redefinition seems particularly apt at present, in our post-Sarbanes-Oxley Act of 2002 era; an era in which corporate transparency, ethical responsibility and accountability are frequently invoked (AICPA, 2002).

The Seventh-day Adventist Church depends on quality managers and leaders. The church is organized into numerous geographical entities, institutions, and agencies, which are structural instruments to help accomplish its mission. In this context, reassuring the members and the general public is important in helping it prosper and attract donor gifts. Above all, the church is in need of leaders with sterling character values that will not create embarrassing situations and financial losses that motivate some members to question the values and decision-making processes of all church leaders (Hackleman, 2008, p. 367). Obviously the need is ever present for leaders who preserve integrity, work harmoniously with their peers, and guide church entities into acting transparently,
ethically, and morally because the name of the church is associated with the name and character of its leaders and followers (Turknett & Turknett, 2005, p. 191).

The dimensions proposed by authentic leadership theory are an appropriate match to focus our concerns about church leadership. Authentic leadership is a theoretical construct that focuses on self-awareness, relational transparency, ethical/moral behavior, and the balanced processing of others’ opinions. These aspects overlap with the dimensions of leadership called for by Adventist leaders. These constructs have not been tested in the church arena, thus little is known if they fit the current search for a higher level of leadership. This study focuses on the authentic leadership qualities of Seventh-day Adventist Chief Financial Officers in the US.

Paulsen’s Statements on Leadership

Dr. Jan Paulsen, President of the General Conference of Seventh-day Adventists between 1999 and 2010, in his address to the plenary assembly of church delegates on July 4, 2005, in St. Louis, Missouri, declared that leadership development is a church priority. He explained that the expansion of Adventist membership around the world is expected to reach 50 million by the year 2020, and the proliferation of local conferences, missions, and institutions will require that a deliberate effort be placed on the definition of the values to be instilled in church leaders (Paulsen, 2005, p. 33).

Paulsen asked, “What are the qualities which the community of faith can reasonably be expected to look for in electing a leader?” He identified (a) transparency, defined as the filter through which humility and integrity are seen; (b) self-awareness, or relating to our past experiences in order to learn from them; (c) ethical/moral integrity, as greed and self-seeking do not belong in any leadership assignment in our church; and (d)
the ability of a leader to seek unity; inclusiveness of culture, gender, and opinions; and consideration to having the same manual, policies, statement of fundamental beliefs, and integrated resource support system which in essence makes the church ‘one united global family of faith.’ In his latest book Paulsen reiterated that “an Adventist leader is a person of integrity” (Paulsen, 2011, p. 5). Paulsen (2005) further indicated that what is critical is to have a clear identification of what constitutes the core personality, the spiritual ‘DNA,’ of Seventh-day Adventism, which transcends cultures and traditions and must be retained, treasured, nurtured, and passed on to our children and the next generation of church members. And this is a leadership issue. It is leadership’s responsibility, with discipline and love to look after the heart and the mind of this church. (p. 33)

The denomination restated its need for quality leadership at the 2011 Spring Council meeting of the Executive Committee with the approval of the document entitled “Transparency and Accountability in Financial Reporting” (Lemon, Evans, Douglas, & Kajiura, 2011). They asked church leaders to address administrative and leadership matters from a well-defined ethical perspective.

**Context of the Study**

The Authentic Leadership Development construct defines authenticity in both leaders and followers using four variables: Self-awareness, Relational Transparency, Ethical/Moral Behavior, and Balanced Processing of other peoples’ opinions (Avolio & Gardner, 2005; Gardner, Avolio, Luthans, May, & Walumbwa, 2005; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008). This study evaluates these variables among Adventist local conference treasurers and their associates. They correlate closely with the values expressed by Paulsen.

Local conference treasurers in the Seventh-day Adventist Church are financial managers/leaders (CFOs) in a geographic entity that includes local congregations,
schools, and community service agencies. Their functions include budgeting, finances, administration, auditing, and personnel (T. Brown, 2005, pp. 37-44). Their leadership development needs are important as the denomination rests heavily on them to lead out in entities that are clearing points for funds and to provide input that ultimately becomes financial policy and practice. Also critical to the life of the church is the fact that local conference treasurers constitute a pool of candidates for more specialized assignments. The official by-laws of the church indicate that these financial officers “shall be responsible to provide financial leadership” (General Conference of SDA, 2014, p. 176).

The Seventh-day Adventist Church in the United States has 50 local entities known as conferences functioning as centers of church governance, administration, and leadership to local congregations, schools, and to a diversity of community-based programs with approximately 1 million members, an estimated $1.5 billion in unrestricted donations per year, and about 6,000 employees (General Conference of SDA, 2013).

Conferences offer an array of managerial services that include, but are not limited to, (a) hiring and supervising ministers and teachers; (b) training officers of local congregations and schools; (c) implementing of school curriculum; (d) providing guidance to the institutions serving in the territory; and (e) providing financial, payroll, human resource management, auditing, planned giving, trust management, and legal services (T. Brown, 2005). It was to individuals such as these managers and leaders that Calvin Rock, General Vice President 1985-2005, wrote an inspiring book encouraging them to seek virtue, integrity and holiness, proposing a desired set of qualities that included self-confidence, courage, trust, self-control, versatility, honesty, decisiveness,
loyalty and disinterested love (Rock, 1990). The central theme of his book was “the correlation between personal integrity and institutional effectiveness” (p. 7).

Jan Paulsen, President of the General Conference 1999-2010, appealed to the delegates assembled in the General Conference Session of 2005 for a change in Adventist leadership practices (Paulsen, 2005). He identifies outstanding Adventist leaders as having transparent motives, who show balance as they consider everyone’s opinion before deciding, act selflessly, are guided by scriptural principles, and seek the guidance of the Holy Spirit to know themselves better and to be able to sense the pulse of the community they have been asked to lead, have the humility to be led, and are able to handle change (pp. 30-35).

Cindy Tutsch, in her book Ellen White on Leadership: Guidance for Those Who Influence Others, gives the reader a glimpse of the impact of Adventist religious values following a process of spiritual awakening, similar to the self-awareness process that brings self-knowledge, spiritual guidance, and character development to the leader (Tutsch, 2008). In 2011, the Spring Council meeting of the Executive Committee of the General Conference approved the document entitled “Transparency and Accountability in Financial Reporting” (Lemon et al., 2011). The document issued a call to church leaders to address administrative and leadership matters from a well-defined ethical perspective. It raised questions that resonate with the corporate ethical failures of recent years and the impact that such matters have on the denomination, and it also pointed to leadership qualities that have been contained in authentic leadership.

How do leaders, and more specifically leaders entrusted with the financial leadership of a denomination, develop the values that undergird their expertise as
leaders? At the moment little is known about this question in the context of the Seventh-day Adventist Church. This study is an answer to the need to understand these leadership development aspects of local conference treasurers, with the goal of developing suitable ideas to provide a better understanding for their continued growth as leaders.

**Statement of the Problem**

Treasurers are trusted by church members to manage the finances and provide financial leadership according to the highest moral and ethical principles, and best professional practices. They are at the center of trust, effectiveness, and efficiency of denominational activities. How do these financial administrators develop the values that guide them as leaders?

The Seventh-day Adventist Church as a denomination exercises care and due diligence in selecting its financial officers from individuals who show experience, maturity, and professional knowledge. However, to date there have been no studies written of how their values compare with leadership values of ethics, morality, integrity, and fairness that are prevalent in today’s positive and ethical leadership theories, and in Authentic Leadership theory specifically. Conference treasurers are professionals who combine business and accounting knowledge with leadership. These Chief Financial Officers (CFOs) exert a significant influence in the administration the church; they are an important voice among the executive officers, and provide input into the policies governing church entities. In this study I was able to see their values through their eyes, and through the eyes of their peers and subordinates.
Purpose of the Study

The purpose of this study was to explore the perceptions of Adventist local conference treasurers in the continental United States as authentic leaders and assess how their perceptions either agree or disagree with the perceptions of their followers. This study compares their self-assessment responses with the rating that their associates and team members (followers) provide of their leadership. It will help us to know what their leadership values are, as seen by the people that work the closest to them.

Research Questions

This study is guided by three research questions. They are:

Research Question 1

Are the self-perceptions of local conference treasurers (leaders) significantly different from the perceptions of their followers in what refers to their authentic leadership values (relational transparency, internalized moral and ethical values, balanced processing of others’ opinions and self-awareness)?

Research Question 2

Are the personal characteristics of the local conference treasurers (their gender, age, years of experience in administration, years of denominational service, and education level) significantly related to their own self-perception as authentic leaders as expressed in their relational transparency, internalized moral and ethical values, balanced processing of others’ opinions, and self-awareness?
Research Question 3

Are the personal characteristics of the associates in treasury and academy treasurers (their gender, age, years of experience in administration, years of denominational service and education level) significantly related to the perceptions of the local conference treasurers as authentic in their relational transparency, internalized moral perspective, balanced processing of others’ opinions, and self-awareness?

Research Hypotheses

This research is based on the following hypotheses:

Hypothesis 1

The first research hypothesis ($Ha_1$) of this study is the expectation that a local conference treasurer’s self-perceptions of relational transparency, moral/ethical, balanced processing, and self-awareness values are significantly different from the perceptions followers expressed of their leaders in the same four ALD factors already indicated.

Hypothesis 2

The second hypothesis ($Ha_2$) states that the treasurer’s gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are significantly related to their own self-perception of relational transparency, moral/ethical values, balanced processing, and self-awareness.

Hypothesis 3

The third hypothesis ($Ha_3$) states that the follower’s gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic
level are significantly related to their perception of relational transparency, moral/ethical, balanced processing, and self-awareness of their leaders, the local conference treasurers.

Methodology

This study approached the population directly, instead of through a random sampling or any other statistical technique. The participants responded to the Authentic Leadership Questionnaire 1.0 (ALQ) obtained through Mind Garden, Inc. (Avolio, Gardner, & Walumbwa, 2007). Given the nature of church work, the Authentic Leadership construct provides a viable instrument from which a foundational and comprehensive knowledge of their perception of leadership is possible through the variables tested (Avolio & Luthans, 2006).

In the religious Protestant denomination of Seventh-day Adventists, treasurers are Chief Financial Officers (CFOs) and they offer a business/financial voice to their entity, and they also serve in an important subservient or secondary leadership role. Their responses to the ALQ allowed me to understand how they see themselves. The responses of their followers, the associates in treasury and the academy treasurers, provided a window view into the values of the leaders as they either ratified or denied the CFO’s responses.

The ALQ was developed by Bruce J. Avolio, William L. Gardner, and Fred O. Walumbwa (2007) and is a theory-driven leadership-validated survey instrument designed to measure the components or dimensions that together offer a measure of authentic leadership. The ALQ is a validated research questionnaire that is reliable, has valid construction, and has been used in a number of projects around the globe (Walumbwa et al., 2008). It consists of 16 questions asked of the leader and 16 questions
asked of the follower. In the current study, the leader’s group consists of 50 leaders (Self) currently working as local conference treasurers, and the 148 followers’ (raters) group is composed of 120 serving as associates in treasury (undertreasurer, associate treasurer, assistant treasurer, controller, and accountant), and 28 serving as academy treasurers for selected secondary-level boarding institutions. These academies were identified by the Office of Education of the North American Division of the Seventh-day Adventist Church.

**Conceptual Framework**

This study was framed through the lens of Authentic Leadership Development theory. The leadership theories that incorporate a moral/ethical component, Authentic Leadership and its four distinctive constructs of self-awareness, ethical/moral values, relational transparency, and balanced processing of others’ opinions, offer an approach to measuring authentic leadership development. These variables are unique to the version of the theory presented by the studies of Avolio, Gardner, Luthans and Walumbwa (Avolio & Gardner, 2005; Walumbwa et al., 2008). Although many of the elements found in the theory can also be found in other positive leadership theories, Authentic Leadership claims to be a leadership development theory positioned “at the root of positive forms of leadership” (Avolio & Gardner, 2005, p. 316).

Authenticity in leaders is grounded in values of morality and character. Gardner, Avolio, Luthans, et al. (2005) define authentic leaders as “genuine leaders who lead by example in fostering ethical climates characterized by transparency, trust, integrity, and high moral standards, and these authentic leaders are both true to themselves and lead others to achieve authenticity” (p. 344).
Significance of the Study

This study is relevant to the leaders and followers of the Seventh-day Adventist Church in the United States of America, as it will provide information that was not previously available, and better plans for leadership growth may be elaborated. Although the study involves chief financial officers and their followers, the research design can be applied to other leaders and followers as well. The Seventh-day Adventist Church around the world will reap the benefit of this study as the research design can be replicated elsewhere depending on the geographic, cultural, and social milieu. This study may prove of interest to the financial sector of religious and secular non-profit entities, as there are relatively few academic studies that provide information that is framed in Authentic Leadership theory. And, it is ultimately important to me as a researcher, because this is a subject of deep interest to me personally because of my study of positive forms of leadership and authentic leadership in particular.

Assumptions

This study assumed that the local conference treasurers and other participant groups were willing to share their responses by participating in the study. In May 2011 I met with the Treasurer’s Council and presented the proposal, inviting them to participate in the study. It was a time to answer their questions and reservations about the study. They took an action at that meeting, affirming their participation. This action indicated their willingness, and also their eagerness to participate because they realized this study would provide light on their role as leaders. We met with the group again in August 2013, receiving an affirming response. Therefore, this study rightfully assumes that respondents took the time to answer questions in a sincere and honest way.
Limitations of the Study

The limitations of the study are (a) the participants’ potential willingness to answer the questionnaire online, and (b) the ability to answer the questions asked by the Authentic Leadership Questionnaire honestly and sincerely. The population under study is composed of individuals who have multiple time-demands and some may have considered this study unnecessary, or perhaps an unwelcome task.

Delimitations

This study is delimited to a population composed of Adventist local conference treasurers in the United States and their treasury teams. The Seventh-day Adventist Church (SDA) is a worldwide religious not-for-profit entity established originally in 1863 in the United States of America to carry on a dynamic work in religious, educational, humanitarian, publishing, health-care, and food-production areas. Of the 58 official local conferences in the territory of North America requiring the services of treasurers or financial managers, seven of them operate in Canada, one in the Bermuda Islands, and 50 in the territory of the United States of America (General Conference of SDA, 2014, pp. 165-229). The administrative units located in Canada and the Bermuda Islands have not been included in this study. Only the 50 entities serving in the United States are a part of the population studied.

Definition of Terms

The terms defined below will be used repeatedly throughout the study:

*Academy Treasurers (Followers)*: Financial officers of secondary schools. In this study I included the academies operated by the local conferences in the United States, or Local Conference-Operated Academies. They were selected by the Office of Education
of the North American Division located on 12501 Old Columbia Pike, Silver Spring, MD 20904.

*Adventist:* Refers to the Seventh-day Adventist Church, its beliefs, mission, structure, organization, and philosophical values.

*Associates in Treasury (Followers):* The treasury personnel who provide professional support to the local conference treasurer; a participant group of local conference employees working in the treasury departments composed of Undertreasurers, Associate Treasurers, Assistant Treasurers and Accountants.

*Authentic Leadership Values:* Values advocated by Authentic Leadership practitioners and believers as advocated by Avolio, Gardner, and Walumbwa.

*Church:* Term used mostly to identify Adventist local congregations. In this dissertation the terms “churches” or “local churches” are used to identify local congregations; the term “Church” (with capitalized “C”), depending on the context, is used to identify the Seventh-day Adventist Church as a denomination or the Christian Church in general.

*Constituent Academies:* Secondary schools operated by either a single local congregation, or by a group of congregations that have agreed to operate it. Usually the board elects the chair, and the local conference superintendent is an invitee serving in an advisory role as the school is operated by the constituency of the local congregations, rather than the conference office. Board membership includes a representative group of pastors and members from the constituent congregations.

*Denominational Culture:* Adventist organizational way of thinking.
Followers: Participant group of associates in treasury and academy treasurers of local conference-operated academies.

Inauthenticity: Considered the opposite of authenticity.

Leaders: Participant group of chief financial officers of the local conference, or conference treasurer.

Local Conference Treasurer (Leader): The chief financial officer of the local conference who is responsible to provide financial leadership, property ownership issues, routing of funds, and other general financial and personnel matters.

Local Conference: An administrative unit composed of local congregations, schools, and institutions. It is a center of church governance, the clearinghouse for the routing of funds, holds title of church properties, and is the personnel employer.

Local Conference-Operated Academies: Secondary schools that have their direct governance structure connected to the local conference office. Usually the local conference president is the board chair, and the local conference treasurer is a member of the board, and may chair the finance committee. The local conference superintendent is a member of the board and is fully involved with personnel and classroom supervision. Major decisions are made by the K-12 Board of Education, or the local conference executive committee.

Working Policy: A compilation of mutual operational agreements guiding organizational Adventist administrative practice for organizations and institutions, and that establishes the norms of personnel behavior.
Mind Garden, Inc.: A company that administers the use of the Authentic Leadership Questionnaire 1.0 (ALQ 1.0), and offers online data collection services at www.mindgarden.com.

Overview of the Study

This study explores the authentic leadership values of the local conference treasurers in the United States by observing whether their self-assessment responses agree or disagree with the assessment their followers provide of them as authentic leaders. Both groups, leaders and followers, responded to the same questionnaire (ALQ 1.0), but each from a different perspective. In the following chapter I review the literature that provides a theoretical framework to this study.
CHAPTER 2

REVIEW OF THE LITERATURE

Introduction

This review of the literature is focused on authentic leadership. The chapter is organized into four sections: (a) brief historical overview of authentic leadership; (b) the philosophical and theoretical foundations of authentic leadership; (c) ethical leadership and positive forms of leadership, and (d) issues from the current research environment. These four sections describe the authentic leader as a better kind of person, whose character and behavior agree, who shows consistency in values and actions, in beliefs and behavior, and one who is capable of inspiring others to follow, or lead.

Brief Historical Overview of Authentic Leadership

Authenticity, sincerity, and integrity are virtues that man has pursued for centuries. Authenticity was understood by Chester Barnard in 1938 as the capacity of a leader to balance responsibilities such as private freedom and public obligation, and this capacity is “a litmus test of executive quality” (Novicevic, Harvey, Ronald, & Brown-Radford, 2006, p. 64).

Erickson (1995) notes that authenticity is “a centuries old problem that in its modern conception emerged within the past eight decades” (p. 123). C. Taylor (1992) notes that being authentic “is recovering our own ‘sentiment de l’existence,’ that perhaps we can only achieve integrally if we recognize that this sentiment connects us to a wider
whole” (p. 91). Bill George (2003) defines authenticity as being yourself; being the person you were created to be (George, 2003, p. 11). Goleman, Boyatzis, and McKee (2004) understand the modern concept of authenticity as a re-statement of a human emotion in a new context, as “acting from one’s genuine feelings” (Goleman, Boyatzis, & McKee, 2004, p. 51).

Walumbwa et al. (2008) indicate that authenticity is found “at the intersection of the leadership, ethics, positive organizational behavior and scholarship literatures, and it is achieved by owning one’s personal experiences be they thoughts, emotions, needs, preferences, or beliefs, all processes captured by the injunction to know oneself.” He further states that there is “growing evidence that an authentic approach to leading is desirable and effective for advancing human enterprise, achieving positive outcomes, and achieving enduring results” (Walumbwa et al., 2008, p. 92). Ideas on authentic leadership espoused by other scholars are found in the literature (Cooper, Scandura, & Schriesheim, 2005; Gardner, Cogliser, Davis, & Dickens, 2011; Ilies, Morgeson, & Nahrgang, 2005; Neider & Schriesheim, 2011; Shamir & Eilam, 2005).

The need for authenticity in leadership has been present in society from Bible times, even prior to the Israelite exodus (Herskovitz & Klein, 1999, pp. 87-93). Socrates is said to have advocated for an examined life, and more than 300 years ago Niccolo Machiavelli was in search of a prudent man (Stackhouse, McCann, Roels, & Williams, 1995). During the last half of the 19th century and the first part of the 20th century, in the days of Henry Fayol, Frederick Taylor, Max Weber, Elton Mayo, and Mary Parker Follett, the economic emphasis shifted from an agrarian to an industrial society, and with it came the need to reevaluate management and conform to new realities (Thompson,
Heames, & Harvey, 2006). Later into the 20th century Barnard looked at the personal qualities of managers in his seminal work *The Functions of the Executive* and provided a backdrop for the historic representation of the necessary qualities of successful managers and leaders (Barnard, 1938). The evolution of management to conform to actual realities, and the search for authenticity, integrity and transparency in leaders in general have continued resonating in subsequent decades (Caro, 1982; Halberstam, 1972; Tuchman, 1984).

Until 2003 there were two practical approaches to authentic leadership. The approach to authentic leadership developed by Robert W. Terry in 1993 with his action-centered Authentic Action Wheel comprised six elements. These elements are (a) Mission, (b) Power, (c) Structure, (d) Resources, (e) Existence, and (f) Meaning, with the center labeled Fulfillment. Terry helps distinguish between authentic and unauthentic actions. As problems are diagnosed, the six elements of the wheel assist in finding a solution.

The second practical approach was developed by Bill George in 2003 and indicated that authentic leaders (a) have a genuine desire to serve others through their leadership; (b) are interested in empowering the people they lead; (c) are guided by qualities of the heart, by passion and compassion, as well as by qualities of the mind; (d) lead with purpose, meaning, and values; (e) build enduring relationships with people; (f) refuse to compromise their principles; and (g) are dedicated to developing themselves because they know that becoming a leader takes a lifetime of personal growth (George, 2003; Northouse, 2013). The quest for integrity and ethical leadership values in leadership was in part fueled by historical events.
After the conclusion of the Watergate Affair some theorists began writing about adding an ethical and moral dimension to leadership (Burns, 2005), and others sought to introduce a moral perspective to transformational leadership (Bass & Steidlmeier, 1999; Bass & Stogdill, 1990; Bennis, 2004, 2009). These different voices proclaimed the need for the rise of integrity, sincerity, and transparency even when the term “authenticity” may not have been used.

The Approach of This Study

The theoretical orientation used in this study owes its direction and focus to the contributions of Bruce J. Avolio, William L. Gardner, Fred Luthans, and Fred O. Walumbwa. They defined and operationalized Authentic Leadership theory (AL), and in collaboration with other scholars reinterpreted authenticity, identified and tested its variables nationally and internationally, and defined Authentic Leadership Development (ALD) among positive leadership theories (Avolio & Gardner, 2005; Walumbwa et al., 2008).

The approach proposed by Avolio, Gardner, Luthans, and Walumbwa, even though it is not the only interpretation of Authentic Leadership to be found in the literature (Gardner et al., 2011; Neider & Schriesheim, 2011), provides four identifiable constructs and a tested measurement instrument. The constructs are Self-Awareness, Balanced Processing, Ethical/Moral, and Relational Transparency. The instrument called the Authentic Leadership Questionnaire (ALQ 1.0) was given in this study to the Adventist chief financial officers in the United States, to their associates in treasury, and to selected academy treasurers.
These four constructs or measurable variables, when measured together, define authentic leadership. Thus authentic leadership is viewed as being composed of related and substantive dimensions that are needed for individuals to be considered authentic leaders (Walumbwa et al., 2008).

After the conclusion of the Watergate Affair some theorists began writing about adding an ethical and moral dimension to leadership (Burns, 2005), and others sought to introduce a moral perspective to transformational leadership (Bass & Steidlmeier, 1999; Bass & Stogdill, 1990; Bennis, 2004, 2009).

A New Awareness in Society

Although the need for authenticity in leadership has surfaced repeatedly, the corporate failures of Enron, WorldCom, and other companies at the beginning of the new millennium showcased the need to redefine leadership on an ethical and moral platform (Jennings, 2006). As Sparrowe stated, “Authenticity—or, more precisely the lack thereof—lies near the heart of the crisis of confidence in contemporary corporate leadership” (Sparrowe, 2005, p. 419). A new awareness was created in society.

McCall and Hollenbeck (2002) identified the qualities needed by leaders in the new environment as (a) being open-minded and flexible in thought and tactics, (b) having value-added technical and business skills, (c) having cultural interest and sensitivity, (d) being resilient, resourceful, optimistic, and energetic, (e) being able to deal with complexity, (f) having a stable personal life, and (g) possessing and engendering honesty and integrity (p. 35). Managers and leaders today, and financial managers in particular, are aware of existing ethical rules as governmental regulations have given ethics and morality more prominence in leadership development (Brown & Trevino, 2006;
Sarbanes, 2002). Novicevic et al. (2006) indicate that “the capacity of moral creativity is a crucial quality of executives that have a genuine sense of self, are adaptive to situational and organizational demands, but do not sacrifice their personal moral code” (p. 72). This change represents a variation in professional outlook, as management transitioned from an industrial-base profession to more individual oriented (Wren, 1972). It is observable that this change in society has affected not only industrial but also corporate not-for-profit and governmental organizations (Dresner, 2000, p. 33), integrating the perceptions of both leader and follower (M. Taylor, 2009; Zhu, 2006) on a platform of ethics and morality (M. E. Brown & Trevino, 2006).

Novicevic et al. (2006) indicated that “the capacity of moral creativity is a crucial quality of executives that have a genuine sense of self, are adaptive to situational and organizational demands, but do not sacrifice their personal moral code” (p. 72).

T. Brown (2005), in his study of Adventist treasurers, observed that the research participants of his study agreed that the treasurer’s roles and responsibilities were changing from accounting to financial leadership, thus confirming that the trend perceived in the financial world in general also affects Adventist financial managers. This element has a potential effect on the leadership development as it is to be implemented within the Adventist Church. Local conference treasurers are leaders who have a subservient leadership function (Bonem & Patterson, 2005). While in past times the role of the financial officer was seen mostly as accountant, in the 1980s the corporate role of the Chief Financial Officer (CFO) became more prominent, outgrowing the traditional accountant/bookkeeper concept, and rising to an executive status with leadership influence (Vames, 1988). T. Brown (2005) described the functions of the financial
manager as servant, diplomat, accounting manager, and financial leader (T. Brown, 2005, p. 91), pointing to the mixing of regular financial responsibilities with non-financial duties, which makes the function fit the organizational climate the Church provides.

**The Quest for Authenticity**

The foundation of Authentic Leadership theory is grounded in the quest for authenticity of society in general (Novicevic et al., 2006; Novicevic, Heames, Paolillo, & Buckley, 2009). More recently the concept of authenticity—being true to oneself—became a central focus of the post-Enron era, and the need for authenticity, executive quality, or executive authenticity led to “reinventing theory, reinterpreting evidence, and rediscovering voices and issues” attributing a new meaning to existing facts, as proposed by Mark Bevir in his post-analytic philosophy approach (Novicevic et al., 2006, p. 64).

Considered an ethical theory, together with Ethical, Spiritual, and Servant leadership (Yukl, 2010, p. 409). The Ethical, Servant, Spiritual and Authentic Leadership category “reflects an eclectic mix of theories that emerged and/or rose in prominence during the past decade and share a common focus on the moral component of leadership” (Gardner, Lowe, Moss, Mahoney, & Cogliser, 2010, p. 937). A decade after its inception we have a better view of Authentic Leadership’s theoretical foundations, its research history, and its place in the field of leadership development (Gardner et al., 2011).

Shamir and Eilam (2005) note that the value of authenticity in leadership springs from the fact that leaders exhibiting authenticity “lead from a conviction,” “do not fake their leadership,” and “have a value-based cause or a mission they want to promote.” They show they are *eudaimonic*—true to themselves—when people’s life activities are congruent with the deeply held values, what they believe and what they do, work
harmoniously together. They want to reach their potential and make a difference—all for a greater good. Shamir and Eilam elaborate that when people are eudaimonically motivated, they are fully engaged in their own self-actualization, and make use of their virtues, talents, and skills. They affirm that being authentic is being personal, original, and unique although similar to others, but characterized by having a high level of integrity and transparency. They write that “authenticity is personal, and develops from personal reflections and personal learning,” and it takes place when talk and actions are consistent with beliefs and values (Shamir & Eilam, 2005, pp. 3, 4). The need for these values was made evident during the corporate malfeasance of the last decade documented by Marianne Jennings (2006). As the concept of authenticity found its way to center stage, the theory of Authentic Leadership appeared, and authentic leadership development took its place among ethical and other positive forms of leadership.

The Positive Approach to Leadership

Positive psychology originated in the work of Martin Seligman. His philosophical position is an objectivist view of life, explaining that there is no greater moral goal than achieving happiness (Seligman, 2002). Positive psychology is in contrast with the views presented in clinical psychology and places its emphasis on positive behavior, valuing the strengths and virtues of people (Seligman, 2002; Seligman & Csikszentmihalyi, 2000; Whitney & Trosten-Bloom, 2010). Luthans (Avolio & Luthans, 2006) considered that positive psychology offered a better theoretical platform for leadership development than did traditional clinical psychology. His participation in a positive psychology summit inspired him to apply its concepts to leadership development. His ideas connected well with Avolio’s work on transformational leadership (Avolio, 2005; Avolio & Luthans,
2006, p. 147), and with these basic elements, authentic leadership became a full-fledged theoretical approach to leadership.

The beginning of Authentic Leadership took place when Bruce Avolio and Fred Luthans (2006) published an essay on Authentic Leadership Development in a book about Positive Organizational Scholarship (POS), also known as Positive Organizational Behavior (POB) (Cameron, Dutton, & Quinn, 2003, pp. 241-258). Avolio and Luthans (2006) identified POS as foundational to positive psychological capital (PsyCap). The component parts of PsyCap are hope, confidence, optimism, and resilience. In the very first publications these PsyCap components were considered additional dimensions of the Authentic Leadership theory, but now they are considered preliminary leadership character qualities, foundational to positive forms of leadership (Avolio & Luthans, 2006, p. 149). On this point Avolio and Luthans (2006) explain that traditionally business schools and the implicit theories of business leaders have been almost solely based on the perspective of the value of economic and financial capital: how to invest it and gain a return from it. The vast majority of this education and the resulting practice of capitalism is concerned with how to raise financial capital, account for it, budget it, leverage it, and impact the ‘bottom line’; however, such economic and financial capital is finally being recognized as not entirely sufficient. Both business and authentic leaders recognize the value of financial capital as a necessary foundation for today’s and for future organizations, but they now also understand that financial and economic capital is not the only consideration impacting sustained growth and competitive advantage. (Avolio & Luthans, 2006, p. 143)

They further elaborate that the term capital “refers to the resources that are withdrawn from consumption and invested for future anticipated returns” (p. 144). Table 1 consolidates Avolio and Luthans’ (2006) comprehensive view on the capital package of leaders, which is a perspective of what a corporate leader provides. The items shown in Table 1 are prioritized in order of importance from Economic/Financial to Psychological (Avolio & Luthans, 2006).
Table 1

*Comprehensive Capital Package*

<table>
<thead>
<tr>
<th>Capital Resources</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Psychological (PsyCap) – <em>Who you are</em> (the actual self) and <em>what you intend to become</em> (your possible self) (p. 144).</td>
<td>Based on the positive psychology movement developed by Martin Seligman that emphasizes what is right, and not what is wrong with people (p. 147).</td>
</tr>
<tr>
<td>3. Social – <em>Who you know</em> – Relationships and the network of contacts and friends that can facilitate getting done what needs to be accomplished (p. 144).</td>
<td>Estimated based on years of education and experience, and the expertise and qualifications people possess for completing the mission and critical tasks. Calculated on network analysis and the quality of the relationships that exist in the organization. Associated with mutual trust, transparency, support, openness, etc. (p. 147).</td>
</tr>
<tr>
<td>2. Human – <em>What you know</em> – Employees are the assets that walk home every night (p. 144).</td>
<td>Made up of education, skills, experience, and tacit knowledge that cannot be imitated or easily duplicated or purchased (p. 144).</td>
</tr>
<tr>
<td>1. Economic/Financial – <em>What you have</em> – resources withdrawn from consumption and invested for future anticipated returns (p. 144).</td>
<td>Tangible assets such as plant, equipment, inventories, technological processes, data of all kinds, and even intellectual property like patents, copyrights, and trademarks (p. 144).</td>
</tr>
</tbody>
</table>

Table 2 contains a summary explanation of the four components of Psychological Capital (PsyCap)—Hope, Optimism, Confidence, and Resiliency—that Avolio and Luthans (2006) consider embedded into the four variables of Authentic Leadership Development: Relational Transparency, Self-Awareness, Balanced Processing of Opinions and Ethical/Moral Values (Avolio & Luthans, 2006). The elements of PsyCap shown in Table 2 are expected personal character qualities of an individual pursuing a positive practice of leadership.

The contributions of Positive Psychology and Positive Psychological Capital (Psy Cap), the new awareness in society about the need of integrity, honesty, and ethical
behavior, were incorporated into a new view of leadership that Avolio and Luthans (2006) proposed with Authentic Leadership Theory.

Table 2

*Elements of Psychological Capital (PsyCap)*

<table>
<thead>
<tr>
<th>Character Qualities</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>PsyCap – Hope</td>
<td>Defined by positive psychologist Rick Snyder as constituting the “will” and the “way.” The Will represents a strong belief and sense of confidence that one will succeed, while the Way represents what Snyder calls “pathway thinking.”</td>
</tr>
<tr>
<td>PsyCap – Optimism</td>
<td>Positive psychology treats optimism as expecting a positive outcome. Optimists do not take failure personally, and view it as a temporary set-back that does not shatter their self-awareness, while pessimists take failures personally. Provides a higher level for setting your level of confidence, kicks into action your will power and ways to accomplish it.</td>
</tr>
<tr>
<td>PsyCap – Confidence</td>
<td>Confidence, or self-efficacy, refers to the probability that you will be successful in taking on a particular task or challenge. ALD has a trickle-down or cascading effect through the mechanism of self-efficacy (p. 71).</td>
</tr>
<tr>
<td>PsyCap – Resiliency</td>
<td>Exhibited by those who are hit hard by a particular problem or challenge but still find some way to keep moving ahead. Resilient people bounce back and even beyond, never bemoaning the past or the present.</td>
</tr>
</tbody>
</table>

**Philosophical and Theoretical Foundations of Authentic Leadership**

**A Post-Analytic View**

During the first half of the 20th century, existential thinkers like Heidegger, Sartre, Camus, Kierkegaard, and Maslow explored issues of inauthenticity, elevating honesty and truthfulness in individuals above other existential values (Park, 1983; Seeman, 1966; Trilling, 1972). Philosopher Mark Bevir (1999) participated in the philosophical foundation by offering his voice to the theoretical framers of authentic leadership and
adopting “a (post) analytic view of philosophy drawing on the later work of
Wittgenstein” (p. 6). He writes, “I adopted a version of Wittgenstein’s view of analytic
philosophy as the grammar of our concepts, and then explored the forms of reasoning
appropriate to the history of ideas” (Bevir, 1999, p. 310). Providing a new philosophical
interpretation to already existing views, he treated “analytic philosophy, phenomenology,
and hermeneutics as compatible activities” (Bevir, 1999, p. 3), and argued that

while philosophers construct the logic of a discipline on the basis of the concepts
deployed within it, not the data uncovered by it, they do so to examine what
these concepts imply about the nature of the world, not to record how we use the
words that embody these concepts. (p. 13)

Novicevic et al. (2006) affirm that this new discipline studies cultural meanings
from a historical perspective. By seeking a normative reasoning and not pursuing the
uncovering of historical facts, the new discipline and the post-analytic view advocated by
Bevir provides us with a rationale to explain the uncovered meanings of past events
(Novicevic et al., 2006, p. 65). Grenz (1996) offers the perspective that

no experience occurs in the vacuum; no transformation comes to us apart from
an interpretation facilitated by the concepts—the ‘web of belief’—we bring to it. To the contrary, experience and interpretive concepts are reciprocally related. Our concepts facilitate our understanding of the experiences we have in life, and our experience shapes the interpretive concepts we employ to speak about our lives. (p. 170)

Novicevic et al. (2006) also observed that Bevir (1999) carved a middle-of-the-
road path to connect shared traditions in the process of discovering historical meanings
(Novicevic et al., 2006, p. 65). Bevir (1999) declared that “historians cannot have direct
access to the past, in the way we can to the present, simply because it has gone. . . .
Historians of ideas study relics from the past in order to recover historical meanings.
They seek to reconstruct ideas or meanings from the past” (p. 31). One would ask, What
does this philosophical intertwining have to do with authentic leadership? The answer is
simple, there is nothing new under the sun, and authenticity, authentic leadership, 
authentic followership, and authentic leadership development are not an exception. The 
terms may sound like new ideas, but their philosophical and historical origins declare 
them to be a resurrection, a reincarnation, and a recasting of concepts that existed in a 
different time and historical context. Bevir makes that point clear.

Other Contributions to Authentic Leadership

The perspective advanced by Avolio and Gardner (2005) and by Illies et al. 
(2005) is firmly rooted in social psychology theory and research on authenticity; also the 
perspective of Avolio and Gardner (2005) did not include either an inductive or a 
philosophical approach (Deci & Ryan, 2000; Kernis, 2003). They were seeking a simpler 
way to explain authentic leadership (Shamir & Eilam, 2005; Sparrowe, 2005). It is also 
important to note the influence of self-determination theory (Deci & Ryan, 2000, pp. 227-
268) on various facets of leader and follower self-awareness (such as values, identity, 
emotions, goals, and motives), as well as the relationships between the follower outcomes 
of trust, engagement, and well-being; and the attainment of a verifiable and sustainable 
performance (Gardner, Avolio, & Walumbwa, et al., 2005).

Self-awareness is the capacity for self-reflection and introspection required for a 
true understanding of the self or others. It is needed because an authentic leader needs to 
know himself/herself, in order to be true to himself/herself. This process of self-
knowledge “frequently begins with some sort of a trigger moment, a moment that 
activates an internal review of core ideas and values” (Avolio & Luthans, 2006, p. 228). 
“Self-awareness is not a destination point, but rather an emerging process where one
continually comes to understand his or her unique talents, strengths, sense of purpose, core values, beliefs and desires” (Avolio & Gardner, 2005, p. 324).

Self-awareness is defined as “an emerging process where one continually comes to understand his or her unique talents, strengths, sense of purpose, core values, beliefs and desires” (Avolio & Gardner, 2005, p. 324).

Other writers indicate that self-awareness, self-reflection, and storytelling develop self-concept clarity, helping a leader to become mature and able to relate better to complexity (Denning, 2007; Nehls, 2012; Shamir & Eilam, 2005; Simmons, 2007).

The process of self-awareness shows similarities with the experiential learning and development model advocated by D. A. Kolb’s content and process reflection cycle, that encompasses the stages of Concrete Experience (CE), Reflective Observation (RO), Abstract Conceptualization (AC), Active Experimentation (AE), with the cycle repeating itself (Kolb, 1984). The process of self-awareness is very much in line with the lifelong process of self-development taught by several developmental psychologists and leadership educators (Andenoro, Popa, Bletscher, & Albert, 2012; Clinton, 1988; Levinson, 1978; Merriam, Caffarella, & Baumgartner, 2007; Rothstein, 2010; Shamir & Eilam, 2005; Sheehy, 1995).

Through self-awareness, “followers develop greater clarity about their values, identity, and emotions and, in turn move towards internalized regulatory processes, balanced information processing, transparent relations with the leader and associates, and authentic behavior” (Avolio & Gardner, 2005, p. 326). Other more recent contributors to authentic leadership theory are discussed in the following segments of this review of the literature (Kernis & Goldman, 2006; Kernis, 2003; Mruk, 2006, 2008), and these
variables measure the degree of authenticity of leaders and followers (Illies et al., 2005; Walumbwa et al., 2008). Shamir and Eilam (2005) observed that in authentic leadership “the role of leaders is central to their self-concept, they have achieved a high level of self-resolution or self-concept clarity, their goals are self-concordant, and their behavior is self-expressive” (Shamir & Eilam, 2005, p. 399).

Consistent with Kernis’s developmental model of “optimal” levels of self-esteem, Walumbwa indicates that authentic leaders display high levels of self-esteem and consistency between their values, beliefs, and actions (Walumbwa et al., 2008, p. 93). To that effect Walumbwa et al. defined authentic leadership as

- a pattern of leader behavior that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development. (p. 94)

As the four dimensions of the developmental model authored by Kernis (2003) became the four measurable components of authentic leadership, Walumbwa et al. (2008) argued that the four areas proposed by Shamir and Eilam (2005) are integrated in the self-based model of authentic leaders and follower development of Gardner, Avolio, and Luthans, et al. (2005).

According to Guasta (2012), the meaning of self-awareness is highly complex and multifaceted, as expressed in Leading in Complex Worlds. “Self-awareness may be considered to be personal and subjective, although equally connected to relationship and community” (p. 11) and, as she suggests, “dialogue helps to develop self-awareness as well as the relational connection that exists among all humans.” She identifies “self-awareness as a fluid process” and as “a journey involving courage, vulnerability, confusion, reflection, relation, discovery, and deepened awareness” (p. 12).
In Table 3 I present theorists, philosophers, researchers, and visionaries who have contributed in varying measures to the origination and early understanding of Authentic Leadership theory, as discussed in this review of the literature.

Table 3

*Theorists, Philosophers, Researchers, and Visionaries*

<table>
<thead>
<tr>
<th>Philosophers</th>
<th>Psychologists</th>
<th>Theoreticians &amp; Researchers</th>
<th>Historians &amp; Visionaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bevir, Sartre, Wittgenstein, Heidegger</td>
<td>Seligman, Deci &amp; Ryan, Kernis, Kolb</td>
<td>Avolio, Gardner, Luthans, Kernis, Walumbwa, Ilies, Cooper, Scandura, Schriesheim, Shamir &amp; Eilam, Goleman</td>
<td>Novicevic, Barnard, George, Terry</td>
</tr>
<tr>
<td>Existentialist, Objectivist, Social Constructionism, Post-Analytic</td>
<td>Positive, Social Psychology</td>
<td>Psychological Capital, Positive Leadership theories, Emotional Intelligence</td>
<td></td>
</tr>
</tbody>
</table>

*Ethical Leadership, Positive Forms of Leadership, and Authentic Leadership*

**Optimal Self-Esteem**

In line with the interpretation of Authentic Leadership theory endorsed by Avolio, Gardner and Luthans, the variables that define authentic leadership development are: self-awareness, relational transparency, ethical/moral values, and balanced decision-making involving others. These are adopted from the model of optimal self-esteem offered by Kernis. The four dimensions of authentic leadership were originally introduced by psychologist M. H. Kernis, as the component parts of what constitutes optimal self-esteem (Kernis, 2003; Mruk, 2006, 2008), and he stated that optimal self-esteem “is
characterized by qualities associated with genuine, true, stable, and congruent high self-esteem” (Kernis, 2003, p. 1). As Kernis establishes his rationale to achieve optimal self-esteem, he expresses the reasons why he selected the four variables as follows:

I propose that authenticity as an individual difference construct may be particularly important in delineating the adaptive features of optimal self-esteem. Authenticity can be characterized as reflecting the unobstructed operation of one’s true, or core, self in one’s daily enterprise. As I describe, authenticity has at least four discriminable components: awareness, unbiased processing, action, and relational orientation. (p. 13)

Kernis (2003) believed that “experiencing oneself as authentic provides the basis for experiencing optimal self-esteem” (p. 16), and visualized authenticity as “useful in advancing our understanding of optimal, or secure self-esteem” (p. 23). He identified self-awareness as “having awareness of, and trust in, one’s motives, feelings, desires, and self-relevant cognitions,” including, but not limited to, “being aware of one’s strengths and weaknesses, trait characteristics and emotions” (p. 13) He further clarified that the “awareness component of authenticity involves knowledge of one’s needs, values, feelings, figure-ground personality aspects, and their roles in behavior” (p. 13).

Kernis’s (2003) second component “involves the unbiased processing of self-relevant information. In other words, it involves not denying, distorting, exaggerating, or ignoring private knowledge, internal experiences, and externally based evaluative information” (p. 14). Third is an ethical/moral element that involves behavior, and “whether people act in accord with their true self . . . acting in accord with one’s values, preferences, and needs as opposed to acting merely to please others or to attain rewards or avoid punishments through acting ‘falsely’” (p. 14). In Kernis’s view transparency is “relational in nature, inasmuch as it involves valuing and achieving openness and truthfulness in one’s close relationships. Relational authenticity involves endorsing the
importance for close others to see the real you, good and bad” (p. 15). He attributes his conception of authenticity to anthropologist Carlos Castaneda (Castaneda, 1971).

Kernis (2003) believed there is no single physical, social, or psychological reality, but multiple realities coexist, and it is up to the individual to learn about and accept these multiple realities. Kernis points out that Castaneda’s (1971) central argument is that individuals are free to choose their own reality; they must trust in it and, at the same time, recognize that it is not the only reality. He further argues that “this awareness provides a sense of freedom and responsibility that promotes authenticity” (Kernis, 2003, p. 13).

Authentic Leadership Development

The most significant ideas of leadership development affecting authentic leadership are found in the book The High Impact Leader (Avolio & Luthans, 2006). In this work Avolio and Luthans brought authenticity to leadership development.

In an earlier work Avolio and Gardner (2005) identified the constructs guiding how to do Authentic Leadership Development as (a) practicing transparency, (b) using a balanced decision-making process, (c) growing moral/ethical perspectives, and (d) developing self-awareness. These four constructs became the quantifiable variables of authentic leadership, and they were placed at the foundation of authentic leadership, and therefore are “at the root of positive forms of leadership” (Avolio & Gardner, 2005, pp. 322-324).

Authentic Leadership follows a developmental process identified as self-based, where the individual owns his or her experiences, whether they are values, thoughts, emotions, and/or beliefs. Through a process of self-awareness these past experiences are revisited, sometimes repeatedly, and lessons are extracted from them bringing “the actual
self” to become “the possible self;” helping connect the past, the present, and the future (Gardner, Avolio, Luthans, et al., 2005, p. 344).

Social constructivism (Bruner, 1996; Dewey, 1916; Vygotsky & Cole, 1978) offers Authentic Leadership and Authentic Leadership Development a philosophical dwelling, as individuals learn as they work and understand their experiences, create meaning, and learn from them. Figure 1 depicts the different theoretical influences I have found in Authentic Leadership Development.

The PsyCap components—Confidence, Hope, Optimism and Resiliency—are considered inherent to authentic leaders, and ultimately, the leadership development ideas extracted from developmental psychology introduced by Bruce Avolio and Fred Luthans. These different components serve as a framework that holds this theory together. Central to Authentic Leadership are the measurable variables contributed by the Kernis studies on Optimal Self-Esteem. Figure 1 depicts these influences.

Avolio and Gardner (2005) consider ALD to be “at the root of positive forms of leadership” (pp. 322-324). Theories classified as positive forms of leadership include Ethical, Transformational, Charismatic, Servant and Spiritual leadership (Avolio & Gardner, 2005, p. 315; Walumbwa et al., 2008).

Yukl (2010) acknowledges the ambiguity that exists among theorists about Transformational and Charismatic when he writes about “conceptual ambiguity and lack of consistency in definitions,” indicating that “even among theorists who view the two types of leadership as distinct processes, there remains disagreement about whether it is possible to be both transformational and charismatic at the same time” (Yukl, 2010, p. 285). Yukl also classifies Authentic Leadership together with Ethical, Servant and
Spiritual leadership and considers these theories as “different conceptions of ethical leadership” (p. 409). He treats Charismatic and Transformational leadership as two separate theories, and compares Transformational with four charismatic leadership constructs (Attributed Charisma, Self-Concept Theory, Psycho-Dynamic and Social Contagion) (pp. 267-269).

A comparison of the variables of Authentic, Transformational and Ethical leadership theories by Walumbwa et al. (2008) shows that seven out of ten theoretical components of transformational leadership are present in authentic leadership, most of them treated as major focal components of the theory. Table 4 describes the components of Authentic Leadership Development theory as compared with other positive forms of
### Table 4

*Components of Authentic Leadership Development Theory*

<table>
<thead>
<tr>
<th>Component</th>
<th>TL</th>
<th>CL (B)</th>
<th>CL (SC)</th>
<th>SVT</th>
<th>SP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Positive psychological capital</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>-</td>
<td>○</td>
</tr>
<tr>
<td>2. Positive moral perspective</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>3. Leader self-awareness</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Values</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Cognitions</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Emotions</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
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<tr>
<td>4. Leader self-regulation</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Internalized</td>
<td>●</td>
<td>-</td>
<td>●</td>
<td>-</td>
<td>●</td>
</tr>
<tr>
<td>Balanced processing</td>
<td>●</td>
<td>-</td>
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<tr>
<td>Relational transparency</td>
<td>●</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Authentic behavior</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>●</td>
<td>-</td>
</tr>
<tr>
<td>5. Leadership processes/behaviors</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Positive modeling</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>Personal and social identification</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>○</td>
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</tr>
<tr>
<td>Emotional Contagion</td>
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<tr>
<td>Supporting self-determination</td>
<td>●</td>
<td>●</td>
<td>○</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Positive social exchanges</td>
<td>●</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>6. Follower self-awareness</td>
<td>-</td>
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<tr>
<td>Values</td>
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<tr>
<td>Cognitions</td>
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<td>Emotions</td>
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<tr>
<td>7. Follower self-regulation</td>
<td>-</td>
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<tr>
<td>Internalized</td>
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<tr>
<td>Balanced processing</td>
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<tr>
<td>Relational transparency</td>
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<tr>
<td>Authentic behavior</td>
<td>○</td>
<td>-</td>
<td>○</td>
<td>-</td>
<td>○</td>
</tr>
<tr>
<td>8. Follower development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>9. Organizational context</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Uncertainty</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Inclusion</td>
<td>●</td>
<td>-</td>
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<td>●</td>
</tr>
<tr>
<td>Ethical</td>
<td>●</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Positive, strengths-based</td>
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<td>-</td>
<td>○</td>
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</tr>
</tbody>
</table>
Table 4—Continued.

<table>
<thead>
<tr>
<th></th>
<th>TL</th>
<th>CL (B)</th>
<th>CL (SC)</th>
<th>SVT</th>
<th>SP</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Performance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sustained</td>
<td>●</td>
<td>●</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beyond expectations</td>
<td>●</td>
<td>●</td>
<td>-</td>
<td>-</td>
<td>●</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>14</td>
<td>18</td>
<td>13</td>
<td>18</td>
</tr>
</tbody>
</table>

*Note.* Focal component = ●; Discussed = ○; Not discussed = - .


leadership. The comparison shown on Table 4 also shows that five of the main factors in transformational leadership are found in ethical leadership theory (Walumbwa et al., 2008).

**Authentic Leadership Among Ethical and Positive Forms of Leadership**

Ethical leaders seek to do the right thing personally and professionally and have the attributes of honesty, fairness, integrity, and openness. This dimension is the moral person aspect of ethical leadership (M. E. Brown & Treviño, 2006, p. 597). In their pursuit of clear standards, ethical leaders show self-discipline and consistency in their pursuit of clear standards, and consider these standards to be not negotiable. This dimension is what M. Brown, Treviño, and Harrison (2005) identify as the moral manager aspect of ethical leadership. Walumbwa et al. (2008) comment that of the two
constructs (authentic leadership and ethical leadership), authentic leadership reflects more fully the moral person aspect, and reflect only partially the moral manager aspect of ethical leadership (p. 103).

Authentic Leadership likewise contains components that are not considered by ethical leadership theory, such as the focus on self-awareness, relational transparency, and balanced processing (Walumbwa et al., 2008, p. 103). Avolio and Gardner (2005) do not include Ethical Leadership in their comparison with theories that bear similar components of authentic leadership.

Transformational and Charismatic leadership theories have elements that are also found in Authentic Leadership. According to the comparative analysis done by Avolio and Gardner (2005), the foundational elements of transformational leadership theory can be found in Authentic Leadership. The positive psychological capital, positive moral perspective, leader self-awareness, leader self-regulation, leadership processes/behaviors, follower self-awareness, follower self-regulation, follower development, organizational context, and performance are identified in both theories. The emphasis, major or minor, varies for both theories (Avolio & Gardner, 2005, p. 323). Yukl (2010) identifies charismatic leadership as having influenced processes, leader behaviors and facilitating conditions, and according to his analysis, of the four modalities of charismatic leadership (Attributed charisma, Self-Concept theory, Psycho-Dynamic, and Social Contagion), only Self-Concept and Social Contagion were included in the comparison, indicating that these two versions of charismatic leadership keep closer similarities with authentic leadership (Avolio & Gardner, 2005, p. 323).
Avolio and Gardner (2005) point out that transformational and authentic leadership theories remain the closest due to the number of similarities between them (see Table 4 above). Avolio and Gardner also indicate that an authentic leader does not necessarily mean the leader is transformational. They write, “We believe the key distinction is that authentic leaders are anchored by their own deep sense of self; they know where they stand on important issues, values and beliefs” (p. 329). Figure 2 describes the place of authentic leadership and its relationship among these closely related theories, based on the assessment of Avolio and Gardner (2005).

![Diagram showing the relationship between ethical, spiritual, servant, charismatic, transformational, and authentic leadership theories.](image)

The fields of Ethical Leadership, Transformational Leadership, Leadership Development, and other positive forms of leadership that preceded it, provided a rich literature field in which Authentic Leadership and Authentic Leadership Development started and grew. Just as the voices of practitioners claimed morality, ethics, integrity, transparency, and self-based development to be central to leadership, likewise the field of research in ethical theories has been actively contributing to leadership (Gardner et al., 2011; Gardner et al., 2010).

These positive forms of leadership place moral values at the foundation, emphasize “leader traits, skills, values, and behaviors; follower values, perceptions and needs” and together with ethical leadership, are classified as the group of ethical theories (Yukl, 2010, p. 431). Authentic Leadership came to light after these other theories existed, and was conceived to integrate their common foundational elements. “A key differentiation of Authentic Leadership Development from currently popular leadership theories is that authentic leadership is more generic and represents what we would term ‘a root construct’” (Avolio & Gardner, 2005, p. 328).

Algera and Lips-Wiersma (2012) indicate that Authentic Leadership and Authentic Leadership Development, as they are currently theorized, contain paradoxes that challenge the original objectives. They also indicate that the process of self-awareness, self-development and self-regulation elevate Authentic Leadership theory above a mere technique, as it brings the concept of existential authenticity to the heart of what is human.

Table 5 is a summary of the measuring instruments and variables used to test authentic, ethical, and positive forms of leadership theories. It also shows the comparison
of Authentic Leadership Development theory with transformational, charismatic, servant, and spiritual leadership developed by Avolio and Gardner (2005, p. 323).

Table 5

Measuring Instruments for Authentic Leadership and Other Theories of Leadership


Avolio and Gardner (2005) point to the fact that Authentic Leadership theory shows more similarities with Transformational Leadership theory (see the 25 matching concepts found in Table 4) than with any other positive form of leadership. Authentic Leadership is growing into adulthood, and the academic community has responded in diverse ways to it. The next section will provide a glimpse of the variety of issues and questions still seeking answers.

Issues From the Current Research Environment

It has been 10 years since the first essays and journal articles on authenticity and authentic leadership were published, and the new ideas began infiltrating the business world. The young and untested construct journeyed into the spotlight, bringing a new perspective and a new promise to be examined and tested because authentic leadership
“is about the authenticity of leaders and their leadership” (Northouse, 2013, p. 215).

Avolio, in the foreword he wrote to the book edited by Donna Ladkin and Chellie Spiller, has referred to the response of the academic community as follows:

Simply put, I have truly marveled at how an idea in any field can become a study, an article, a conference, the foundation for creating a network of scholars, a collaborative relationship, a grant, a research contract, and indeed in some case even institutionalized in the literature. . . . In sum, we started with a simple definition offered initially by Avolio et al. (2004, p. 806), who stated that authentic leaders ‘act in accordance with deep personal values and convictions, to build credibility and win the respect and trust of followers by encouraging diverse viewpoints and building networks of collaborative relationships with followers, and thereby lead in a manner that followers recognize as authentic.’ (Avolio, 2013, p. xxvi)

A Complex Process

Despite the progress of the development of Authentic Leadership (AL) theory, a number of issues need to be highlighted to show how AL theory relates to the continual struggle to understand leadership. Northouse (2013) acknowledges that Authentic Leadership “is a complex process that is difficult to characterize, and that can be seen from an intrapersonal, developmental, and interpersonal perspective” (p. 215). Defined from an intrapersonal viewpoint, it focuses on the leader and what goes on within the leader, that is, the leader’s self-knowledge, self-regulation, and self-concept. From a developmental perspective, Authentic Leadership is viewed as something that can be nurtured in a leader over a lifetime, and can be triggered by life events. The interpersonal perspective views Authentic Leadership as an interpersonal process, a relational process created by leaders and followers (Northouse, 2013). These three aspects are seen in the research material that has been produced in the last 10 years. This study in particular fits into the interpersonal perspective, as authentic leadership is seen not only as the result of the leader’s efforts but also from the response of followers. Authenticity emerges from
the interactions between leaders and their followers, with both groups affecting each other.

A Leader-Follower Process

Multiple statements from noted authors identify the leader-follower relationship as the epicenter of Authentic Leadership (AL). In fact, the theory was conceived around the concept that leadership is a relationship, and that it takes place as a result of the interaction of the leader and the follower in the context of a mutual task. Küpers and Weibler (2008) raised questions about the integral understanding of leadership as a series of complex and interrelated processes, rather than isolated or mutually exclusive paradigms lacking a more inclusive orientation and enfoldment of leadership (p. 444).

The role of followers has been researched and studied before AL appeared (Kelley, 1992), and the understanding of the relationship leader-follower was established from the outset by the framers of AL (Gardner, Avolio, & Walumbwa, et al., 2005; Walumbwa et al., 2008; Walumbwa, Wang, Wang, Schaubroeck, & Avolio, 2010).

Until 2003 there were two practical approaches to Authentic Leadership. The first was developed Robert W. Terry in 1993, and the second was developed by Bill George in 2003 (George, 2003; Northouse, 2013). Since 2003 the studies on AL have been mostly theoretical (Avolio, Gardner, Walumbwa, Luthans, & May, 2004; Cooper et al., 2005; Gardner, Avolio, & Walumbwa, et al., 2005; Walumbwa et al., 2008).

Authentic Leadership has been formulated as a practical and also as a theoretical approach to a trustworthy, morally guided leadership. Northouse (2013) identified the practical approach as evolving “from real life examples and training and development
literature,” and the theoretical approach as “based on findings from social science research” (p. 208).

The practical approach found its voice with Bill George and Robert Terry (George, 2003; George, Sims, McLean, & Mayer, 2007; Terry, 1998). The Authentic Leadership Institute (ALI) and the Authentic Leadership Institute in Action (ALIA) are pursuing the practical approach, providing mentoring to managers and leaders. ALI has developed the Authentic Leadership Inventory, a research questionnaire that guides a practical application of authenticity. Northouse notes that (a) AL is still in the formative stages of development, and there are questions that still need to be addressed about the theory; (b) the moral component of AL is not fully explained; (c) some researchers have questioned whether positive psychological capacities (PsyCap) should be included as components as they broadened the construct of AL too much and make measuring it difficult; and (d) it is unclear how AL results in positive organizational outcomes (Cameron et al., 2003; Cooper et al., 2005; Northouse, 2013).

Clashes, Convergences, and Coalescences

The issues and opinions on Authentic Leadership that have accumulated over a period of 10 years have become a part of this new field of study, and research is discussed in a useful summary of those who agree, disagree, or simply gravitate towards accepting the current arguments in favor of AL published by Ladkin and Spiller (2013). At the outset they dismissed the idea that authentic leadership is a repackaging of transformational leadership, and proceeded to frame the book with a summary of the clashes or inharmonious areas existing among scholars, presented the concepts in which the scholars converge, and the areas of clear agreement or coalescence that form a body
of agreements uniting the participating authentic leadership scholars. Ladkin and Spiller presented two overarching premises in their introduction. They are (a) leadership is a relational phenomenon, and (b) the nature of the “self” is formed in relationships and is considered a work in process (p. 1). The summary of their concepts is presented in Table 6.

Table 6

<table>
<thead>
<tr>
<th>Summary of Ladkin and Spiller (2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clashes</strong></td>
</tr>
<tr>
<td>The nature of the self marginalizes relationships and contexts. The notion that the ‘true self’ operates at its best when unencumbered by the world of others denies the forces that interplay to forge a person.</td>
</tr>
<tr>
<td>Performing authentically and the requirements of leading as leaders can hide behind abusive and dysfunctional behavior by claiming to be authentic.</td>
</tr>
<tr>
<td>Too good to be true, as leaders are idealized and portrayed as more god-like despite the realities of being human.</td>
</tr>
<tr>
<td><strong>Convergences</strong></td>
</tr>
<tr>
<td>Letting go – leaders need the capacity to act selflessly in order to provide leadership. There is potential for reciprocity between leaders and followers. The orchestra conductor needs to let the musicians play.</td>
</tr>
<tr>
<td>Power and status – being fully in each moment produces a genuine, live and unplanned response to what happens on stage. Followers may lower their status in order to experience the safety of having a higher status leader around.</td>
</tr>
<tr>
<td>Working it – the idea that authenticity is a process to be “worked” rather than a quality of self to be dipped to. It is not enough being yourself, if you are not at your best.</td>
</tr>
<tr>
<td><strong>Coalescences</strong></td>
</tr>
<tr>
<td>Authenticity in the context of institutions – fitting in to the dominant discourse, rather than being “true” can be a key to career advancement. Followers need a leader who is prototypical of them.</td>
</tr>
<tr>
<td>Relational nature of authenticity – who is authenticity for? A sense of acting with one’s own values and beliefs is key to an individual’s experience of operating with a healthy sense of well-being. Authenticity is a social, rather than personal virtue.</td>
</tr>
<tr>
<td>The value of authenticity – shareholders observe leader’s commitment to a longer term and broader interests. Direct experience, reflection and discovery forge authentic responses in the face of the unknown.</td>
</tr>
</tbody>
</table>
Leadership as “a relational phenomenon is not something that can be distilled down to one leader, whether authentic or not” (Ladkin & Spiller, 2013, p. 1). Instead, they observed that “it involves taking up the leader role—a part required by a particular socio-historic moment—rather than being something that a person is” (p. 1). This position seems to be partial to the interpersonal and apparent denial of the intrapersonal and developmental perspectives of authentic leadership (Northouse, 2013).

Ladkin and Spiller (2013) believe that much of authentic leadership focuses on the individual leader, although, they admit, the self is formed in relationships. Even when the notion that the “true self” operates at its best when unencumbered by others, that in itself is a denial of forces that interplay to forge a person, and many authors speak of the benefits and the drawbacks in understanding the self primarily through self-reflection. Ladkin and Spiller (2013) also questioned how authentic leadership, with its focus on the self, can produce the selfless and enlightened leaders that it claims. Furthermore, with some scholars questioning self-other rating comparison for measuring self-awareness, the question becomes open as to the measuring statistical technique that could be applied to the groups studied (S. N. Taylor, Wang, & Yujie, 2012). As scholarly research in the area of authentic leadership proliferated during the last decade, its impact on our understanding of leadership development has also grown (Gardner et al., 2011).

Inauthentic Leaders

Leaders are not perfect, and most of them present a measure of inauthentic beliefs and behavior. They may be found less than open, reliable, and accountable; not following principles, and less than upright and honest. They could be openly biased, partial, unfair, and unable to understand the world and the meaning of its realities, simply being
inauthentic (Algera & Lips-Wiersma, 2012; Dasborough & Ashkanasy, 2005; Seeman, 1966). Even the most classic examples of leaders with widely recognized integrity and authenticity, like Mohandas Gandhi in India, Nelson Mandela in South Africa, or Aung San Suu Kyi in Myanmar, are found to be inauthentic in some aspect of their leadership.

Leaders are complex and may show less than their authentic self. Ciulla (2013) sees that a construct of authenticity that centers on self-knowledge is too simplistic to explain leaders like Mandela. Ciulla describes him as less than authentic when his public behavior was at odds with his true personal emotions. Mandela, she concludes,

gives up some of his freedom and autonomy to become a part of the project of the anti-apartheid movement. Mandela is attentive to what he is in the context of others, but whether he acts as he really is or fakes it is irrelevant to what he actually does. The assumption that morality is a quality of an authentic leader and the result of being an authentic leader is circular and too simplistic to stand up to real examples in history. Mandela is not a moral leader because he is authentic, nor is he an authentic leader because he is moral. (p. 37)

She concluded, “Mandela the man got lost in Mandela the movement” (Ciulla, 2013, p. 37).

Issues of inauthenticity have been implied also in research done on toxic, despotic, destructive, tyrannical or simply systemic anomalies that have crept into the system and make leaders fail (Einarsen, Aasland, & Skogstad, 2007; Krasikova, Green, & LeBreton, 2013; Padilla, Hogan, & Kaiser, 2007; Popper, 2011; Schyns & Schilling, 2013; Thoroughgood, Padilla, Hunter, & Tate, 2012).

A View of Adventist Leaders

Before concluding this chapter, it is of critical importance to emphasize the need of authenticity among Adventist leaders, and to revisit Jan Paulsen’s remarks in 2005 already commented on previously. A harmony exists between his description of the
leadership dimensions needed by church leaders and the constructs of Authentic Leadership theory. During his public address Paulsen asked, “What are the qualities which the community of faith can reasonably be expected to look for in electing a leader?” (p. 37). He identified (a) transparency, defined as the filter through which humility and integrity are seen; (b) self-awareness, or relating to our past experiences in order to learn from them; (c) ethical/moral integrity, as greed and self-seeking do not belong in any leadership assignment in our church; and (d) the ability of a leader to seek unity, inclusiveness of culture, gender and opinions, and consideration to having the same manual, policies, statement of fundamental beliefs and integrated resource support system which in essence makes the church ‘one united global family of faith.’ Paulsen (2005) further indicated,

what is critical is to have a clear identification of what constitutes the core personality, the spiritual ‘DNA,’ of Seventh-day Adventism, which transcends cultures and traditions and must be retained, treasured, nurtured, and passed on to our children and the next generation of church members. And this is a leadership issue. It is leadership’s responsibility, with discipline and love to look after the heart and the mind of this church. (p. 33)

The Authentic Leadership construct defines authenticity in both leaders and followers in four variables that impact their development: Self-Awareness, Relational Transparency, Ethical/Moral Behavior, and Balanced Processing of other peoples’ opinions (Avolio & Gardner, 2005; Gardner, Avolio, Luthans, et al., 2005; Walumbwa et al., 2008). They correlate closely with the values expressed by Paulsen (2005). As I evaluate these variables among Adventist local conference treasurers and their associates in this study, I believe that I am also addressing needs the church has already articulated.

In his latest book (2011), Paulsen reiterated that “an Adventist leader is a person of integrity” (p. 29), and identified outstanding Adventist leaders as (a) having
transparent motives, (b) showing balance as they consider everyone’s opinion before
deciding and acting selflessly, (c) should be guided by scriptural principles, (d) seek the
guidance of the Holy Spirit to know themselves better, (e) to be able to sense the pulse of
the community they have been asked to lead, (f) having the humility to be led, and (g)
being able to handle change (pp. 30-35).

Before I conclude this literature review it is fair to mention a less intentional, and
yet generalized problem existing in the administration of the structures of the Adventist
denomination. The systemic, perhaps an imperceptible hint at inequity in the distribution
leadership tasks among administrative officers that renders my target group, the local
conference treasurers, unable to function as the leaders they are (Patterson, 2012). The
reader of this study should be made aware of the fact that when leaders are unable to
exercise leadership effectively in their assigned areas, they forfeit the possibility of
becoming authentic leaders.

Summary

This review of the literature was divided into four major sections: (a) a historical
overview of Authentic Leadership (AL); (b) the philosophical and theoretical foundations
of AL; (c) ethical, positive forms of leadership and AL/Authentic Leadership
Development (ALD), and (d) issues and questions from the current research environment.
These four sections describe the origin and development of AL as a leadership theory, its
different philosophical and theoretical influences, and the most recent trends of the theory
given its relatively short life. Authentic leadership was eclectically conceived to be at the
root of positive forms of leadership with the purpose of developing a leader who is a
better kind of person, whose character and behavior agree, who shows consistency in
values and actions, in beliefs and behavior, and who is capable of inspiring others to follow, or lead. The local conference treasurers, or chief financial officers, function in a church environment and culture. T. Brown (2005) indicates that the perception of the treasurer has moved from accounting to financial leadership. The review of the literature framing this study provides a platform to help understand their perceptions and that of their followers within the context of authentic leadership, which converges with the stated desires expressed by the church. In the following chapter I address the research design, the methodology, and the limitations of the study.
CHAPTER 3

RESEARCH DESIGN, METHODOLOGY, AND LIMITATIONS

Introduction

The purpose of the study is to explore the perceptions of Adventist local conference treasurers in the continental United States as Authentic Leaders and assess how their perceptions either agree or disagree with the perceptions of their followers. I will accomplish this by relating the answers of the local conference treasurers with the answers of their subordinates or followers to the Authentic Leadership Questionnaire (ALQ 1.0) (Avolio et al., 2007).

The chapter includes (a) a description of the sample/population under study; (b) the survey procedure; (c) a description of the Authentic Leadership Questionnaire (ALQ); (d) the methodology used for data collection and analysis; and (e) notes the limitations of the research design and methodology of this study. I seek to explore how the treasurers relate to the values proposed by “a root construct at the base of transformational leadership” (Gardner, Avolio, Luthans, et al., 2005, p. 350), and if their perception is either confirmed or denied by the responses of their followers.

This is a quantitative correlational, comparative, cross-sectional survey. It seeks to explore and measure the relationship between leaders and followers (Creswell, 2008, pp. 133-135). The study seeks to explain the relationship of two sets of measurable
variables (relational transparency, balanced processing of opinions, ethical/moral values and self-awareness), and it has a cross-sectional survey design (pp. 389-391).

**Population and Sample**

The populations studied compose the conference-level financial personnel of the Seventh-day Adventist Church in the United States. In this study the Authentic Leadership values, in four measurable dimensions, are tested for the local conference treasurers or financial managers/leaders, as the “leaders,” and their responses will be measured and compared with the responses of their “followers,” their associates in financial management (local conference undertreasurers, associate treasurers, assistant treasurers, accountants, and association or corporation treasurers working under their immediate and direct supervision). These are identified in Table 7 as Follower 1. The treasurers of secondary boarding school institutions operating under the direct local conference financial supervision are identified under Follower 2. The table groups them by Union Conferences, which are geographic areas where the conferences operate.

Based on the information shown in Table 7, the number of participants from the Leader group was 50, from Follower 1 group were 120, and from Follower 2 group were 28, for a total number of 198 possible participants. This study is considered to be a census study, as it studies the data directly from the population; therefore, a random sample was not taken, and hypothesis probability testing procedures were not required (Creswell, 2008, p. 394).

**Hypotheses**

For this quantitative inferential study the first research hypothesis ($H_{a1}$) is the expectation that the local conference treasurers’ self-perceptions of transparency,
Table 7

*Leaders and Followers Participants*

<table>
<thead>
<tr>
<th>Union Conference</th>
<th>Local Conference</th>
<th>Leader</th>
<th>Follower 1</th>
<th>Follower 2</th>
<th>Total</th>
</tr>
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<tr>
<td>Atlantic</td>
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<td>4</td>
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</tr>
<tr>
<td></td>
<td>Northern New England</td>
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<td>2</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Southern New England</td>
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<td></td>
<td>5</td>
<td>13</td>
<td>1</td>
<td>19</td>
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<tr>
<td>Columbia</td>
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<td>3</td>
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<td>5</td>
</tr>
<tr>
<td>(Middle Atlantic)</td>
<td>Allegheny West</td>
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<td>3</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Chesapeake</td>
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<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
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<td>Mountain View</td>
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<td>1</td>
<td>-</td>
<td>2</td>
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<td>New Jersey</td>
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<td>3</td>
</tr>
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<td>2</td>
<td>1</td>
<td>4</td>
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<td></td>
<td>Pennsylvania</td>
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<td>2</td>
<td>1</td>
<td>4</td>
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<td></td>
<td>Potomac</td>
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<td>5</td>
<td></td>
<td>6</td>
</tr>
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<td></td>
<td></td>
<td>8</td>
<td>21</td>
<td>5</td>
<td>34</td>
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<td>-</td>
<td>4</td>
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<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Lake Region</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Michigan</td>
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<td>3</td>
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<td>5</td>
</tr>
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<td></td>
<td>Wisconsin</td>
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<td></td>
<td>5</td>
<td>12</td>
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</tr>
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<td>Mid-America</td>
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<td>1</td>
<td>-</td>
<td>2</td>
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<td>(US center region)</td>
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<td>3</td>
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<td>2</td>
<td>1</td>
<td>4</td>
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<td>2</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
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<td>Minnesota</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
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<td>Rocky Mountain</td>
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<td>2</td>
<td>1</td>
<td>4</td>
</tr>
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<td></td>
<td></td>
<td>6</td>
<td>10</td>
<td>4</td>
<td>20</td>
</tr>
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<td>Alaska</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>(Pacific North West)</td>
<td>Idaho</td>
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<td>1</td>
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<td>1</td>
<td>1</td>
<td>3</td>
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<tr>
<td></td>
<td>Oregon</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
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<td>Upper Columbia</td>
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<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Washington</td>
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<td>4</td>
<td>-</td>
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<td>6</td>
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<td>3</td>
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<td>(Arizona, California,</td>
<td>Central California</td>
<td>1</td>
<td>5</td>
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<td>7</td>
</tr>
<tr>
<td>Hawaii, Nevada and Utah)</td>
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<td>3</td>
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<tr>
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<td>-</td>
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<td></td>
<td>Northern California</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Southeastern</td>
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<td>4</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>California</td>
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<td>1</td>
<td>3</td>
<td>-</td>
<td>4</td>
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<td></td>
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<td>4</td>
<td>31</td>
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Table 7—Continued.

<table>
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<tr>
<th>Union Conference</th>
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<th>Leader</th>
<th>Follower 1</th>
<th>Follower 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern</td>
<td>Carolina</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>(South East and</td>
<td>Florida</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>South Central</td>
<td>Georgia-Cumberland</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>States)</td>
<td>Gulf States</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kentucky-Tennessee</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>South Atlantic</td>
<td>1</td>
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</tr>
<tr>
<td></td>
<td>South Central</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Southeastern</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td>8</td>
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<td>5</td>
<td>37</td>
</tr>
<tr>
<td>Southwestern</td>
<td>Arkansas-Louisiana</td>
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<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>(South West)</td>
<td>Oklahoma</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Southwest Region</td>
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<td>2</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Texas</td>
<td>1</td>
<td>4</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Texico</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>11</td>
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<td>50</td>
<td>120</td>
<td>28</td>
<td>198</td>
</tr>
</tbody>
</table>

moral/ethical values, balanced processing, and self-awareness are significantly different from followers’ perceptions of their leaders in the same four factors already indicated. This expectation stands in contrast with the null hypothesis (Ha1) that the treasurer’s self-perceptions of relational transparency, moral/ethical values, balanced processing, and self-awareness are not significantly different from followers’ perceptions of their leaders in the same four constructs.

The second hypothesis (Ha2) states that the treasurers’ gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are significantly related to their own self-perception of relational transparency, moral/ethical values, balanced processing, and self-awareness. This expectation stands in contrast with the null hypothesis (Ha2) that the treasurers’ gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and the
academic level are not significantly related to their own self-perceptions of relational transparency, moral/ethical, balanced processing, and self-awareness.

The third hypothesis ($H_{a3}$) states that the followers’ gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are significantly related to their perception of relational transparency, moral/ethical, balanced processing, and self-awareness of their leaders, the local conference treasurers. This expectation stands in contrast with the null hypothesis ($H_{a3}$) that the treasurers’ gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are not significantly related to the followers’ perception of relational transparency, moral/ethical, balanced processing, and self-awareness of their leaders.

**Definition of Variables**

This section includes the conceptual, instrumental, and operational definitions of the variables included in this study, namely (a) relational transparency; (b) balanced processing of opinions; (c) ethical/moral values, and (d) self-awareness. These variables are defined and described below. The reader also finds definitions for these variables in the Table of Variable Definitions in Appendix A.

**Relational Transparency**

In this study, following Avolio and Gardner (2005) and Walumbwa et al. (2008), the Leader (Self) concept of relational transparency is expressed as the leaders present authentic self to others, promoting trust through disclosures, openly sharing information, and expressing true thoughts and feelings while trying to minimize displays of inappropriate emotions. This concept will be operationalized via the Authentic
Leadership Questionnaire (ALQ 1.0) constituted by five items like leaders “Encourage everyone to speak their mind,” and “Admit their mistakes when they are made.” A five-score Likert scale type (from “Not at all” to “Frequently if not always”) is used to answer the items. An addition of the scores from items 1 to 5 divided by 5 will be a 0 to 4 value of the exact interval. The same measure will apply to followers with similar instrumental and operational definition.

Ethical/Moral Values

The Leader concept of moral/ethical values is expressed as the leaders have an internalized and integrated form of self-regulation guided by internal moral standards and values versus group organizational and societal pressures that result in expressed decision making and behavior consistent with the internalized values. This concept will be operationalized via the Authentic Leadership Questionnaire (ALQ 1.0) constituted by four items such as leaders “Demonstrate beliefs that are consistent with actions,” and “Make difficult decisions based on high standards of ethical conduct.” A five-score Likert scale type (“Not at all,” to “Frequently if not always”) is used to answer the items. An addition of the scores from items 6 to 9 divided by 4 will be a 0 to 4 value of the exact interval scale. A similar measure will apply to followers with a similar instrumental and operational definition.

Balanced Processing

The Leader concept of balanced processing of the opinions of others is expressed as they objectively analyze all relevant data before coming to a decision, and solicit views that challenge their deeply held positions. This concept will be operationalized via the Authentic Leadership Questionnaire (ALQ 1.0) constituted by three items such as
leaders “Solicit views that challenge my deeply held positions,” and “Listen carefully to
different points of view before coming to conclusions.” A five-score Likert scale type
(from “Not at all” to “Frequently if not always”) is used to answer the items. An addition
of the scores from items 10 to 12 divided by 3 will be a 0 to 4 value of the exact interval
scale. A similar measure will apply to followers with similar instrumental and operational
definition.

Self-Awareness

The Leader concept of self-awareness is expressed as the leaders demonstrate an
understanding of how one derives and makes meaning of the world and how that
meaning-making process impacts the way one views himself or herself over time. It also
refers to showing an understanding of one’s strengths and weaknesses and the
multifaceted nature of the self, which includes gaining insight into the self through
exposure to others. This concept will be operationalized via the Authentic Leadership
Questionnaire (ALQ 1.0) constituted by four items such as leaders “Seek feedback to
improve interactions with others,” “Accurately describe how others view my
capabilities,” “Know when it is time to reevaluate my position on important issues,” and
“Shows he or she understands how specific actions impact others.” A five-score Likert
scale type (“Not at all,” to “Frequently if not always”) is used to answer the items. An
addition of the scores from items 13 to 16 divided by 4 will be a 0 to 4 value of the exact
interval scale. A similar measure will apply to followers with similar instrumental and
operational definition.
Demographic Variables

In addition to the variables defined above, I collected other pertinent information to describe the population under study. These variables include age, defined as the time from birth to the present. The age of the respondent was determined by asking the year when he/she was born, and subtracting the year reported from 2011. Gender is defined as the respondent’s sexual biological condition. The responses seek to identify whether the respondent is a male or a female with a 1 for male, and 0 for a female, which is to be treated as a dummy variable. Educational level is defined as the highest academic degree obtained. It provides an operational definition of 1 for High School, 2 for Associate College Degree, 3 for Bachelor of Arts/Bachelor of Science, 4 for Master of Arts, Master of Science or Master of Business Administration, and 5 for PhD or equivalent.

Professional affiliations involve collecting information of professional certifications such as Certified Public Accountant (CPA), Certified Management Accountant (CMA), Certified Internal Auditor (CIA), or any other equivalent professional certification. The operational definitions are 1 for CPA, 2 for CMA, 3 for CIA, and 4 for other.

I also sought information about the total number of years of professional work of the respondent in either a financial and/or administrative area such as managerial, investments, treasury, accounting, etc. These will be operationalized based on actual number reported. The years reported in this section should be the total number of years of work regardless of whether they worked for Adventist denomination or not. The Years of Denominational Service variable seeks to obtain the information of the years of service the individual served for the Seventh-day Adventist denomination in treasury or treasury-related work. This could include any time served in financial management, investment, management, treasury, and accounting as an employee of a Seventh-day Adventist entity.
The information is defined as the total number of years of service for the SDA Church, and is operationalized as the actual number reported by the respondent.

**Instrumentation**

The instrument chosen for this study is the Authentic Leadership Questionnaire (ALQ) version 1.0, developed by the theorists who originated Authentic Leadership Development (Avolio et al., 2007). It is available through www.mindgarden.com, with the following physical address: Mind Garden, Inc., 855 Oak Grove Ave., Suite 215, Menlo Park, CA 94025 (info@mindgarden.com). The questionnaire was introduced by Walumbwa et al. (2008) and “has undergone significant validation efforts to demonstrate that it is both reliable and construct valid that gave Authentic Leadership Development a quantitative foundation” (Avolio et al., 2007, p. 1). It was tested with samples in The Republic of China, Kenya, and the United States (p. 92). The ALQ consists of 16 questions to the leaders (self), and 16 questions to the followers, (rater). Each statement was judged using the following scale: 0 = Not at all; 1 = Once in a while; 2 = Sometimes; 3 = Fairly often; 4 = Frequently, if not always. The constructs are measured with the following questions: Transparency (1, 2, 3, 4, 5); Moral/Ethical (6, 7, 8, 9); Balanced Processing (10, 11, 12); and Self-Awareness (13, 14, 15, 16) for both leaders and followers.

Validity and reliability of the instrument ALQ 1.0 are established as confirmatory factor analyses [that] supported a higher order, multidimensional model of the construct comprising leader self-awareness, relational transparency, internalized moral perspective, and balanced processing. Structural equation modeling (SEM) demonstrated the predictive validity for the ALQ measure for important work-related attitudes and behaviors, beyond what ethical and transformational leadership offered. (Walumbwa et al., 2008, pp. 97)
Finally, the instrument provided to the participants included three open-ended questions addressed to the local conference treasurers. These answers were used as the foundation of a separate qualitative study not related to this dissertation.

**Data Collection**

On April 13, 2011, a presentation of the research project was made to the leaders, the group of local conference treasurers. They collectively and voluntarily agreed to participate in the study. The Institutional Review Board (IRB) approved the application under AU Protocol Number 11-142, and upon receiving the approval I contacted the participants by email to reestablish contact with the leader group, and to establish contact with the follower groups. I contacted Mind Garden, Inc., and received their permission for the use of the Authentic Leadership Questionnaire, ALQ 1.0, for data collection. Their message contained a web line that required the Informed Consent Form to be answered first by the participant, and only after they extended their consent did the web page allow them to have access to the ALQ for them to respond to the survey questions. Each participant was given electronic access to the portion of the ALQ that applied to them. Their responses were received by Mind Garden, Inc., through an encrypted line, thus protecting the anonymity of the respondents and the confidentiality of the data.

**Data Analysis**

The data were processed without names to protect the anonymity of the participants, and in line with the methodology I used the SPSS statistical package. This is a census study and descriptive statistics was applied to the data collected. The population was studied in its entirety due to its size and identity, and as such it permits conclusions to be drawn about the entire population (Creswell, 2008, p. 394). The application of
MANOVA in order to test Hypothesis 1 ($Ha_1$), and Canonical Regression ($Rc$) to Hypotheses 2 and 3 ($Ha_2, Ha_3$) afforded a valuable opportunity to understand the responses of the groups appropriately.

**Summary**

This chapter has presented a complete description of the methodology, including the type of research, population and sample, hypotheses, definition of variables, instrumentation, data collection, and data analysis.
CHAPTER 4

PRESENTATION AND ANALYSIS OF DATA

Introduction

The purpose of this study was to explore the Authentic Leadership values of Adventist local conference treasurers or Chief Financial Officers (CFOs) in the continental United States by comparing their self-evaluating input with the input their followers provide of them. This study used the Authentic Leadership Development Questionnaire 1.0 (ALQ 1.0) as the measuring instrument (Avolio et al., 2007). This chapter presents how the leaders and the followers relate to the four variables defining Authentic Leadership Development (ALD), which are relational transparency, self-awareness, ethical/moral values, and balanced processing of other people’s opinions. ALD is considered “a root construct at the base of transformational leadership” (Gardner, Avolio, Luthans, et al., 2005, p. 350).

The data describe the demographic characteristics of the population and were tested using multivariate statistical analyses. Because of this, it should be clarified that the statistical mean ($\bar{x}$) is to be considered the population mean ($\mu$). The data are a description of the population studied, and are not a sample (Heiman, 2004; Hinkle, Wiersma, & Jurs, 1998). The individuals studied are the population of local conference treasurers (the leaders), and the associates in treasurers and academy treasurers (the followers). The first research hypothesis in this study was tested with MANOVA, and the
second and third hypotheses were tested by means of canonical correlation, using the statistical software SPSS, version 22.

Description of the Population

The group studied consisted of 50 Adventist local conference treasurers, who are also referred to in this study as leaders, CFOs, and self who are serving in the United States. A total of 45 individuals answered the Authentic Leadership Questionnaire 1.0 (ALQ 1.0) anonymously via web, using the services of Mind Garden, Inc. for data collection, and four (4) decided not to participate in the study. In order to protect their anonymity, as well as the identities of the group of respondents who evaluated the 45 participating local conference treasurers, Mind Garden, Inc., made the data available to my advisor, who made them available to me without individual names, but only with code numbers. The second group is a total of 102 respondents composed of 84 Associates in Treasury in Adventist local conferences, and 18 Academy Treasurers directly administered by local conferences, as provided by the Education Department of the Seventh-day Adventist Church in North America. It should be noted that one participant leader (CFO, Local Conference Treasurer) chose to answer only part of the questions and because of this the number of respondents varies from 45 to 46. This fluctuation is noted in Table 8. This study is a census of the population.

The first group, Self, is a group of financial leaders consisting of 35 males and 10 females who self-evaluated, with ages ranging from their 30s to their 70s, with 71% of them in age groups ranging from 50 to 69 years of age, and with an educational level of BA, BS, MA, or MBA totaling 95.6% of the participant leaders. The second group (Raters) represents a total of 102 participants composed of two kinds of followers. The
Associates in Treasury work group \((R_1)\) consists of 84 participants, and the Academy Treasurers group \((R_2)\) consists of 18 participants. The number of raters who decided not to participate was 45, of which 35 are Associates in Treasury and 10 are Academy Treasurers. The groups together included 37% females and 63% males, with ages ranging between 25 and 74 years of age. This population group of employees responded to the same ALQ 1.0 questions to which the first group responded. The results are detailed in Table 8.

**Description of the Variables**

The four dependent variables tested as the core of Authentic Leadership Development (ALD) are the leader’s (a) Relational Transparency in dealing with others, (b) adherence to Moral/Ethical standards and values, (c) understanding of his/her own self through Self-Awareness, and (d) Balanced Processing weighing the opinions of others in making decisions.

These four dependent variables taken together provide a measure of the leader’s view of his/her own authentic values. The measurement of authenticity is completed when their followers add their own views about their leader’s self-rating. Both sets of responses taken in combination provide the view of authentic leadership of this study.

The three independent or demographic metric variables are (a) Years of Work for the Denomination, (b) Years in Administration, and (c) Age of the participants. The summary of results of the Mean and Standard Deviation for all groups \((\text{Self}, R_1, \text{and } R_2)\) is presented in Table 9. The total number of independent variables increases to five (5) with the addition of two categorical variables, Educational Level and Gender.
### Table 8

**Demographic Information of Participants**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Local Conference Treasurers</th>
<th>Associates in Treasury</th>
<th>Academy Treasurers</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>N=45</td>
<td>N=84</td>
<td>N=18</td>
<td>N=147</td>
</tr>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>35</td>
<td>77.8</td>
<td>49</td>
<td>58.3</td>
</tr>
<tr>
<td>Female</td>
<td>10</td>
<td>22.2</td>
<td>35</td>
<td>41.7</td>
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<tr>
<td><strong>Age</strong></td>
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<td></td>
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<td></td>
</tr>
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<td>25–29</td>
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<td>0</td>
<td>2</td>
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</tr>
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<td>30–39</td>
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<td>20</td>
<td>24.0</td>
</tr>
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<td>40–49</td>
<td>5</td>
<td>11.0</td>
<td>17</td>
<td>20.0</td>
</tr>
<tr>
<td>50–59</td>
<td>20</td>
<td>44.0</td>
<td>30</td>
<td>36.0</td>
</tr>
<tr>
<td>60–69</td>
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<td>27.0</td>
<td>15</td>
<td>18.0</td>
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<td>70–74</td>
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<td>5.0</td>
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<tr>
<td><strong>Educational Level</strong></td>
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<td>6.0</td>
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<td>42</td>
<td>50.0</td>
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<tr>
<td>MA or MBA</td>
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<td>46.7</td>
<td>29</td>
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<td>PhD or Equivalent</td>
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<td>-</td>
<td>-</td>
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<td><strong>Professional Affiliation</strong></td>
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<td></td>
<td></td>
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<td>CPA</td>
<td>12</td>
<td>26.7</td>
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<td>-</td>
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<td>OTHER</td>
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<td>5</td>
<td>6.0</td>
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<td>-</td>
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<tr>
<td><strong>Years in Administration</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1–9</td>
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<td>13.3</td>
<td>21</td>
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<tr>
<td>10–19</td>
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<td>15.5</td>
<td>20</td>
<td>24.0</td>
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<tr>
<td>20–29</td>
<td>15</td>
<td>33.4</td>
<td>26</td>
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<tr>
<td>30–39</td>
<td>12</td>
<td>26.7</td>
<td>13</td>
<td>15.0</td>
</tr>
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<td>40–50</td>
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<td>5.0</td>
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<td><strong>Years in Denominational Work</strong></td>
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<td></td>
</tr>
<tr>
<td>1–9</td>
<td>4</td>
<td>8.9</td>
<td>29</td>
<td>35.0</td>
</tr>
<tr>
<td>10–19</td>
<td>7</td>
<td>15.5</td>
<td>30</td>
<td>36.0</td>
</tr>
<tr>
<td>20–29</td>
<td>16</td>
<td>35.5</td>
<td>19</td>
<td>23.0</td>
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<tr>
<td>30–39</td>
<td>15</td>
<td>33.4</td>
<td>5</td>
<td>6.0</td>
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<tr>
<td>40–50</td>
<td>3</td>
<td>6.7</td>
<td>1</td>
<td>1.0</td>
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</table>
Table 9

Summary of Means and Standard Deviations

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Self (N=45)</td>
<td>R1 (N=84)</td>
</tr>
<tr>
<td>Years of DEN</td>
<td>25.62</td>
<td>14.93</td>
</tr>
<tr>
<td>Years of ADM</td>
<td>24.30</td>
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</tr>
<tr>
<td>Age</td>
<td>54.60</td>
<td>48.60</td>
</tr>
<tr>
<td>Transparency</td>
<td>3.07</td>
<td>2.86</td>
</tr>
<tr>
<td>Self-Awareness</td>
<td>2.99</td>
<td>2.64</td>
</tr>
<tr>
<td>Ethical Moral</td>
<td>3.56</td>
<td>3.21</td>
</tr>
<tr>
<td>Balanced Processing</td>
<td>3.24</td>
<td>2.82</td>
</tr>
</tbody>
</table>

Note. DEN = Denomination Service; ADM = Administrative Experience.

The five independent and the four dependent variates were used to test the hypotheses described in the following paragraphs. The results are detailed in the following tables and paragraphs.

Testing

This section describes the tests applied to each of the research hypotheses and the results of the tests. It includes descriptive statistical tables and comments on the results.

Hypothesis 1

The first research hypothesis (Ha1) of this study is the expectation that a local conference treasurer’s self-perceptions of relational transparency, moral/ethical, balanced processing, and self-awareness values are significantly different from the perceptions followers expressed of their leaders in the same four ALD factors already indicated. This expectation stands in contrast with the null hypothesis (Ho1) that the treasurer’s self-perceptions of relational transparency, moral/ethical, balanced processing, and self-
awareness are not significantly different from those of followers on the same four constructs.

A three group one-way between-subjects multivariate analysis of variance was performed on the four authentic leadership dependent variables indicated above. The independent variable was the role of the participant, namely the local conference treasurer, the associates in treasury, and the academy treasurer. A total of 148 participants were distributed in 46 Treasurers, 84 Associates in Treasury, and 18 Academy Treasurers (see Table 8). A statistically significant Box’s $M$ test ($p<.001$) indicated unequal variance-covariance matrices of the dependent variables across levels of participant role, and thus necessitated the use of Pillai’s trace in assessing the multivariate effect.

By using Pillai’s trace as the criterion, the dependent variate mean was significantly different by participant’s role. Pillai’s trace is equal to .126, $F(8,286) = 2.40, p=.016$, $1 - \text{Wilks’s Lambda} = .122$. Univariate ANOVAs were conducted in each dependent variable separately to determine the locus of the statistically significant multivariate difference. Against this alpha level, the participant’s role was statistically significantly different for transparency $F(2,145) = 4.97, \text{sig.} = .013$; Self-Awareness $F(2, 145) = 4.720, \text{sig.} = .010$; Ethical/Moral $F(2, 145) = 3.935, \text{sig.} = .022$; and Balanced Processing $F(2, 145) = 4.671, \text{sig.} = .011$.

The Tamhane test suggested that the Academy raters ($R_2$, Followers) value transparency slightly higher than do the Associates in Treasury ($R_1$, Followers), with sig. $= .004$, but remain closer to the treasurer’s self-evaluation (see Table 9). The Self-Awareness mean is significantly lower for Associates in Treasury than the Academy
Treasurers and Treasurers, with sig. = .027 for Academy Treasurers, and sig. = .040 for Treasurers (see Table 9).

Ethical/Moral mean of Associates in Treasury is significantly lower in comparison with the Treasurers mean, sig. = .013, than with the mean of Academy Treasurers, and the difference is not significant. Balanced Processing mean of Associates in Treasury is significantly lower in comparison with the Treasurer’s mean, sig. = .004, than with the mean of Academy Treasurers, and the difference is not significant. The Treasurers and the Academy Treasurers show no significant difference among themselves.

Hypothesis 2

The hypothesis that was examined stated that the treasurer’s personal characteristics of gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are significantly related to his or her own self-perception of authentic leadership as expressed in transparency, moral/ethical values, balanced processing, and self-awareness. This expectations stand in contrast with null hypothesis 2 (Ho2) that the treasurer’s personal characteristics of gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are not significantly related to his or her own self-perception of authentic leadership as expressed in transparency, moral/ethical values, balanced processing, and self-awareness. Table 10 describes the zero/order correlation coefficient of dependent and independent variables for Treasurers.
Table 10

Zero/Order Correlation Coefficient of Dependent and Independent Variables for Treasurers*

<table>
<thead>
<tr>
<th>Variables</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years DEN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Years ADM</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educational Level</td>
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<td>-.312</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>.228</td>
<td>.082</td>
<td>-.194</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.651</td>
<td>.631</td>
<td>-.324</td>
<td>-.089</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transparency</td>
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<td>.121</td>
<td>.121</td>
<td>-.303</td>
<td>.155</td>
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<td></td>
</tr>
<tr>
<td>Self-Awareness</td>
<td>-.329</td>
<td>-.079</td>
<td>.372</td>
<td>-.253</td>
<td>-.129</td>
<td>.480</td>
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<td></td>
</tr>
<tr>
<td>Ethical/Moral</td>
<td>-.079</td>
<td>.081</td>
<td>.138</td>
<td>-.142</td>
<td>.255</td>
<td>.455</td>
<td>.436</td>
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<tr>
<td>Balanced Process</td>
<td>-.387</td>
<td>-.243</td>
<td>.209</td>
<td>.064</td>
<td>-.247</td>
<td>.374</td>
<td>.731</td>
<td>.356</td>
</tr>
</tbody>
</table>

Note. DEN = Denominational Service; ADM = Administrative Experience.
*Self-Rated, Leaders, Local Conference Treasurers, CFOs.

A canonical correlational analysis was conducted to test the multivariate relationship between the variables of the dependent variate authentic leadership (relational transparency, moral/ethical values, balanced processing, and self-awareness) and the variables of the independent variate personal characteristics (gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level). The relationship between authentic leadership and personal characteristics was statistically significant using the Wilks’s $\lambda = .446$ criterion ($F [20,120] = 1.65$, $p = .051$, $R_c = .581$, $R_c^2 = .338$, and $RI = .175$). The significance of this relationship, canonical correlation, canonical correlation squared (shared variance), and redundancy index provided the basis for the rejection of the null hypothesis.
Canonical loadings were examined to measure the correlation between the variables with the respective canonical variables (authentic leadership and personal characteristics). Table 11 presents the canonical loadings as a measure of the correlation and shared variance between each variate with the respective canonical variables.

Table 11

*Canonical Correlation Analysis Between Treasurers’ Personal Characteristics and Authentic Leadership Self-evaluation (N=45)*

<table>
<thead>
<tr>
<th>Variables</th>
<th>$B^{a}$</th>
<th>$r^{b}$</th>
<th>$r^2c$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlations between dependent variable AL and its canonical variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transparency</td>
<td>.514</td>
<td>.776</td>
<td>.602</td>
</tr>
<tr>
<td>Self-Awareness</td>
<td>.728</td>
<td>.641</td>
<td>.411</td>
</tr>
<tr>
<td>Ethical/Moral</td>
<td>.374</td>
<td>.679</td>
<td>.461</td>
</tr>
<tr>
<td>Balanced Processing</td>
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<td>.179</td>
<td>.032</td>
</tr>
<tr>
<td>$R_c$</td>
<td>.581</td>
<td></td>
<td>.338</td>
</tr>
<tr>
<td><strong>Correlations between independent variable PC and its canonical variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Years DEN</td>
<td>-.653</td>
<td>-.180</td>
<td>.032</td>
</tr>
<tr>
<td>Years ADM</td>
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<td>.343</td>
<td>.118</td>
</tr>
<tr>
<td>Education</td>
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<td>.424</td>
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<td>Gender</td>
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<td>.360</td>
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<tr>
<td>Age</td>
<td>.745</td>
<td>.428</td>
<td>.183</td>
</tr>
</tbody>
</table>

*Note.* AL = authentic leadership and PC = personal characteristics; DEN = Denominational Service; ADM = Administrative Experience.

$^{a}$Standardized function coefficients. $^{b}$Canonical correlation coefficients/Canonical loadings. $^{c}$Squared canonical coefficients/Canonical loadings.
The correlation between each variable and the respective canonical variate is organized in a range from highest to lowest. The following relationships between the variables in the canonical variate authentic leadership were observed: transparency (.776), ethical moral (.679), self-awareness (.641), and balance processing (.179). The correlation between the variables and the canonical variate personal characteristics was observed: gender (-.600), age (.428), education (.424), years administration (.343), years denominational (-.180).

In Table 12 the Beta ($\beta$) coefficients of Treasurers, their personal characteristics, serve as predictors of the AL variables (Relational Transparency, Self-Awareness, Ethical/Moral behavior, and Balanced Processing of others’ opinions). The highest coefficients for Relational Transparency are predicted by the Years of Denominational Service (-.45) and Age (.36). The highest coefficients for Self-Awareness are predicted by the Years of Denominational Service (-.36) and Education (.34). The highest ones for Ethical/Moral Behavior are predicted by Years of Denominational Service (-.42) and by Age (.62), and the highest coefficients for Balanced Processing are predicted by Years of Denominational Service (-.40), with the other levels showing no significance. The ($R$) correlation levels show low $\beta$ coefficients ranging from .17 to .25, with the highest one for Self-Awareness.

**Hypothesis 3**

The hypothesis that was examined stated that the followers’ (raters) personal characteristics of gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are significantly related to their perception of authentic leadership as expressed in transparency, moral/ethical values,
**Table 12**

*β Coefficients of Treasurers’ Personal Characteristics Variables as Predictors of Authentic Leadership Variables (N=46)*

<table>
<thead>
<tr>
<th>Variables</th>
<th>Transparency</th>
<th>Self-Awareness</th>
<th>Ethical/Moral</th>
<th>Balanced Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years DEN</td>
<td>-.45</td>
<td>-.36</td>
<td>-.42</td>
<td>-.40</td>
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<tr>
<td>Years ADM</td>
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<td>.15</td>
<td>-.03</td>
<td>-.06</td>
</tr>
<tr>
<td>Education</td>
<td>.14</td>
<td>.34</td>
<td>.22</td>
<td>.12</td>
</tr>
<tr>
<td>Gender</td>
<td>-.16</td>
<td>-.11</td>
<td>.05</td>
<td>.06</td>
</tr>
<tr>
<td>Age</td>
<td>.36</td>
<td>.11</td>
<td>.62</td>
<td>.10</td>
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</tbody>
</table>

*Note.* DEN = Denominational Service; ADM = Administrative Experience.

balanced processing, and self-awareness of their leaders, the local treasurers. This expectation stands in contrast with null hypothesis 2 (H02) that the followers’ (raters) personal characteristics of gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level are not significantly related to their perception of authentic leadership as expressed in transparency, moral/ethical values, balanced processing, and self-awareness of their leaders, the local treasurers. Table 13 describes the zero/order correlation coefficient for raters.

A canonical correlational analysis was conducted to test the multivariate relationship between the variables of the dependent variate authentic leadership (transparency, moral/ethical values, balanced processing and self-awareness) and the variables of the independent variate personal characteristics (gender, age, years of professional service, years of service to the Seventh-day Adventist Church, and academic level). The relationship between authentic leadership and personal characteristics was statistically significant using the Wilks’s $\lambda = .694$ criterion ($F \ [20,309] = 1.79$, $p = .020, R_c$...
Table 13

Zero/Order Correlation Coefficients of Raters

<table>
<thead>
<tr>
<th>Variables</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
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<tbody>
<tr>
<td>Years DEN</td>
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<td></td>
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<td></td>
<td></td>
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<tr>
<td>Years ADM</td>
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</tr>
<tr>
<td>Education</td>
<td>-.179</td>
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<td>.332</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.571</td>
<td>.763</td>
<td>-.418</td>
<td>.191</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transparency</td>
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<td>-.102</td>
<td>.162</td>
<td>-.053</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Self-Awareness</td>
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<td>-.087</td>
<td>.076</td>
<td>-.045</td>
<td>.787</td>
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</tr>
<tr>
<td>Ethical/Moral</td>
<td>-.067</td>
<td>-.053</td>
<td>-.146</td>
<td>.069</td>
<td>-.035</td>
<td>.822</td>
<td>.743</td>
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</tr>
<tr>
<td>Balanced Processing</td>
<td>-.021</td>
<td>-.008</td>
<td>-.016</td>
<td>.095</td>
<td>-.020</td>
<td>.774</td>
<td>.855</td>
<td>.774</td>
</tr>
</tbody>
</table>

*Note. DEN = Denominational Service; ADM = Administrative Experience.*

= .408, $R_c^2 = .167$, and $RI = .078$. The significance of this relationship, canonical correlation, canonical correlation squared (shared variance), and redundancy index helped in making the decision to reject the null hypothesis.

Canonical loadings were examined to measure the correlation between the variables with the respective canonical variables (authentic leadership and personal characteristics). Table 14 presents the canonical loadings as a measure of the correlation and shared variance between each variate with the respective canonical variables.

The correlation between each variable and the respective canonical variate is organized in a range from highest to lowest. The following relationships between the variables in the canonical variate authentic leadership were observed: self-awareness (-.470), transparency (-.048), ethical moral (.048), and balance processing (.022). The
correlation between the variables and the canonical variate personal characteristics was observed: years in administration (-.496), years denominational (-.304), education (.195), age (.098), and gender (.088).

Table 14

*Correlation Analysis Between Raters’ Personal Characteristics and Authentic Leadership Perception (N=102)*

<table>
<thead>
<tr>
<th>Variables</th>
<th>$B^a$</th>
<th>$r^b$</th>
<th>$r^{2c}$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlations between dependent variable AL and its canonical variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transparency</td>
<td>.292</td>
<td>-.048</td>
<td>.002</td>
</tr>
<tr>
<td>Self-Awareness</td>
<td>2.056</td>
<td>-.470</td>
<td>.229</td>
</tr>
<tr>
<td>Ethical/Moral</td>
<td>.334</td>
<td>.048</td>
<td>.002</td>
</tr>
<tr>
<td>Balanced Processing</td>
<td>1.295</td>
<td>.022</td>
<td>.000</td>
</tr>
<tr>
<td>$R_c$</td>
<td></td>
<td>.408</td>
<td>.167</td>
</tr>
<tr>
<td><strong>Correlations between independent variable PC and its canonical variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Years DEN</td>
<td>-.330</td>
<td>-.304</td>
<td>.092</td>
</tr>
<tr>
<td>Years ADM</td>
<td>-1.356</td>
<td>-.496</td>
<td>.246</td>
</tr>
<tr>
<td>Education</td>
<td>.281</td>
<td>.195</td>
<td>.038</td>
</tr>
<tr>
<td>Gender</td>
<td>.278</td>
<td>.088</td>
<td>.007</td>
</tr>
<tr>
<td>Age</td>
<td>1.492</td>
<td>.098</td>
<td>.009</td>
</tr>
</tbody>
</table>

*Note. AL = authentic leadership perception and PC = personal characteristics; DEN = Denominational Service; ADM = Administrative Experience.*

$^a$Standardized function coefficients. $^b$Canonical correlation coefficients/Canonical loadings. $^c$Squared canonical coefficients/Canonical loadings.
In Table 15 the Beta ($\beta$) coefficients shown are the results of the personal characteristics variables of the raters (Associates in Treasury and Academy Treasurers) predicting the ALD variables (Relational Transparency, Self-Awareness, Ethical/Moral behavior, and Balanced Processing) of the leaders, the local conference treasurers. The strongest predictors for Relational Transparency are Education (-.21) and Gender (.23).

Table 15

$\beta$ Coefficients of Raters’ Personal Characteristics Variables as Predictors of Authentic Leadership Variables (N=102)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Transparency</th>
<th>Self-Awareness</th>
<th>Ethical/Moral</th>
<th>Balanced Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years DEN</td>
<td>-.18</td>
<td>.00</td>
<td>-.07</td>
<td>-.04</td>
</tr>
<tr>
<td>Years ADM</td>
<td>.10</td>
<td>.27</td>
<td>-.06</td>
<td>.00</td>
</tr>
<tr>
<td>Education</td>
<td>-.21</td>
<td>-.16</td>
<td>-.23</td>
<td>-.06</td>
</tr>
<tr>
<td>Gender</td>
<td>.23</td>
<td>.07</td>
<td>.15</td>
<td>.11</td>
</tr>
<tr>
<td>Age</td>
<td>-.07</td>
<td>-.31</td>
<td>-.01</td>
<td>.00</td>
</tr>
</tbody>
</table>

Note. DEN = Denominational Service; ADM = Administrative Experience.

The predictors of Self-Awareness are indicated by the scores in Years of Administrative Experience (.27) and Age (-.31). The Ethical/Moral variable is predicted by Education (-.45), and the Balanced Processing scores are not significant to indicate an impact on the variable. The correlation ($R$) levels show very low beta ($\beta$) coefficients ranging from .08 to .01, with the highest level indicated for Relational Transparency.
Summary

In this study I measured the authentic leadership values of local conference treasurers as tested by their followers, their associates in treasury and academy treasurers. Three hypotheses were tested using MANOVA (on \( Ha1 \)) and Canonical correlation (on \( Ha2 \) and \( Ha3 \)) on the dependent variables (Self-Awareness, Relational Transparency, Ethical/Moral behavior, and Balanced Processing of others’ opinions) that taken together provide the view of authentic leadership. In the case of hypothesis 1 (\( Ha1 \)) the null hypothesis was rejected. The demographic data of the participants indicate a frequency of male ages ranging from 50 to 59, an educational level of BA or BS, with a significant number of years of experience in administration, and years in denominational service.

The summary of means and standard deviations (Table 9) points to a higher mean and a lower standard deviation for age among leaders (\( Self \)) than for followers (\( R1, R2 \)), which indicate a stronger concurrence of opinion and a lower data variability. Among the dependent variables, the leaders also indicated a higher mean (3.56) and a lower standard deviation (0.43), pointing to higher agreement and low data variability in their responses on Ethical/Moral behavior. Testing hypothesis 1 (\( Ha1 \)) with Pillai’s trace, and with Tamhane’s and Levene’s tests, provides a higher alpha, with a .01 level used for transparency.

In the case of the second and third hypotheses (\( Ha2, Ha3 \)) the null hypotheses (\( Ho2, Ho3 \)) were rejected. The canonical correlation analysis for \( Ha2 \) indicates that the stronger predictors among personal characteristics were Gender (-.600), and (equally significant) Age and Education (.428, .424, respectively). And the highest correlations were found with variables Relational Transparency (.776) and Ethical/Moral (.679). The canonical correlation analysis for \( Ha3 \) (in which the personal characteristics of the
followers predict the authentic leadership variables of the leaders) points to the Years of Experience in Administration (-.496) and the Years of Denominational Service (-.304) as significant predictors of Self-Awareness (-.470). The scores of other dependent variables do not show significance. These factors are analyzed in the next and final chapter of this study.
CHAPTER 5

DISCUSSION OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

Introduction
This chapter provides a summary of the study, a brief review of the methodology and the research design, a discussion of the study’s key findings, the conclusions, and recommendations. The findings are interpreted in the light of the literature and my personal experience.

Summary
The purpose of this study was to explore the authentic leadership values of Adventist local conference treasurers in the United States. I accomplished this task by observing whether the self-assessment responses agree or disagree with the assessment their followers provided of them as authentic leaders. The followers are the associates in treasury and academy treasurers. This study is categorized as a self-rater, correlational, cross-sectional exploration survey of a population of business leaders working in a religious organizational structure. Through the application of the Authentic Leadership Questionnaire 1.0 I sought answers to the following questions:

1. Are local conference treasurers’ self-perceptions as authentic leaders significantly different from the perceptions of their followers in their relational
transparency, their internalized moral and ethical values, their balanced processing of followers’ opinions, and their self-awareness?

2. Are personal characteristics of the local conference treasurers significantly related to their own self-perception as authentic leaders in their relational transparency, their internalized moral and ethical values, their balanced processing of followers’ opinions and their self-awareness?

3. Are personal characteristics of the followers (gender, age, years of professional work, years of service to the church and education) significantly related to the perceptions of the local conference treasurers as authentic leaders in their relational transparency, internalized moral and ethical values, balanced processing of followers’ opinions, and their self-awareness?

Authentic Leadership is an intrapersonal, developmental, and interpersonal process, depending on whether the focus is (a) on what goes on within the leader, (b) on the nurturing of the leader, or (c) on the relational part of leadership (Northouse, 2013). In this research study, the responses of the participants touch on all three aspects, but they especially connect with authentic leadership as an interpersonal or relational process. For the purposes of answering Research Question 1, I tested a group of leaders and two groups of followers, totaling 148 participants. I used a one-way MANOVA to compare their responses to the four dimensions of authentic leadership, relational transparency, self-awareness, internalized moral and ethical values, and balanced processing of their followers’ opinions. Figure 3 shows a graphic description of Research Question 1, testing Hypothesis 1 with MANOVA.
Answering Research Question 2 involved exploring the group of local conference treasurers’ personal characteristics (years of denominational service, years of administrative experience, educational level, gender and age) through canonical regression ($R_c$) as predictors of their responses to the four dimensions of authentic leadership (relational transparency, self-awareness, internalized moral and ethical values, and balanced processing of their followers’ opinions). Answering Research Question 3 involved applying canonical regression to identify how the followers’ personal characteristics (years of denominational service, years of experience in administration, educational level, gender and age) are related to their understanding of the local conference treasurers’ view of the four dimensions of (relational transparency, self-awareness, internalized moral and ethical values, and the balanced processing of their followers’ opinions) authentic leadership. Figure 4 shows a graphic description of Research Questions 2 and 3 testing Hypotheses 2 and 3 with canonical regressions ($R_c$).
Findings From MANOVA Test

The results of the MANOVA test and the Canonical Regressions are presented and discussed in the following paragraphs. There are three results of the MANOVA test that point to the main findings of this study. These are:

1. The self-perceptions of the leaders are significantly higher than the perception expressed by the followers. This result helped set aside null hypothesis $Ho1$.

2. The group of associates in treasury consistently gave lower means ($\mu$) than did the academy treasurers.
3. The role played by the participants (local conference treasurers, associates in
treasury, and academy treasurers) was significantly related to the responses they
provided.

The first finding addressed whether the perceptions of local conference treasurers
agreed with the perceptions of their followers. The simplest answer is that they do not
agree. Local conference treasurers rate themselves higher than the rating they received
from their followers. A degree of discomfort, possibly distrust, skepticism or
dissatisfaction can be inferred by the lower statistical means of the raters (followers). The
local conference treasurers are not viewed as the open, reliable, principle-guided,
unbiased, even-handed, self-aware and understanding leaders they believe themselves to
be. This answer also means that local conference treasurers tend to view themselves as
accountants, not as CFOs, thus leaving their leadership role unfulfilled. They do not
inspire confidence when they are challenged; generate hope when facing obstacles;
inspire optimism when they interact with their associates; or show resilience when facing
discouragement.

Because the demographic information shows that the majority of local conference
treasurer’ ages fall between 50 and 69, it leads one to conjecture whether they received
their graduate education without a proper emphasis in business leadership, or whether the
age factor is proving to be a sign of vulnerability. One could also conjecture about the
fact that local conference treasuries in the Adventist structure are elective positions, and
the treasurers may be showing themselves sensitive to the effect of a combination of
these previously mentioned factors in the way they lead. One thing seems clear: The
difference in the means of the participating groups shows that conference treasurers are
leaving their leadership chair vacant. This conclusion is on the opposite side of Brown (2005) who saw them functioning more as Chief Financial Officers. The other side of the issue is the systemic conundrum that the Seventh-day Adventist Church structure with regard to administration may have become more presidential than perhaps it was intended to be, and that power has gravitated towards the position of the president, as happens often in corporate business structures (Patterson, 2012).

The second finding indicates that of the two groups of followers, the group of the associates in treasury consistently provided lower means (µ) than did the academy treasurers. This finding gives us an opportunity to question the reasons why the closest group of collaborators consistently gives low ratings to the conference treasurers as leaders. This finding compounds the first issue I already discussed because it suggests that the reality that is lived in the treasury may be a silent crisis, showing a destructive and insidious toxicity that has become the normal way of operating. It seems to be that local conference treasurers are rated lower by their closest associates, and a bit higher by their more distant ones. This scenario is unacceptable, and points to an erosion of influence, power, and authority, which leaves the treasurers open to the question, What is it that their people in the office headquarters seem to object about their leading? What do these followers see that the academy treasurers don’t? These and other questions are addressed in the following sections.

The third finding points to the fact that the positions held by each group tested and the role they play were significantly related to the responses they shared. Local conference treasurers rated themselves higher, as compared to the rating they received from their associates in treasury. Perhaps local conference treasurers were generous in
their own self-rating because they need to have a clearer view of what leaders are about. Under normal circumstances people protect themselves, particularly if their identity is involved. It seems that in this study the closest associates to the treasurers expressed themselves freely regardless of any potential risk to their jobs. This is also evidence that the protocol that was arranged to protect their identity was considered to be effective and trustworthy.

Associates in treasury constitute a tier of followers who work directly under the guidance of the leaders, and these leaders set the tone for their organizations. The relationship of these followers and their leaders is expected to be close, their communication flow is intense, and they depend much on each other. From that perspective, is it that academy treasurers have a totally different point of view from where they evaluate their leaders? Or is it simply that academy treasurers do not see enough of their leaders to perceive them as less than open, reliable, accountable, principle-guided, upright, honest, unbiased, impartial, even-handed, and understanding? Even though this study was not designed to focus on the difference in perception between the two groups of followers, the difference in the statistical means of their responses indicates a need for further study of the factors that motivate both groups to answer as they did. The importance of this finding is simple: Leaders cannot afford to have their closest group of followers doubt their leadership values.

The understanding of the leader-follower relationship as it was understood by the framers of authentic leadership advises this research study about the importance of the interpersonal or relational process. In the next findings we look into additional discoveries that build on the idea of leader-follower interpersonal process.
Findings From Canonical Regression (Rc) Tests

As a result of the canonical regression I found the following facts to report from the first test:

1. Leaders’ personal characteristics (PC; Age, Gender, Education, Years of Experience in Administration [Years ADM], Years of Denominational Service [Years DEN]) are significantly related to their own self-perception about authentic leadership (Self-Awareness, Relational Transparency, Ethical and Moral Values, and Balanced Processing of people’s opinions). This represents a rejection of the null hypothesis.

2. The personal characteristics (PC) of the leader predicted the four dimensions of authentic leadership (SA, RT, EM, BP), and the authentic leadership construct is determined by the following beta (β) coefficients of these variables (Table 12):

   a. Relational Transparency (RT) was predicted by the Years of Service in the Denomination (Years DEN) (-.45) and Age (.36) factors of the leaders.
   b. Self-Awareness (SA) was predicted by the Years of Service in the Denomination (Years DEN) (-.36) and Education (.34) factors of the leaders.
   c. Ethical/Moral (EM) was predicted by Age (.62) and Years of Service in the Denomination (Years DEN) (-.42) factors of the leaders.
   d. Balanced Processing (BP) was predicted by Years of Service in the Denomination (Years DEN) (-.40).

3. The leaders in this study are mostly male, and are mostly mid-life to late transition life stages (Levinson, 1978; Sheehy, 1995), and collectively are an accomplished group academically and professionally.

4. Leaders function in a management and financial job that combines a religious element.
5. Canonical correlation ($R_c$) for leaders was .581, with .338 of the value shared by the four components of authentic leadership.

The findings of the first canonical correlation helped to set aside the null hypothesis and to establish a connection between the personal characteristics of the leaders as predictors of the four dimensions of authentic leadership. The gender, age, and education of leaders contributed to the highest score in relational transparency. Gender in the leader population was 35 males and 10 females; age factors were 50–69 years of age; and education was predominantly college- and master’s-degree levels. This finding indicates to me that the mostly male, very mature, and well-educated group of leaders/treasurers see themselves excelling in relational transparency, thus corroborating the MANOVA findings already described in the preceding section. It is obvious that treasurers are comfortable with the degree, frequency, and kind of relational transparency they practice with their followers. However, followers feel less than comfortable with the degree of openness, reliability, and accountability they see in their leaders. Similar comments will apply to ethical and moral values and self-awareness. The mostly male, mature in age, educated group of treasurers expressed a degree of comfortableness the follower group does not. They see themselves as principle-guided, upright, honest, unbiased, impartial and even-handed, yet their followers see them differently. Followers, however, can tell if their leaders are who they say they are.

Furthermore, in giving another careful look at Table 12, I identified another critical finding of this study. The Beta ($\beta$) coefficients of treasurers’ personal characteristics have a significant negative correlation in the personal characteristic Years of Denomination Services, which means that the longer leaders work for the church, the
more detrimental it is to them as authentic leaders. The longer the treasurer works for the
denomination, the less authentic his values become, and the less authentic leader he/she
is. I should also acknowledge that on Table 12, together with years of denominational
service, age and education are predictors of transparency, self-awareness, and ethical and
moral values.

As a result of the canonical regression ($R_c$) I identified the following facts to
report about the second test:

1. Followers’ personal characteristics (PC; Age, Gender, Education, Years of
   Experience in Administration [Years ADM], Years of Denominational Service [Years
   DEN]) are significantly related to how they perceive the authenticity of their leaders (Self-
   Awareness, Relational Transparency, Ethical and Moral Values, and Balanced Processing
   of people’s opinions). This finding represents a rejection of the null hypothesis.

2. Personal characteristics (PC) loadings of the follower predicted the four
dimensions of authentic leadership (SA, RT, EM, BP), and the authentic leadership
construct is determined by the following beta ($\beta$) coefficients in these variables (Table
15):

   a. Relational Transparency (RT) was predicted by Gender (.23) and Education (-
      .21) factors of the followers.

   b. Self-Awareness (SA) was predicted by Age (-.31) and Years of Experience in
      Administration (Years ADM) (.27) factors of the followers.

   c. Ethical/Moral (EM) was predicted by Education (-.23) factors of the
      followers.
d. Balanced Processing (BP) was not predicted significantly by any of the PC factors of the followers.

The followers’ personal characteristics are significantly related to their perception of treasurers’ authentic leadership values, and this fact justified setting aside the null hypothesis. The most significant PC loadings—Years ADM and Years DEN—showed negative correlations, which means that the longer the followers serve in administration and in the denomination, the higher the rejection factor of their leaders’ authenticity. Self-Awareness was the most significant value among their leader’s authentic dimensions and it was a negative correlation, which allows one to conclude that the longer followers work for the denomination, the less they believe their leaders to be principle-guided, upright, and honest.

Core to authentic leadership is the leader/follower relationship, but the values shown in the results of the two canonical correlations seriously question the existence of a strong bond between the leaders and their closest followers. Figure 5 summarizes the values of both canonical correlations in hypothesis 2 (Ha2) and hypothesis 3 (Ha3).

Results to canonical correlations applied to hypotheses 2 and 3 indicate leaders rated themselves higher than the rating done by their followers, and of the two groups of followers, the ones closest to the leaders rated them the lowest. These results agreed with the results of the first test, a MANOVA. The summary of these results will be discussed further in the conclusions of this study.
Figure 5. Summary results of canonical correlations in $Ha_2$ and $Ha_3$.

Conclusions

The purpose of this study was to explore the authentic leadership values of Adventist local conference treasurers in the United States. The findings discussed in this chapter lead to the following conclusions of this study:

1. The perceptions of the leaders do not agree with the perceptions of their closest followers, although there was agreement with the followers who were not in immediate contact with the leaders (see Table 9). This may be an indication of disconnect and a degree of discomfort between the leaders and their closest followers.

2. There may be a silent crisis that has been accepted as the normal way of operating, but points to a scenario that may need to change.
3. The observed erosion of influence and disconnect between the leaders and the closest followers may be evidence of a systematic issue about power, authority, and leadership as practiced within the Adventist church structure. While it is recognized that the denomination adheres to the principle of the three officers working together as leaders and its policies, in practice, the positions and roles occupied by the president may signal to the other officers that greater power is held in the presidential office than in the other offices. Where this is practiced, treasurers may not see themselves as leaders and therefore may operate as followers rather than leaders, thus sending confusing signals to their closer associates.

4. The outcome of the practice described above may result in the leadership role of the local conference treasurers not being appropriately fulfilled.

5. The closest collaborators rate leaders lower than the most distant ones.

6. The longer local conference treasurers remain in denominational employment the less their closest followers see them as authentic leaders.

**Recommendations and Implications for Practice**

The critical nature of the conclusions in the preceding section guides me in presenting the following recommendations. Here are my recommendations:

1. The Adventist conference treasurers of the local conferences in the United States need to understand what leadership means. This requires that the leaders of the unions and the North American Division establish viable leadership development programs and a mentoring approach that covers ethical and personal leadership matters.

2. Consideration of the role of “practice” versus stated principles with respect to assumed leadership roles should be studied. It may be that the denomination has a
systemic problem with the centralization of power and authority in the presidency. If so, the implications of this practice need to be addressed.

3. Conference treasurers need to be aware of the perceptions of their associates in treasury and methods to assist them in reconnecting these groups, and building teams need to be encouraged. Sharing with them the findings of this study begins a process of weaving a relationship to make a better treasury team.

4. Conference treasurers need to understand the importance of communication, transparency, accountability, and ethical/moral behaviors as part of their leadership styles and actions. Given the age of the majority of the conference treasurers, it may be important to provide continuing professional education to these leaders to assist them in both understanding the need for, and developing the skills required for them to be authentic leaders.

5. Conference treasurers need to be seen by the general public as leaders in their own right capable of making a positive impact on the level of trust of the stakeholders they serve. This critical perception is further enhanced as they are seen as leaders, not only by their associates but by others who are reached by their influence.

**Recommendations for Further Research**

This study raises questions which should be further explored. These would include:

1. What are the reasons and the implications of having the closest collaborators rate leaders lower than the more distant ones?

2. What is the “flow of leadership” among the executive officers in the Adventist denominational structure?
3. The study found that the longer local conference treasurers remain in denominational employment the less they see themselves as authentic leaders. Why is it that years of service in the denomination lead the treasurers to “give up” their leadership role and be content with a follower position?

4. How does the “flow of leadership” affect the general public’s perception of the treasurers and their effectiveness?

Exploring the answers to these and to other questions may bring valuable insights into the leadership values of Adventist local conference treasurers.
APPENDIX

TABLE OF VARIABLE DEFINITIONS
### Table of Variable Definitions
**Authentic Leadership Questionnaire 1.0**

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>Conceptual Definition</th>
<th>Instrumental Definition (Avolio et al., 2007b)</th>
<th>Operational Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader (Self) concept of Relational Transparency</td>
<td>Leaders present authentic self to others, promoting trust through disclosures, openly sharing information, and expressions of true thoughts and feelings while trying to minimize displays of inappropriate emotions. (Walumbwa et al., 2008, p. 95).</td>
<td>Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 1, 2, 3, 4 &amp; 5: 1. Say exactly what I mean. LSCRT01 2. Admit mistakes when they are made. LSCRT02 3. Encourage everyone to speak their mind. LSCRT03 4. Tell you the hard truth. LSCRT04 5. Display emotions exactly in line with feelings.LSCRT05</td>
<td>Add the scores from items 1 to 5 and divide the result by 5. This will be a 0 to 4 exact interval scale.</td>
</tr>
<tr>
<td>Leader (Self) concept of Moral/Ethical</td>
<td>Leaders have an internalized and integrated form of self-regulation guided by internal moral standards and values versus group, organizational, and societal pressures that results in expressed decision making and behavior consistent with the internalized values. (Walumbwa et al., 2008, p. 96)</td>
<td>Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 6, 7, 8, &amp; 9: 6. Demonstrate beliefs that are consistent with actions. LSCME06 7. Make decisions based on my core values. LSCME07 8. Ask you to take positions that support your core values. LSCME08 9. Make difficult decisions based on high standards of ethical conduct. LSCME09</td>
<td>Add the scores from items 6 to 9 and divide the result by 4. This will be a 0 to 4 exact interval scale.</td>
</tr>
<tr>
<td>Leader (Self) concept of Balanced Processing</td>
<td>Leaders show they objectively analyze all relevant data before coming to a decision, and solicit views that challenge their deeply held positions. (Walumbwa et al., 2008, p. 95)</td>
<td>Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 10, 11, &amp; 12: 10. Solicit views that challenge my deeply held positions. LSCBP10 11. Analyze relevant data before coming to a decision. LSCBP11 12. Listen carefully to different points of view before coming to conclusions.LSCBP12</td>
<td>Add the scores from items 10 to 12 and divide the result by 3. This will be a 0 to 4 exact interval scale.</td>
</tr>
<tr>
<td>Variable Name</td>
<td>Conceptual Definition</td>
<td>Instrumental Definition (Avolio et al., 2007b)</td>
<td>Operational Definition</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Leader (Self) concept of Self-Awareness | Leader demonstrates an understanding of how one derives and makes meaning of the world and how that meaning making process impacts the way one views himself or herself over time. Leader also shows understanding of his or her strengths and weaknesses and the multifaceted nature of the self, gaining this insight through exposure to others. (Walumbwa et al., 2008, p. 95) | Answers in terms of “Not at all”(0) to “Frequently if not always” (4) to items 13, 14, 15 & 16:  
13. Seek feedback to improve interactions with others. LSCSA13  
14. Accurately describe how others view my capabilities. LSCSA14  
15. Know when it is time to reevaluate my position on important issues.LSCSA15  
16. Shows he or she understands how specific actions impact others. LSCSA16 | Add the scores from items 13 to 16 and divide the result by 4. This will be a 0 to 4 exact interval scale.                                                                                     |
| Age                                  | Time from birth to present.                                                                                                                                                                                                                                          | What year were you born? ____                                                                                                                                                                                                                                                                                         | Subtract the year indicated from 2011.                                                                                                                                                                           |
| Gender                               | Respondent sexual biological condition.                                                                                                                                                                                                                            | Male _____ Female _____                                                                                                                                                                                                                                                                                                 | Male = 1 Female = 0 as a Dummy Variable                                                                                                                                                                         |
| Educational level                   | Highest academic degree.                                                                                                                                                                                                                                            | High School______  
College: Associate Degree _____  
BA or BS _____  
Graduate: MA_____ MBA_____  
PhD (or equivalent)______ | High School = 1  
Assoc. Degree = 2  
BA or BS = 3  
MA or MBA = 4  
PhD (or equiv.) = 5                                                                                                                   |
| Professional Affiliations           | Membership in professional organizations                                                                                                                                                                                                                                           | CPA _________ CMA ________  
CIA _________ Other ________ | CPA = 1 CMA = 2  
CIA = 3 Other = 4                                                                                                                                                                                                                                           |
<p>| Years of work as a financial and administrative professional | Management, investments, treasury, accounting, etc.                                                                                                                                                                                                 | Total number of years of work ________                                                                                                                                                                                                                      | Actual number reported by respondent.(i.e. 1 – 40)                                                                                                                                                         |
| Years of denominational service in treasury or treasury related work in the Adventist Church | Time serving in financial management, investment management, treasury, and accounting as an employee in the Seventh-day Adventist (SDA) church.                                                                 | Total number of years of service for the SDA church________ | Actual number reported by respondent. (i.e. 1 – 40)                                                                                                           |</p>
<table>
<thead>
<tr>
<th>Variable Name</th>
<th>Conceptual Definition</th>
<th>Instrumental Definition (Avolio et al., 2007b)</th>
<th>Operational Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Why did you choose to work for the church?</td>
<td>Treasurers are finance professionals that opt to work for the church.</td>
<td>Explain the reasons why, and the factors that lead him/her to work for the church instead of working any other company or entity.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Why do you remain working for the church?</td>
<td>Treasurers tend to work for the church for many years and we would like to know why.</td>
<td>Explain the reasons why he/she remain serving the church as church employees instead of seeking other secular employment.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Do you see yourself working for the church for an indefinite future or will you eventually seek other job opportunities?</td>
<td>Treasurers have transferrable job skills applicable to other jobs. It will be helpful to know their future work plans.</td>
<td>Explain if he/she is planning to remain an employee for an indefinite future or not.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Follower (Rater) concept of Transparency FRCT</td>
<td>Leaders present authentic self to others, promoting trust through disclosures, openly sharing information, and expressions of true thoughts and feelings while trying to minimize displays of inappropriate emotions. (Walumbwa et al., 2008, p. 95)</td>
<td>Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 1, 2, 3, 4 &amp; 5: 1. Says exactly what he or she means. FRCT01 2. Admits mistakes when they are made. FRCT02 3. Encourages everyone to speak their mind. FRCT03 4. Tells you the hard truth. FRCT04 5. Displays emotions exactly in line with feelings. FRCT05</td>
<td>Add the scores from items 1 to 5 and divide the result by 5. This will be a 0 to 4 exact interval scale.</td>
</tr>
<tr>
<td>Follower (Rater) concept of Moral/Ethical FRCME</td>
<td>Followers observe their leader’s internalized and integrated form of self-regulation guided by their internal moral standards and values versus group, organizational, and societal pressures that result in expressed decision making and behavior consistent with internalized values. (Walumbwa, et al., 2008, p. 96)</td>
<td>Answers in terms of “Not at all”(0) to “Frequently if not always” (4) to items 6, 7, 8 &amp; 9: 6. Demonstrates beliefs that are consistent with actions. FRCME06 7. Makes decisions based on his or her core values. FRCME07 8. Asks you to take positions that support your core values. FRCME08 9. Makes difficult decisions based on high standards of ethical conduct. FRCME09</td>
<td>Add the scores from items 6 to 9 and divide the result by 4. This will be a 0 to 4 exact interval scale.</td>
</tr>
<tr>
<td>Variable Name</td>
<td>Conceptual Definition</td>
<td>Instrumental Definition (Avolio et al., 2007b)</td>
<td>Operational Definition</td>
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| Follower (Rater) concept of Balanced Processing (FRCBP) | Followers observe their leader objectively analyzes all relevant data before coming to a decision, and solicits views that challenge their own deeply held positions. (Walumbwa et al., 2008, p. 95) | Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 10, 11 & 12:  
10. Solicits views that challenge his or her deeply held positions. FRCBP10  
11. Analyzes relevant data before coming to a decision. FRCBP11  
12. Listens carefully to different points of view before coming to conclusions. FRCBP12 | Add the scores from items 10 to 12 and divide result by 3. This will be a 0 to 3 exact interval scale. |
| Follower demonstrates an understanding of how leader derives and makes meaning of the world and how that meaning making process impacts the way one views himself or herself over time. Follower also shows understanding of his or her leader’s strengths and weaknesses and the multifaceted nature of the self, gaining this insight through exposure to others. (Walumbwa, et al., 2008, p. 95) | Answers in terms of “Not at all” (0) to “Frequently if not always” (4) to items 13, 14, 15 & 16:  
13. Seeks feedback to improve interactions with others. FRCSA13  
14. Accurately describes how others view his or her capabilities. FRCSA14  
15. Knows when it is time to reevaluate his or her positions on important issues. FRCSA15  
16. Shows he or she understands how specific actions impact others. FRCSA16 | Add the scores from items 13 to 16 and divide result by 4. This will be a 0 to 4 exact interval scale. |
REFERENCE LIST
REFERENCES


Algera, P. M., & Lips-Wiersma, M. (2012). Radical authentic leadership: Co-creating the conditions under which all members of the organization can be authentic. The Leadership Quarterly, 23(1), 118-131. doi:10.1016/j.leaqua.2011.11.010


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VITA
VITA

Undergraduate and Graduate Schools Attended:

Andrews University
Antillean Adventist University

Degrees Awarded

1980  M.B.A. Master of Business Administration,  
       Andrews University, MI

1969  B.A. in Business Administration,  
       Antillean Adventist University, Puerto Rico

Professional Experiences:

2007 – Present  Undertreasurer, General Conference,  
                Silver Spring, MD

1998 – 2007  Treasurer, North American Division,  
             Silver Spring, MD

1996 – 1998  Associate Treasurer, North American Division,  
             Silver Spring, MD

1993 – 1996  Treasurer, Euro-Asia Division,  
             Moscow, Russian Federation

1987 – 1993  Treasurer, Atlantic Union Conference,  
             South Lancaster, MA

1980 – 1987  Treasurer, Greater New York Conference,  
             Manhasset, New York

1972 – 1977  Treasurer, North Dominican Mission,  
             Santiago, Dominican Republic

1969 – 1971  Accountant, Dominican Conference,  
             Santo Domingo, Dominican Republic
Juan Rafael Prestol-Puesán is a life-long financial officer of the Seventh-day Adventist Church with more than four decades of experience. He was born in the Dominican Republic on June 19, 1947, was educated in Antillean Adventist University, Mayaguez, Puerto Rico, and Andrews University, graduating from these institutions with a degree in business administration (B.A.) and a Master of Business Administration (MBA) respectively in 1965 and in 1980. He was ordained as a minister in 1976.

His service career in non-profit Adventist religious entities has taken him to work as a financial leader in Santo Domingo, Dominican Republic, New York, Massachusetts, Maryland, and Moscow, Russian Federation. At the present time he serves as Associate Chief Financial Officer (Undertreasurer), and budget director of the World Headquarters of the Seventh-day Adventist Church located in Silver Spring, Maryland. His current responsibilities include providing financial leadership to colleges and universities, publishing houses, and multiple church entities, and mentoring to hundreds of Adventist financial leaders in the United States of America and abroad.

He has been married to Belkis Dominguez for 45 years, is the father of two adult daughters, Johanna and Idaia, and the grandfather of Elisa and Ian Janniere. He is a preacher, a teacher, a mentor and a financial manager. He enjoys baseball, ping pong, reading, music, researching and teaching.