Škola biznisa Broj 1/2012 UDC 005.322:316.46

Vlado Dimovski\* Marko Ferjan\*\* Miha Marič\*\*\* Miha Uhan\*\*\*\* Marko Jovanović\*\*\*\*\* Matej Janežič\*\*\*\*\*\*

# **AUTHENTIC LEADERSHIP TO THE FUTURE**

Abstract: Authentic leadership is the latest evolutionary stage in leadership development and emphasizes the leader's authenticity. The construct of authenticity was researched by ancient Greek philosophers as "know thy-self", and "thy true self". Authentic leadership began to develop after 2004. The main reason why the researchers place so much attention to authentic leadership is fact that authentic leadership reaches all of the employees in organizations. Authentic leaders must identify the strengths of their followers and help them with their development and integration towards a common goal, purpose, vision and identity of the organization. Authentic leadership is seen as the final stage in the development of leadership styles, properties of this leadership style, and the consequences of this style have not been fully explored. In our paper we will explore this new style of leadership and its implications.

Key words: authentic leadership, leadership, human resources, organizational behavior, organization

# **AUTENTIČNO VOĐSTVO KA BUDUĆNOSTI**

Sažetak: Autentično rukovodstvo je najnovija evoluciona faza u razvoju rukovodstva koja ističe autentičnost rukovodioca. Tvorevinu autentičnosti istraživali su još grčki filozofi "spoznaj sebe" i "svoje istinsko sebe". Autentično rukovodstvo je počelo da se razvija posle 2004. Glavni razlog zbog kog istraživači posvećuju toliko pažnje autentičnom rukovodstvu je stoga što autentično rukovodstvo doseže do svih

<sup>\*</sup> Vlado Dimovski, Ph. D., University of Ljubljana, Faculty of Economics (vlado.dimovski@ef.uni-lj. si)

<sup>\*\*</sup> Marko Ferjan, Ph. D., University of Maribor, Faculty of Organizational Sciences (marko.ferjan@fov.uni-mb.si)

<sup>\*\*\*</sup> Miha Marič, M.Sc., University of Maribor, Faculty of Organizational Sciences (miha.maric@fov. uni-mb.si)

<sup>\*\*\*\*</sup> Miha Uhan, M.Sc., University of Ljubljana, Faculty of Economics (miha.uhan@ef.uni-lj.si)

<sup>\*\*\*\*\*</sup> Marko Jovanović, M.Sc., Faculty of Organizational Sciences, Belgrade (jovanovicm@fon.bg.ac.rs)

<sup>\*\*\*\*\*\*</sup> Matej Janežič, B.Sc., National Institute of Chemistry, Ljubljana, Slovenia (janezic.matej@gmail. com)

radnika u organizacijama. Autentični rukovodioci moraju identifikovati prednosti svojih sledbenika i pomoći im u njihovom razvoju i integraciji ka zajedničkom cilju, svrsi, viziji i identitetu organizacije. Autentično vodstvo se smatra završnom fazom u razvoju stilova rukovodstva, stoga karakteristike ovog rukovodstvenog stila i njegove posledice još nisu u potpunosti istražene. U našem radu ćemo istražiti ovaj novi stil rukovođenja i njegove implikacije.

**Ključne reči:** autentično rukovodstvo, rukovodstvo, ljudski resursi, organizaciono ponašanje, organizacija.

#### 1 INTRODUCTION

There is a growing interest nowadays for authentic leadership in business practice as well as in academic literature. Avolio and Gardner's (2005) article on authentic leadership development is constantly ranked among the 25 ScienceDirect's "hottest articles" in the subject area of business, management and accounting, indicating the interest and importance of this research area within academia. Also, scientific articles on authentic leadership produced in less than a decade can be counted by the dozen. The reason for the interest of practitioners and academics in authentic leadership is the authentic leaders' impact that extends beyond first-line management, that is, to all the members of the organization. Authentic leadership is, according to the researchers of positive organizational behavior (Avolio, Gardner, 2005; Gardner, Fischer, Hunt, 2009; Penger, 2006), the success factor of today's progressive organizations. Because authentic leaders are taking into account not only organizational but also social problems, they contribute to the society at large.

George (2003) starts his book with a desire for this new kind of leadership. In his opinion, we need authentic leaders, people of the highest integrity, committed to building enduring organizations. We need leaders who have a deep sense of purpose and are true to their core values. We need leaders who have the courage to build their companies to meet the needs of all their stakeholders, and who recognize the importance of their service to society. These wide multilevel implications of authentic leadership practice are discussed in this paper. The unique factors of stress and pressures facing today's organizations are calling for a new leadership approach, which aims to recover or establish basic trust, hope, optimism, flexibility, relevance and viability, and thus create an appropriate identity of the organization (Peterson, Luthans, 2003).

This emerging interest in authentic leadership raises some very important research questions: What constitutes authentic leadership? What behaviors constitute acts of authentic leadership? How can authentic leadership be measured? Does authentic leadership vary across cultures? How can authentic leadership and followership be developed? How does an authentic leader impact followers' attitudes, behaviors, and performance? As a result of the growing interest in this new construct, several models of authentic leadership have recently appeared in the literature.

The paper is structured as follows: first we elaborate on the concept of authenticity and provide a definition and elements of authentic leadership; then we present the models of authentic leadership development; at the end we discuss the three levels of implications of authentic leadership, namely organizational level implications, economy level implications, and societal and environmental level implications, and again remind the reader why authentic leadership is the leadership for the future.

### 2 AUTHENTICITY AND AUTHENTIC LEADERSHIP

#### 2.1 AUTHENTICITY

The dictionaries reveal to us that authenticity is a characteristic, or a quality to be genuine or unspoiled. More broadly, authenticity reflects the unobstructed operation of one's true, or core, self in one's daily enterprise (Kernis, 2003: 13). It means to be faithful to the original, source, commitment, truthfulness, and purpose. Authenticity contrasts imitation or counterfeit. Despite our inner feeling of knowing when something or someone is authentic, various dictionary definitions of authenticity offer a lot of vagueness. The Cambridge dictionary defines authentic as real, true, or as precisely that, what people say it is. Synonyms for authenticity are often genuineness, bona fide (in good faith and with a sincere purpose), accuracy, legitimacy and correctness.

Although there is no single definition of authenticity, we know what it means when we detect authenticity, be it in a form of person, food, culture, politics, or a story. Authenticity is reality and means to identify the reality of a person's existence, the reality of the place, food, community, or stories. When we name something *real* today, we demand it to be rooted in human ethics, the nature, geography – it has to originate from somewhere clearly defined and recognized. It has to be fair and appreciated for its simplicity. It has to be pure and noble, sound as a mountain stream. Authentic is the word that carries the meaning and depth of a person or object. Authenticity means that it contains a feature that is profound, contrary to superficial. Authenticity is not a conservative force that resides in a vanishing world. It is a force that looks forward, a force that attempts to adapt the traditional wisdom in favor of modern life. Authenticity is a process, a progressive revolution (Dimovski et al, 2011).

The construct of authenticity was dealt with already by the ancient Greek philosophers as *know thy-self*, and *thy true self* (Penger, 2006). The essence of authenticity is to know yourself, to accept and maintain ourselves such as we are. Better than to accept the authenticity as a construct is to realize that the authenticity is an element of the continuum, meaning that the more people, including employees, maintain their real values, identities, and emotions, the more authentic they become (Cooper, Scandura, Schriesheim, 2005). The concept of authenticity, discussed in this article, relates to the possession of own personal experiences – either thoughts, feelings, needs, requirements,

desires, preferences, or beliefs. These are the processes by which we know ourselves, and which indicate that someone is acting in accordance with his real self, expresses himself in ways that are consistent with his inner thoughts and feelings, and thus manifesting his own identity (Harter, 2002). In our view, authenticity reflects one's general tendencies to view oneself within one's social environment and to conduct one's life according to one's deeply held values. At more specific levels, authenticity is manifested in concrete aspects of one's behavior and existence, such as in leading others.

#### 2.2 AUTHENTIC LEADERSHIP: THE DEFINITION

According to Avolio and Gardner (2005), a key differentiation of authentic leadership from currently popular leadership theories (transformational, charismatic, servant and spiritual leadership) is that authentic leadership is more generic and represents what they would term a "root construct", where root construct refers to the basis for what then constitutes other forms of positive leadership. Authentic leadership is a root construct that can incorporate transformational and ethical leadership. As noted with transformational leadership authentic leaders can be directive or participative, and could even be authoritarian. The behavioral style is not what necessarily differentiates the authentic from the inauthentic leader. 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. As this process cascades to followers, they may also operate in a similar manner portraying to leaders, colleagues, customers and other interested stakeholders their authenticity, which over time may become a basis for the organization's culture (Avolio, Luthans in Walumbwa, 2004), which is the basis for the development of (positive) organizational identity (Penger, 2006).

Avolio, Luthans in Walumbwa (2004) define authentic leaders as those who are deeply aware of their thinking and behavior, and those who others perceive as being aware of own and foreign values, moral aspects, knowledge and strengths. At the same time they are aware of the context in which they operate, and are confident, hopeful, optimistic, flexible and of high moral character (as quoted by Avolio, Gardner et al., 2004). Luthans and Avolio (2003) define the related construct of authentic leadership in organizations as a process that draws on positive psychology capabilities and highly developed organizational context, which leads to greater self-awareness and self-mastered positive behavior of leaders and other participants, all of which promotes a positive self-development.

Cooper et al. (2005) point out that the initial conceptualization of the authentic leadership model is in fact multi-dimensional. It contains elements from different domains, traits, behaviors, contexts and attributions. Moreover, observers and included aspects differ from managers to subordinates and to possible additional

observers. Cooper explains that authentic leadership functions on individual, team and organizational level. At the same time he draws attention to a number of problems in measurement that arise from adopting such broad definitions (Cooper, Scandura, Schriesheim, 2005).

George's definition (2003) provides that authentic leaders posses a genuine desire to serve others through their leadership, and are more interested in empowering individuals they lead, while their leadership qualities are courage, impetus and passion for work, compassion and intelligence. Luthans and Avolio (2003) state that authentic leaders: (1) recognize and appreciate individual differences, (2) are able and motivated to identify talented individuals, and (3) are able and motivated to help these identified talented individuals to build their talents in a personal, distinctive competitive advantage.

Shamir and Eilam (2005) express concern about the width of the initial concepts of authentic leaders, authentic leadership and authentic leadership development, and therefore – through their definitions – narrow the focus of the field. Authentic leaders can be described by the following four characteristics (Shamir, Eilam, 2005): (1) they do not pretend when leading – they are just being themselves; they also do not conform to the expectations of others; (2) they are motivated by personal beliefs, rather than by achieving the status, honor and other personal benefits; (3) they are originals, not the copies – meaning that they lead on the basis of their personal convictions; and (4) their actions are based on their personal values, beliefs and identity. As important as the concepts of Shamir and Eilam are the factors that are omitted from their definitions. They deliberately avoid describing the styles of leaders and contents of leader's values or beliefs (Penger, 2006: 95). Their view is therefore different from the original definition, which contains a positive moral aspect (Luthans, Avolio, 2003; May, Chan, Hodges, Avolio, 2003).

#### 2.3 AUTHENTIC LEADERSHIP: THE ELEMENTS

According to Dimovski et al. (2011), we can distinguish between four elements of authentic leadership: self-awareness, self-regulation, positive psychological capital and positive modeling.

Self-awareness means getting to know yourself. Through introspection authentic leaders observe and analyze their own mental state; their own thoughts, feelings, and intentions. Thus, they get to know and accept their fundamental values, emotions, identity, and motives or goals. One can reach contact with himself through deep engagement in his own personality and his own essence, and by recalling of important events in life and his reactions and feelings of that time (Ladkin, Taylor, 2010). It is a process, a route through which an individual understands his preferences, beliefs, desires, and talents, and thus develops an understanding of himself, which leads to the realization of his

knowledge and abilities. Leader's self-awareness is, according to Avolio and Gardner (2005), a starting point for the authentic leadership development.

Self-regulation means control of individual's own behavior in accordance with his personality, while maintaining an open attitude towards the followers and co-workers. Self-regulation is based on four pillars: internalized processes of control, balanced information processing, transparent relationships, and authentic behavior (Gardner et al., 2005). The most crucial for the development of authentic leadership in organizations are transparent relationships and balanced information processing, resulting in an accurate and balanced perception and evaluation of oneself. Self-regulation also offers a comparison with others in a way that is largely independent of the ego-based defense mechanisms. It is an objective assessment of all relevant information before deciding (Walumbwa et al., 2008). Such self-regulated leaders are also mature enough to be able to receive not only the anticipated information but also the information that shakes their long-standing beliefs.

Authenticity reflects the leaders' ability of coordinating responsibilities to themselves, their followers and the general public, in order to achieve cooperation within and outside the organization (Novicevic et al., 2006). Authentic leaders expose their genuine inside when they attests openness, self-disclosure, and trust in close relationships with their followers. Relational transparency (clarity of relations) therefore means a presentation of one's genuine (and not played) inside. This behavior promotes trust through the manager–follower relationship, in which information is shared and real thoughts and emotions are expressed while minimizing the expression of inappropriate emotions (Kernis, 2003).

An important part of self-regulation is also to act in accordance with the generally accepted ethical rules and to express the positive psychological capital (Sparrowe, 2005). We call this the internalization of moral values and standards. Individuals with higher levels of self-regulation control their own behavior so that it matches the standards of morality and that is responsible towards the employees. Leadership on the basis of individual's own authentic moral values is moral only if the individual's values are moral or if they are perceived as such by the others. It is a matter of reconciliation of leaders' behavior and their values on one hand, and of leaders' behavior and ethical rules of the society in which they are located. The moral ability of the leaders to authentically incorporate into their leadership the loyalty to himself, to their role as a leader, to the organizations in which they operates, and to the society as a whole, is crucial in ensuring the sustainability of cooperation within the organization and beyond. Leaders must adapt to the values that coincide with the moral values of society in which they are located and function.

In addition to self-awareness and self-regulation, Luthans and Avolio (2003) also define *positive psychological capital* and own positive development as the elements

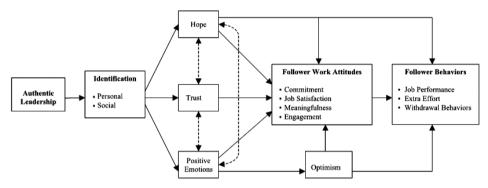
of authentic leadership. These two components of authentic leadership play an important role in the processes of self-awareness and self-regulation, as they reinforce those processes. However, their most important role is with the positive modeling, i.e. creating authentic followers. Positive psychological capacities namely play a key role in developing individuals, teams, learning organizations, and communities with the aim of achieving a lasting competitive advantage (Avolio, Gardner, 2005). Endrissat et al. (2007) and Shamir and Eilam (2005) expressed skepticism towards the inseparable integration of authentic leadership with positive psychological resources. However, positive emotions are a key component of authentic leadership development process, or of positive modeling, to be more exact – thus authentic leaders cannot be authentic in a negative sense (Penger, 2006). In this, the construct of authentic leadership actually deviates away from strict following of authenticity – the term after which authentic leadership got its name.

Positive psychological capital includes elements of positive organizational behavior. These are self-confidence, optimism, hope and resilience (Luthans, Avolio, 2003). When leaders are strengthening their positive psychological capital items, this does not only affect the leaders themselves. Positive emotions, expressed and encouraged by authentic leaders, are also the foundation for positive human relations and behavior in organizations. This leads to loyalty, satisfaction, and performance. As a result of positive modeling, employees become more motivated, successful, satisfied, and persistent.

Positive modeling is a process of personal identification of employees with their leader, which in return affects the leaders' self-regulation (Avolio, Gardner, 2005). At this stage, authentic leaders spread the common cognitive behavioral patterns across all members of the organization. Later on, the followers adopt the positive psychological states (Sparrowe, 2005). During the process of positive modeling authentic leaders build positive psychological capital with their followers through: increasing selfconfidence of followers, generating hope in them, establishing trust (Ilies et al., 2005), enhancing resilience, and raising the level of optimism (Avolio et al. 2004; Gardner, Schermerhorn, 2004; Avolio, Gardner, 2005, Gardner et al., 2005). Authentic leaders also encourage learning with their followers, thus creating the conditions for their own positive development and consequently enabling organizational learning (Mazutis, Slawinski, 2008). In this, authentic leader will not seek to transform the follower into a leader or into some sort of a custom-fit personality, but will try to influence the follower by example, as a role model (Penger, 2006). This is a direct influence over the personal identification at the leader-follower level. Positive modeling is understood as a relationship at the pair level, and is a key mean by which authentic leaders influence their subordinates (Avolio et al., 2004). An authentic leader (or several leaders) in the organization cultivates such a relationship with more than one follower, which represents authentic leadership development process.

#### 2.4 AUTHENTIC LEADERSHIP: THE MODEL

Authentic leadership development begins at the leader's level, runs through self-awareness and self-regulation and then directly influences the follower. This direct impact is called positive modeling, which is the narrowest term that defines a personal identification at the leader–follower level. In addition to factors (predecessors) of authentic leadership (personal history, milestones in one's live), the development of authentic leadership in the organization is also influenced by the organizational context. Follower outcomes included in are performance; extra effort; and withdrawal behaviors such as turnover, absenteeism, and tardiness.



**Figure 1.** Proposed framework linking authentic leadership to followers' attitudes and behaviors (Avolio, Gardner, Walumbwa, Luthans, May, 2004: 803)

Avolio and Gardner (2005) point out that the development of authentic leadership involves complex processes that cannot be reduced to a simple training program in the HRM context. It includes both life milestones as life experiences, as well as continuous processes between the leaders and the followers. The authentic leader must first achieve authenticity through self-awareness, self-regulation, authentic activities, and authentic relationships (Gardner et al., 2005).

The primary factor in the authentic leadership development is, as presented above, the individual's history (experiences), which manifests itself the most during the process of interpretation of the life milestones. Organizational context (culture and climate in the organization, co-workers, and support systems) and leader's positive psychological capital (confidence, hope, optimism and flexibility) can also be regarded as the factors of authentic leadership development.

Previously described factors affect the level of individual's self-awareness, which is in the case of authentic leaders at the very high level. Such leaders trust themselves and are aware of their core values, identity, emotions, motives and goals, to all of which they are very much loyal. They also possess integrity, honesty, responsibility, emotional intelligence and reliability. They are led by internal motives. They include

the leadership role into their identity and perceive themselves as positive role models to others (Gardner et al., 2005).

Authentic leaders next serve as role models for the followers through self-regulation and expression (words and actions) of their fundamental values, positive emotions, motives, goals, and also concern for the growth and development of followers (Moss, Downing, Callahan, 2009). Authentic leaders, whose actions are consistent with their beliefs, should, according to the theory, have a greater influence over the followers. This is largely due to the fact that followers interpret their leaders' authenticity as an evidence of their trustworthiness. Trust in leader is developed consequently, which assures followers' willingness to follow their leader (Burke et al., 2007).

Authentic leadership extends over the authenticity of a leader because it encompasses also the relationships with followers, co-workers, and subordinates that reflect honesty, openness, trust, guidance to the relevant objectives, and focus on the development of followers. In the process of positive modeling, authentic leaders develop hope and other elements of positive psychological capital with their employees (Avolio, Gardner, 2005), which is done through positive personal identification within the leader–follower relationship (leading by example). This way, *authentic followership* is reestablished.

Because authentic leadership is exemplary in its nature, leaders' authenticity (including self-awareness and standpoints) as well as their integrity must be visible to the others. Followers' evaluations of the leaders' characteristics are based mainly on direct observation and the interaction with them. Contact with the leader serves as a milestone in life of followers, which increases their self-awareness and paves the road for their own development and authentic followership (Gardner et al., 2005). This phase of the authentic leadership development model is, as mentioned previously, called positive modeling. In this process of positive modeling, highly self-aware leaders encourage change in followers through their self-regulation. Thus, they fit their characteristics to the desired characteristics in the organization. This way, no additional attracting and selecting of candidates with the required desirable characteristics is needed (Moss et al., 2009).

Leaders' power and influence are greater if their authenticity and integrity are identifiable to a broad mass of employees, especially when there is a consensus among employees on this authenticity. This creates confidence in the leader by his employees, which is a key factor that enables leaders to effectively spread the impact (Burke et al., 2007). Precisely because of this consensus, it is essential that the leader consistently behaves in accordance with his image or reputation with his followers (which is of course made easier if a person behaves according to his true self), so as not to undermine confidence in him. Consistency of behavior is the result of reconciliation of self-awareness and self-

regulation, because consistency in the behavior of leaders is what also the followers are looking for (Sparrowe, 2005).

Followers receive information and impulses on how to behave not only from their leaders, but also from the organizational context in which they function (culture, organizational climate, co-workers, etc.). That is, as mentioned earlier, another aspect of the impact of organizational environment on authentic leadership. Sometimes, the power of leaders predominates, and in other cases the impact of these contextual factors is prevalent. It is therefore important that leaders are able to influence the norms, beliefs, and values that govern the organization. Thus also the organizational culture and the perception of employees within the organization can be influenced. Positive organizational contextual factors (including organizational identity) do namely have an impact both on authentic leaders as well as followers. These contextual factors also influence the authentic leadership development within the organization and through this also the stable performance of the organization (Avolio, Gardner, 2005).

## 3 IMPLICATIONS AND DISCUSSION

There are a few important implications of the practice of Authentic Leadership. As George (2003) states it, there are three levels of such implications: (1) authentic leaders build authentic companies (organizational level implications), (2) authentic companies compete more effectively in the market (economy level implications), and (3) authentic leaders look beyond the bottom line (societal and environmental level implications). These three levels of implications are presented below.

#### 3.1 ORGANIZATIONAL LEVEL IMPLICATIONS

According to George (2003), authentic leaders strive to develop enduring companies just as authentic as they are. Authentic company is, according to George (2003), guided by a mission and vision and practices a consistent set of values. It empowers its employees to serve customers with innovative products and superior service. The authentic company is characterized by an enduring organization that is disciplined in producing results for all its stakeholders. These five characteristics of the authentic company parallel closely the five dimensions of the authentic leader (note somewhat differently defined dimensions when comparing them to the five element of authentic leadership defined above):

• Purpose: Mission and vision

• Values: Company values

• *Heart:* Empowering employees to serve customers

- Relationships: Enduring and committed organization
- Self-Discipline: Results for all stakeholders

As authentic leaders go about building their companies, an interaction occurs between the leader and the organization that enables each to grow from interacting with the other. Leaders are influenced by their organizations and grow from the experience of shaping them. Through interactions with the organization, they become more effective in their roles. In turn, the organization responds to their leadership. This process, which George (2003) defines as *homology*, gives the organization stability and provides the capacity for internal growth and external success. As a result, such leaders renew themselves and their organizations. Their legacy is a healthy organization that can endure both crises and changes in leadership.

It would be, according to George (2003), most unusual to have authentic companies not led by genuine leaders. Disingenuous leaders in an authentic company simply will not survive. Eventually, the organization will force them out because their behaviors are inconsistent with the company's purpose and values. Sometimes authentic leaders find themselves trapped in an inauthentic company. At this point, they have two choices: transform the company or get out. If authentic leaders stay in an organization that is incompatible with their values but find they cannot change it, the organization will chew them up or co-opt them.

#### 3.2 ECONOMY LEVEL IMPLICATIONS

According to George (2003), the market is the ultimate test for authentic leaders and their companies. Can they compete effectively against their most aggressive competitors and establish leadership? Do they generate results that benefit all their stakeholders? And especially, can they remain authentic in the face of extreme competitive pressure in the market and unrelenting pressure from investors to perform every quarter? Since authentic leaders cannot be authentic in a negative sense (Penger, 2006), one could even wonder whether winning in the marketplace is consistent with authenticity, since your competitors might wind up going out of business. However, George (2003) answers: yes! In reality, being a successful competitor in business is in his opinion actually at the heart of leadership, just as it is in politics, athletics, academia, and the arts. Leaders must prove every day that their organizations are the best in their chosen field of endeavor.

George (2003) states that authentic leaders know how to deploy their organizations to achieve marketplace leadership and how to sustain their success for the long term. Because they are so passionate about their cause, they let nothing stand in the way of their success. Therefore, according to George (2003), authentic companies compete more effectively in the market. However, the idea for the future research would be

to also empirically research this statement by pairing authentic companies with their performance and looking for a positive statistical correlation.

## 3.3 SOCIETY AND ENVIRONMENT LEVEL IMPLICATIONS

The responsibilities of authentic leaders extend well beyond bottom- line success. For an authentic company to succeed for many decades it must have a sound system of governance and build in leadership succession for several generations. At the same time authentic leaders have a role to play in the greater society by tackling public policy issues and addressing challenging societal problems (George, 2003).

As far as the future research on authentic leadership is concerned, it would also be a challenge to make a list of all authentic leaders and an overview of how their activities have positively changed the world – namely the society, and the human effect on the environment. This is due to the fact that it seems to us that the human society as a whole still has to find out what its core values are – sometimes it seems we are all driven by the wrong motives. In this endeavor, the construct of authenticity might help us to get back to our roots. The new generation of leaders will be, in the words of George (2003): asked to be motivated by our mission, not our money; to tap into our values; not our egos; to connect with others through our heart, not our persona; and to live our lives with such discipline that we would be proud to read about our behavior on the front page of the *New York Times*.

This way we will be (1) making a difference in the lives of others, which will bring us unlimited joy, (2) leading a life of significant service, which will bring us unlimited fulfillment, and (3) sharing ourselves with others authentically, which will bring us unlimited love. At the end of the day, what is more important than joy, fulfillment, and love? When we experience them, we will arrive where we started and know the place for the first time.

#### LITERATURE

- [1] Avolio, B. J., Gardner, W. L., (2005) Authentic leadership development: Getting to the root of positive forms of leadership, "The Leadership Quarterly", Amsterdam, Elsevier
- [2] Avolio, B. J., Gardner, W. L., Walumbwa, F. O., Luthans, F., May, D. R., (2004) Unlocking the mask: A look at the process by which authentic leaders impact follower attitudes and behaviors, "The Leadership Quarterly", Amsterdam, Elsevier

- [3] Avolio, B. J., Luthans, F., Walumbwa, F.O., (2004) *Authentic leadership: Theory-building for veritable sustained performance*, Gallup Leadership Institute, Lincoln, University of Nebraska
- [4] Burke, C. S., Sims, D. E., Lazzara, E. H., Salas, E., (2007) *Trust in leadership:* A multi-level review and integration, "The Leadership Quarterly", Amsterdam, Elsevier
- [5] Cooper, C. D., Scandura, T. A., Schriesheim, C. A., (2005) Looking forward but learning from our past: Potential challenges to developing authentic leadership theory and authentic leaders, "The Leadership Quarterly," Amsterdam, Elsevier
- [6] Dimovski, V., Penger, S., Peterlin, J., Černe, M., Marič, M., Uhan, M., (2011) *Napredni Management*, Ljubljana, Ekonomska fakulteta (in Slovene, publishing planned for 2011)
- [7] Endrissat, N., Müller, W. R., Kaudela-Baum, S., (2007) En Route to an Empirically-Based Understanding of Authentic Leadership, "European Management Journal", Amsterdam, Elsevier
- [8] Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., Walumbowa, F., (2005) Can you see the real me? A self-based model of authentic leader and follower development, "The Leadership Quarterly", Amsterdam, Elsevier
- [9] Gardner, W. L., Fischer, D., Hunt, J. G., (2009) *Emotional labor and leadership:* A threat to authenticity?, "The Leadership Quarterly", Amsterdam, Elsevier
- [10] Gardner, W. L., Schermerhorn, J. R., (2004) Unleashing individual potential: Performance gains through positive organizational behavior and authentic leadership, "Organizational Dynamics", Amsterdam, Elsevier
- [11] George, B., (2003) Authentic Leadership: Rediscovering the Secrets to Creating Lasting Value, San Francisco, Jossey-Bass
- [12] Harter, S., (2002) *Authenticity*. In C.R. Snyder & S. Lopez (eds.), *Handbook of positive psychology*, Oxford, Oxford University Press
- [13] Ilies R., Morgeson F. P., Nahrgang J. D., (2005) Authentic leadership and eudemonic well being: Understanding leader follower outcomes, "The Leadership Quarterly", Amsterdam, Elsevier
- [14] Kernis, M. H., (2003), *Toward a conceptualization of optimal self-esteem*, "Psychological Inquiry", Oxfordshire, Taylor & Francis
- [15] Ladkin, D., Taylor, S. S., (2010) Enacting the 'true self': Towards a theory of embodied authentic leadership, "The Leadership Quarterly", Amsterdam, Elsevier

- [16] Luthans F., Avolio B. J., (2003) Authentic leadership: A positive developmental approach. In: K. S. Cameron, J. E. Dutton & R. E. Quinn (eds.): Positive organizational scholarship, San Francisco, Barrett-Koehler
- [17] May, D. R., Chan A. Y. L., Hodges T. D., Avolio B. J., (2003) *Developing the moral component of authentic leadership*, "Organizational Dynamics", Amsterdam, Elsevier
- [18] Mazutis, D., Slawinski, N., (2008) Leading organizational learning through authentic dialogue, "Management Learning", London, SAGE
- [19] Moss, S. A., Dowling, N., Callanan, J., (2009) *Towards an integrated model of leadership and self regulation*, "The Leadership Quarterly," Amsterdam, Elsevier
- [20] Novicevic, M. M., Harvey, M. G., Buckley, M. R., Brown, J. A., Evans, R., (2006) Authentic Leadership: A Historical Perspective, "Journal of Leadership & Organizational Studies", London, SAGE
- [21] Penger, S., (2006) *Učeča se organizacija in oblikovanje pozitivne organizacijske identitete: Študija primera slovenskega podjetja* (in Slovene, doctoral dissertation), Ljubljana, Ekonomska fakulteta
- [22] Peterson, S. J., Luthans, F. (2003) *The positive impact and development of hopeful leaders*, "Leadership and Organizational Development Journal", Bingley, Emerald
- [23] Shamir, B., Eilam, G., (2005) "What's your story?": A life-stories approach to authentic leadership development, "The Leadership Quarterly", Amsterdam, Elsevier
- [24] Sparrowe, R. T., (2005) Authentic leadership and the narrative self, "The Leadership Quarterly", Amsterdam, Elsevier
- [25] Walumbwa, F. O., Avolio, B. J., Gardner, W. L., Wernsing, T. S., Peterson, S. J., (2008) *Authentic Leadership: Development and Validation of a Theory-Based Measure*, "Journal of Management", London, SAGE

*Primljeno: 19.09.2011. Odobreno: 07.10.2011.*