

UNIVERSITY OF LJUBLJANA

FACULTY OF ECONOMICS

DISPOSITION FOR MASTER THESIS

*THE IMPORTANCE OF AUTHENTIC LEADERSHIP AND POSITIVE PSYCHOLOGICAL
CAPITAL: THE CASE OF "TAV AIRPORT HOLDING"*

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Master's Thesis Synopsis

**„IMPORTANCE OF AUTHENTIC LEADERSHIP AND POSITIVE
PSYCHOLOGICAL CAPITAL IN THE CASE OF TAV AIRPORT HOLDING**

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IMPORTANCE OF AUTHENTIC LEADERSHIP AND POSITIVE PSYCHOLOGICAL CAPITAL IN THE CASE OF TAV AIRPORT HOLDING

1. DESCRIPTION OF THE PROBLEM

We have been living in a turbulent period in the Macedonian business environment since the breakup of former Yugoslavia in 1992 and emergence of the young republic, and ongoing turbulences in the economic world as of 2008; rapid changes and a growing diversity substituted the former stagnant economy to be able to keep up with the dynamic international trade and the financial system. In order to adapt to these changes in the business world, the Macedonian companies need authentic leaders who possess effective leadership skills that include vision, change oriented, transparent, and communicative and respect and belief into the positive physiological capital. Success of Macedonian companies depends both on the effective leadership and support of the employees to the long term goals and objectives. Such a cohesive approach can be sustained through creation and maintenance of a positive physiological capital in the companies.

Authentic leadership, as proposed by Luthans and Avolio (2003), and further develop by Gardner et al. (2005) and Avolio and Luthans (2006), is a process by which leaders are deeply aware of how they think and behave, of the context in which they operate, and are perceived by others as being aware of their own and others' values or moral perspectives, knowledge, and strengths (Avolio et al 2004, pg. 229). Authentic leaders should not be only concerned with their personal authenticity but also how that authenticity can be transferred to others in order to influence followers to work toward organization goals. Also when leaders are aware of how their actions influence those around them and are open and transparent about processes and influences inside and outside of their organizations, than followers have a better sense of organizational goals. Key components that are contributing to the development of authentic leadership are: self-awareness and self-regulation. Behaving authentically means acting in accord with one's values, preferences, and needs as opposed to acting merely to please others or to attain reward or to avoid punishments through acting 'falsely'. Authenticity is not a compulsive effort to display one's true self, but is the free and natural expression of core feelings, motives and inclinations (Kernis, 2003, pg. 14).

An important antecedent to authentic leader's self-awareness and regulation for performance impact in today's organizations is positive organizational behavior and positive psychological capital. Positive organizational behavior is defined as "The study and application of positively oriented human recourse strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today's workplace" (Luthans, 2002b, p. 59). The main positive organization behavior criteria are: hope, optimism, resiliency and confidence. When they are combined into the core construct

of positive psychological capital, these positive states may be invested in for authentic leadership and leveraged for performance impact and competitive advantage.

2. PURPOSE OF THE THESIS

The purpose of the master thesis is to define authentic leadership and positive psychological capital in Macedonian environment. It should show how authentic leadership and positive psychological capital affect organizational culture in Macedonian companies and how it helps in maximizing their benefits. The importance of authentic leadership and positive psychological capital were not researched yet in Macedonian business environment until now. Subject of the case study is “TAV Airport holding”. The research should find out how authentic leadership and positive psychological capital affect this organization.

3. RESEARCH OBJECTIVE

The objective of the thesis is to examine the issue of master's thesis through professional and scientific literature of foreign authors, articles, analysis, websites, reports, and statistics. In the case study part I will do a qualitative research to determine; do authentic leadership and positive psychological capital improve leadership performance. The research will show what the employees of the “TAV Airport holding” think about authentic leadership and positive psychological capital in their company. The first part of the master thesis will define authentic leadership. The second and the third part will define positive psychological capital and importance of authentic leadership and positive psychological capital in “TAV Airport holding”. And the case study should give answers to research questions:

R1: Does the authentic leadership improve leadership performance in the “TAV Airport holding”?

R2: Does positive psychological capital contribute to a better working atmosphere between leaders and followers in “TAV Airport holding”?

4. RESEARCH METHODOLOGY

In the master thesis qualitative research method based on the case study will be used. It will be descriptive and exploratory approach. The current knowledge represented in books, articles, web sites, and magazines will give theoretical framework for the case study, which leads to finding answers research questions. The research part is based on modern scientific approach of the qualitative study and on primary and secondary data as well. Questionnaires, observation, and in depth interviews will be used. Based on the results obtained will forward the finding and conclusion of authentic leadership and positive psychological capital in the “TAV Airport holding”.

5. STRUCTURE OF THE THESIS

INTRODUCTION

1. AUTHENTIC LEADERSHIP

- 1.1. Definition of authentic leadership
- 1.2. Elements of authentic leadership
- 1.3. Frame work of authentic leadership
- 1.4. Overviews on articles on authentic leadership
- 1.5. Technics of authentic leadership
- 1.6. Components of authentic leadership
- 1.7. Implementation of new trends in authentic leadership

2. POSITIVE PSYHOLOGICAL CAPITAL

- 2.1. Definition of positive psychological capital
- 2.2. Elements of positive psychological capital
 - 2.2.1. Hope
 - 2.2.2. Resilience
 - 2.2.3. Optimism
 - 2.2.4. Efficacy
 - 2.2.5. Positive development
- 2.3. Overview of positive psychological capital

3. QUALITATIVE RESEARCH: IMPORTANCE OF AUTHENTIC LEADERSHIP AND POSITIVE PSYHOLOGICAL CAPITAL IN TAV AIRPORT HOLDING

- 3.1. Basic information's about "TAV Airport holding"
- 3.2. Research design and methodology
- 3.3. Design of the questionnaire
- 3.4. Analysis of data
- 3.5. Results
- 3.6. Discussion on the results
- 3.7. Recommendation for practice
- 3.8. Implication for the company's leadership
- 3.9. Limitation of the research and further implication

CONCLUSION

REFERENCE

APPENDIXES

4. REFERENCES

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