

# Self confidence and leadership



Purpose – The purpose of this study is to test empirically whether a relationship exists between self confidence and leadership, with self efficacy as a mediator. This effect is studied with respect to gender differences among the sample population.

Design/methodology/approach – An online questionnaire was administered to students of XLRI, Jamshedpur. The questionnaire measured the students on various parameters like self confidence, self efficacy, and leadership quality. Gender differences were also recorded for the same.

Findings – There is a significant relation between self confidence and leadership of an individual, with self efficacy fully mediating this relationship. Also, it was seen that gender plays an important role in defining the leadership among management students.

Research limitations/implications – Only management students of a B-school were taken as sample. Also, this study administered a structured questionnaire with cross-sectional design. Future research is required on various other parameters that effect leadership quality of an individual.

Practical implications – The research is carried on management students. Hence, it is expected to act as a guide for organisations in determining the effectiveness of future managers with respect to co-relation between levels of self confidence and their display of leadership behaviour.

Originality/value – This paper studies the direct effect of self confidence and indirect effect through self efficacy on leadership quality among students of a B-school and how gender differences affects this relationship model. This

model, though earlier studied in parts will now be researched upon in totality.

Keywords – Self confidence, Self efficacy, Leadership, Gender, XLRI, Jamshedpur, India

Paper type – Research Paper

## **Introduction**

Leadership has become an important determinant managerial ability.

Leadership has been defined as the ability to execute, organize, communicate, motivate and inspire.

Several approaches have been proposed for the assessment of leadership ability. These range from specific theories of leadership, such as trait theory, to specific kinds of leadership, such as transformational leadership, to specific dimensions, such as goal setting. However, lately, the best assessment of leadership is on the ability to inspire others through positive exemplary behaviour and through empathetic communication. As such the best description of leadership ability might comprise ability to:

Exercise discipline over oneself, demonstrate clarity of thought of life, and possess a well rounded worldview and philosophy on life that combines personal mastery and public interdependence in a benign, non-manipulative way.

Display compassion from others' point of view, and to truly empathize with others and know their motivations, concerns and preconceptions.

Communicate effectively on the basis of an accurate assessment of others perspective and their various levels of drives and motivation. That is, to construct the most appropriate message, and encode and deliver it through language and otherwise in the best way possible so that the recipient has thorough understanding of the idea being communicated.

Draw from one's clarity of thought powers of empathy and freedom from vanity so as to assess the situation around him accurately, and to draw a vision of a lofty but attainable future which he considers to be desirable and beneficial to the largest number of people.

To inspire large numbers of people towards a common, highly meaningful and motivating goal; guiding and showing them how it is achievable, while facilitating communication at every stage

To maintain utmost consideration for, and a personal bond with, the people for and with whom he is working – in the process elevating them and making leaders out of them in turn.

The above characteristics what a leader is supposed to achieve. However these characteristics are difficult to measure over a short period of time, so alternative methods are use. One such method has been used in this study.

Organizations are constantly on the lookout for executives who display these behaviours. As such they are constantly on the lookout for methods which can help predict the leadership abilities of prospective members of the organization.

Self confidence is one such measure of leadership abilities (Kaplan, 1986; Popper and Mayseless, 2007). It is considered to be one of the fundamental building blocks of leadership ability and indispensable to leadership success. A person with a high level of faith in himself or herself is likely to be a better executor and motivator. Only a high degree of self confidence can enable a person to make the effort and the choices that go into developing leadership ability.

A related trait that is crucial to leadership is self efficacy. The ability to handle adverse situations by taking charge of situations has been found to be determinant of leadership in situations requiring change. This is important because ability to lead positively, empathetically and ethically while facing tough competitive situations requires a belief that one can successfully negotiate such situations without compromising.

Furthermore, gender has been an area of focus in study of leadership styles. Studies have pointed out that gender is related to leadership style and performance on various leadership dimensions. Given that leadership abilities of women are expected to draw from somewhat different strengths than men, it can be expected to affect the relationship between self confidence, self efficacy and leadership.

Hence we see that there is a need to study the mediating role of self-efficacy in the relationship between self confidence and leadership. Furthermore, given the significant differences found in leadership parameters of men and women, it is important to see how the strength of the relationship between self confidence and leadership abilities is affected by gender. Hence in this study, we seek to study the mediation effect of self-efficacy on the

relationship between self confidence and leadership with gender as the moderating variable.

## **Research background and hypotheses**

Efforts to pinpoint the influences on leadership skills have focussed, for the greater part of the twentieth century, on individual factors such as personality traits and behavioural attributes. In a 1948 literature review, over a 100 studies on trait approach were reviewed and it was found that traits like interpersonal skills, initiative, intelligence and integrity were consistent with leadership capabilities (Daft, 2005). Studies on individual traits have included research on various traits such as honesty, interpersonal skills, initiative etc.

Studies have also talked about traits like self-confidence and self-efficacy in relation to leadership (Popper and Mayseless, 2007; Hautala, 2005). This study carries forward these ideas while also attempting to add to knowledge of leadership by studying factors which lead to leadership as well as the way in which other factors moderate this relationship.

### **Self-confidence**

Self-confidence is a personality trait. One of the most widely accepted definitions of it comes through the Trait Theory of Leadership wherein it is considered one of the most important personality traits used to identify potential leaders (Daft, 2005). If we were to take a more contemporary definition of self-confidence, Merriam-Webster Online defines it as “confidence in oneself and in one’s powers and abilities”. Although there is no singular definition of self-confidence as a construct, a lot of research has

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been done on the subject and various authors have defined it in different ways. For instance, the reasons for development of self-confidence in an individual have been identified by various authors. Self-confidence may result from a person's belief in whether he or she can perform a task – a belief derived from whether or not they succeeded in performing the task in the past (Burns, 1993). On the other hand, self-confidence has also been said to develop in two phases. First, you examine whether you are capable of handling, or have adequate information about, a task and then based on this analysis you decide whether you can handle the task in the present context or situation (Koriat et al, 1980). Self-confidence has most often been linked with the concept of self-efficacy and the two terms are often used interchangeably. Apart from gaining experiential knowledge, a person's self-confidence may also increase through appropriate motivational mechanisms or through reinforcement behaviours (Bandura, 1977). The components of self-confidence have also been studied and they can be divided into internal and external components, ranging from self-love for the former to assertiveness for the latter (Lindenfield, 1995). There are also certain general behavioural indications, which have been linked to self-confidence as components or attributes, viz. a person's air of assurance and the fact that his entry or exit from a space is considered to be of note (Goleman, 1998). In an analysis of self-confidence as a concept, we can find those attributes, which are most representative of self-confidence as a stand-alone concept. These attributes include belief in positive achievements, persistence and self-awareness – all of which our questionnaire attempted to capture (White, 2009). Personal characteristics such as willingness to take initiative, effectiveness, self-esteem etc. have also been variously linked to self-

confidence (Kacmar and Young, 1998; Pool and Sewell, 2007). Self-confidence measures have, for the most part, continued to measure the attributes mentioned above. However, some new scales to measure it have been developed in recent years, mostly for use in specific professions. The Self-confidence Attitude Attribute Scale was developed to measure the ability of students as well as the amount of work they are willing to perform in order to succeed (Nokelainen et al, 2007). A new measure, the Perceived Self-confidence Scale was also developed for nurses in order to gauge the correlation between willingness to take up managed care and perceived self-confidence (Hayes, 2003)

### Self-efficacy

Self-efficacy is also a construct related to personality and was first developed as part of a study on behavioural change (Bandura, 1977). It was initially defined in terms of an element which helps in development of learning abilities, especially for social or cognitive skills. The concept gained currency over the years and may now be defined as the conviction that one can act in accordance with certain predetermined norms and that such actions will lead to the successful achievement of objectives (Ormrod, 1999). It can also be defined as the belief that our actions can have a modifying effect on the environment and, hence, bring about changes or achieve goals (Steinberg, 1998). Elsewhere self-efficacy, especially among students has been examined and has been described as being capable of imagining oneself achieving a goal completely or as far as one desired to achieve it (Smalley, 1998). It has also been described as, simultaneously, an influence on and a result of socio-cultural norms and ethnic background (Pajares, 2002). As



mentioned above, a similarity of concepts has often led to self-efficacy being used interchangeably with self-confidence. This is also true in the case of efficacy, self-esteem and self-concept. Efforts to distinguish efficacy from self-efficacy have focussed on the fact that efficacy represents actual ability whereas self-efficacy represents a belief in one's ability to accomplish a goal in a designated manner (Sue et al, 2005). The sources which lead to self-efficacy as well as the factors which impact it have been divided under four broad headings – learning derived from experiencing something in the past; learning from or comparing oneself with others; persuasion from social relations or even institutions and finally, our reactions to the physiological changes within us during specific situations (Bandura, 1977). Self-efficacy also has certain consequences on behaviour. For example it leads to greater effort and increased focus on achievement of goals (Schunk, 1990). It may also make one more competent in generating enthusiasm and motivation for a task (Gonzalez et al, 1990). On the other hand, low self-efficacy could also lead to the reverse, i. e. low competence due to lack of belief in oneself (Pajares, 2002). Self-efficacy, apart from being linked to the above-mentioned constructs (with which it is frequently interchanged), also has an impact on the way we think and act, our thought patterns and behaviour (Bandura, 1977). In order to define self-efficacy or to apply it to their research, theorists and researchers began to devise new ways to describe and measure the construct of self-efficacy. Initially self-efficacy was primarily measured on the General Self-Efficacy Scale (Scherer et al, 1982). However, more recently, apart from the universally accepted scales such as the Generalised Self-Efficacy Scale (Jerusalem and Schwarzer, 1995), other scales have been developed, such as the Scale of Perceived Social Self-

Efficacy (Betz and Smith, 2000). The latter was developed to measure self-efficacy expectations in the context of actions taken or behaviour demonstrated in social situations. There were six sub-factors to self-efficacy, in this scale, and they included 'performance in public situations' as well as 'social assertiveness'. These scales have also been modified according to the needs of the research (Matsushima and Shiomi, 2003).

## Leadership

Leadership has been identified in various forms over the years. It has alternately been considered a combination of traits, of behaviours, of contingency actions etc. It can be defined as the process by which an individual encourages others, or works with others, to achieve certain shared goals (Chemers, 2002). Over time this definition has become more expansive and now includes the interrelationship between the leader and his followers. Leadership as a construct has evolved over time and this evolution can be divided into six broad types of leadership theories (Daft, 2005). The Great Man Theory of leadership defined it as inherent ability which set apart one man from the rest and he was recognised as a leader while the Trait Theory, which was in currency for nearly half a century, tried to identify those traits which can be influencers or predictors of leadership ability (Robbins, 2008). Other theories have included study of leadership behaviours, leadership's impact on followers, leadership actions to be taken in emergency, interrelationship between leadership and change etc. (Yukl, 1981). ). Leadership or leadership quality (which has been used as a construct in our survey and our research) has also been defined in terms of the people orientation and task orientation of individuals (Hemphill and Coons, 1957; <https://assignbuster.com/self-confidence-and-leadership/>

Likert, 1979; Blake and Mouton, 1985). The reasons for leadership definitions being focussed on these two dimensions are the importance of both to the organisation as well as the fact that the presence of both, in an effective leader, is necessary. Irrespective of whether the two orientations are displayed simultaneously or at different situations, it is clear that extensive research has determined them to be present in successful and admired leaders (Fleishman and Harris, 1962). The various constructs which have been related to leadership over time include emotional intelligence and social intelligence (Goleman and Boyatzis, 2008), integrity and self-confidence (Trait Theory) and other more elusive constructs such as charisma (Influence Theories). There has been a great deal of empirical evidence over the years to suggest that leadership is affected by self-confidence (Bass, 1985; Popper, 2004 etc.) and also by self-efficacy (Bandura, 1977; Paglis and Green, 2002 etc.). Various measures have been developed over the years to capture the elusive and ever-changing construct of leadership. Some of the scales developed in the last decade included the Revised Self-leadership Scale (Houghton and Neck, 2002), revisions to existing scales on Leadership Scale for Sport and Athlete Satisfaction Questionnaire (Nazarudin et al, 2009), etc.

### Self-confidence and Leadership

From the literature which was reviewed, it was clear that self-confidence was an important part of an individual's personality and, hence, should be an important factor in the development of leadership in him. But, first it needed to be proved that personality has an effect on development of leadership or on demonstration of leadership behaviour. The study of relationship between

leadership and personality has found significant interdependence between the two, with self-confidence being an important element of a leader's personality (Hautala, 2005). In one such study personality was divided into four clusters and it was proved that certain types of personality demonstrated greater leadership behaviour (Church and Wacławski, 1998).

However, in order to relate the constructs of self-confidence and leadership, more research has been conducted, both empirical and conceptual. While studying transformational leadership through a survey feedback session, it was discovered that one of the important personality components, for those who scored high on leadership was self-confidence (Bass and Riggio, 2006). Similarly a study on the 'building-blocks' of leadership development, has also shown that self-confidence was the "most evident variable" when it came to determining ability to lead others (Popper and Mayseless, 2007). When it comes to leadership in a business environment, there is ample research to suggest that business leadership is also dependent, to a great extent, on self-confidence. For instance, there has been research on managerial self-confidence and organisational change. The study attempts to formulate a new concept of self-confidence, which can lead to better managerial performance in terms of leading an organisation towards change (Bowman, 1999). The current economic environment requires a new set of business leaders with new ideas and a confident leader as well as earning confidence through respect is an important means of achieving success (Darling and Nurmi, 1995). A 'profiling tool' on public sector managers had also discovered a lack of leadership confidence among them, which affected

their ability to provide inspiration and support to subordinates and colleagues (Women in Management Review, 2007).

Entrepreneurship can intuitively be considered a direct form of leadership and studies have demonstrated that among MBA students (our sample), higher self-confidence can be statistically correlated with higher levels of entrepreneurship-orientation (Koh, 1996; Turker and Selcuk, 2009). A study on communication in groups has also shown how self-confidence is essential for improved communication (Education + Training Journal, 1960). For prospective managers it, therefore, becomes necessary to develop self-confidence as a means to developing leadership and even communication skills.

#### Self-confidence and self-efficacy

As mentioned earlier, self-confidence and self-efficacy are often used interchangeably, primarily due to the similarity of the constructs, which are both dependent on a sense of self-belief. While self-confidence is the belief in one's abilities, self-efficacy is the belief that one is capable of performing a certain task in an expected manner. Studies on either of these constructs tend to focus on the other as well. In a conceptual study on use of these constructs for therapy, self-confidence was advocated for the common man whereas self-efficacy was recommended for use in (Ulmer, 1998). The study felt that self-efficacy had more empirical support as a construct and, hence, self-confidence could be considered a sort of sub-set of self-efficacy, whereby, higher self-confidence would imply higher self-efficacy. The relationship between the two, with self-efficacy playing an important

mediating role between self-confidence and effective performance, has also been empirically validated by another study (Orpen, 1999). Not only are the two concepts interrelated but they can also be used as substitutes for each other – for example self-efficacy can be seen as a private form of shoring up faith in oneself, while self-confidence can be seen as the external image we need to present to society in order to succeed. It has been suggested that self-confidence can be either a trait or something that is specific to certain situations (Pool and Sewell, 2007). There have also been attempts to redefine these personality traits as contextual concepts so that it would be easier to measure them and also to work towards developing them in individuals. It would also be easier to map the exact relation between the two, i. e. how the increase in one leads to increase in the other (Pool and Sewell, 2007). Most attempts at measuring one or the other have culminated in both being measured as a factor of the other. Confidence has been included as one of the six dimensions on the Occupational Self-efficacy Scale (Petthe et al, 1999). Similarly, a study on the Israeli military used the construct of self-confidence as a combination of 3 variables, one of which was self efficacy (Popper et al, 2004). Variants of the constructs have also been found to be related to each other. For example, Social Self-efficacy has been proved to have a high correlation with Social Confidence (Betz and Smith, 2000). Thus, we may say that an increase in self-confidence or high levels of self-confidence is mirrored by correspondingly high levels of self-efficacy.

Self-efficacy and leadership

It has been seen that high level of self efficacy makes a person better suited for leadership role than a person with a low level of self efficacy. Through the Social Learning Theory, it was demonstrated that leadership development increases with high levels of self-efficacy (Bandura, 1977). Leadership involves being committed to the organisation you work for and self-efficacy at the workplace plays an important role in increasing this commitment (Rastogi and Rathi, 2009). A construct called Leadership Self-Efficacy (LSE) was also designed and the relationship, between LSE and an increase in leadership behaviours, was empirically validated (Green and Paglis, 2002). Studies have not only related individual self-efficacy and leadership but have also shown how increase in a leader's self-efficacy, so far as it pertains to his leadership abilities and job performance, have a positive effect on self-efficacy of the team or group that is being led (Sanchez and Villanueva, 2007). Self-efficacy is also necessary for achievement of stated objectives and the construct has been found meaningful for developing better performances in an organisational setting (Appelbaum and Hare, 1996). Other research has also tried to establish a correlation between self-efficacy at work and the personal traits which can be considered essential for leadership (Schyns and Sczesny, 2010). Career success which could be defined as being able to reach a level of influential leadership is also positively affected by self-efficacy (Ballout, 2009). There has also been an interest in transformational leadership and its relation to self-efficacy for leaders, both male and female (Sanders and Schyns, 2005). For those working in expatriate roles or leading global organisations, self-efficacy has been found to be an important criterion for success (Ang and Dyne, 2006). Self-efficacy also leads to greater job involvement, a prerequisite for

effective leadership (Lin et al, 2009). The ability to lead new companies or begin a new venture has been found to be positively affected by high self-efficacy (Alvarez et al, 2006).

### Self-confidence, self-efficacy and leadership

Based on the discussion above, we can say that there is a positive relationship between self-confidence and leadership, self-confidence and self-efficacy and self-efficacy and leadership. But in order to study the relationship between self-confidence and leadership, with self-efficacy as a mediator, further research was involved. The Social Learning Theory was one of the first in establishing a correlation between these three constructs since it showed self-confidence to be an important element of self-efficacy while also establishing its relation with leadership development (Bandura, 1977). Any comprehensive study of leadership as a concept tends to include self-confidence and self-efficacy as two of the most important factors in possessing or developing leadership skills (Conger et al, 1988). Self-confidence and self-efficacy have also been found to influence the thought patterns or actions which lead to leadership development (Popper, 2004). Both self-efficacy and self-efficacy have been shown to have an impact on a person's job capabilities and, hence, ultimately his leadership capabilities as well (Pool and Sewell, 2007). Self-confidence and self-efficacy have also been independently correlated to entrepreneurial leadership abilities and, considering the correlation between the two constructs, one can say that an increase in one would lead to an increase in the other and finally to an increase in leadership abilities (Turker et al, 2008; Alvarez et al, 2006). Attempts to develop future leaders have also shown that increasing self-

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efficacy and motivating employees to have greater self-confidence are integral to the process (Popper and Lipshitz, 1993). From empirical and theoretical research, the two constructs of self-confidence and self-efficacy have been shown to be related conceptually, since both are dependent on self-belief to a great extent. If we posit that self-confidence has a positive correlation with leadership, then an increase in one should lead to a corresponding increase in the other. However, since self-confidence is related to self-efficacy and self-efficacy is related to leadership, any increase in self-confidence will lead to increase in self-efficacy, which in turn would increase leadership ability.

#### Gender's Moderating Role on the Model

The definition of gender includes the practices, beliefs and norms, internalised by men and women, with reference to their roles in society. Thus, gender influences individual decision making according to societal expectations. As a sociological entity, it also affects the development of personality and, hence, of traits such as self-confidence and self-efficacy. There has been significant research on how gender affects leadership. The possibility of women attaining leadership roles has been studied with reference to whether a glass ceiling exists and how evaluation of (and by) either gender tends to have an element of bias (Weyer, 2007). There is research to suggest that the types of roles or leadership positions offered to women are often significantly different compared to men (Lantz and Maryland, 2008). The differences in leadership orientation or style, between men and women, have also been studied to identify the varying ways in which they handle change and transformation (Yanez and Moreno, 2008).

Leadership effectiveness has been analysed to show that gender differences exist (Chow, 2005). Not only does gender affect leadership but it also has an impact on various abilities and competencies which affect leadership.

Studies have shown that women tend to score higher on emotional intelligence, which is generally identified with leadership (Bauch and Rucinski, 2006). There is also a significant difference in the extent to which men and women possess these success-predicting attributes (Hopkins and Bilimoria, 2008). In a study, which is of particular interest to this research, entrepreneurship skills (linked to leadership in the discussion above) were found to be influenced by levels of self-confidence. The self-confidence levels for men and women were qualitatively proved to be different, hampering women in their quest for leadership development and success. Thus, we can say that gender has an influence on the relationship between self-confidence and leadership.

Based on the discussion above, the following hypotheses are proposed:

H1. Self-confidence has an impact on leadership quality.

H2. Self-confidence has a positive impact on self-efficacy.

H3. Self-efficacy has an impact on leadership quality.

H4. Self-confidence has an impact on leadership quality by increasing self-efficacy.

H5. Gender has an impact on the relationship between self-confidence and leadership quality.

## **Research Model**

- Self-Confidence
- Self Efficacy
- Leadership
- Gender

## **Methods**

### **Sample**

The survey was administered to management students of XLRI of batch 2008-10 and 2009-11. There are total 420 students (294 – males and 126 – females), out of which 68. 03% of the students chose to participate. The response consisted of 127 males and 73 females. Using stratified sampling, 102 males and 58 females were chosen using random number generator. The average age of the sample is around 25 years. The questionnaire was a self-administered questionnaire and it was sent to students using internet.

### **Measure**

The constructs used here were measured using Likert and Likert-type scale with different range used for different constructs.

Leadership quality – It is measured using 5-point Likert type scale developed by. A sample item is “ The more challenging a task is, the more I enjoy it”.

Self confidence – it is measured using 5-point Likert scale developed by Sherer et al’s (1982). A sample item is “ I avoid facing difficulties”.

Self efficacy – it is measured on a 4-point Likert type scale using Schwarzer and Jerusalem's General Perceived Self-Efficacy Scale (Schwarzer and Jerusalem's, 2010). A sample item is " If I am in trouble, I can usually think of a solution."

Also, gender has been used as a moderator which is a dichotomous variable asking if the respondent is a male or a female.

### Analysis

For the analysis, different methods have been used for different purposes. For measuring the reliability of various constructs the Cronbach's alpha has to be calculated for all the constructs defined in the model. For proving H1, H2 and H3 we are using linear regression model to find out the significance of relationship between the constructs of Self confidence, self-efficacy and Leadership Quality. In order to evaluate the effect of mediator we use the mediator model with multiple regression analysis or MRA which consists of four sequential steps to find out the significance of mediation and the effect of mediation. This analysis supports H4. For evaluating the effect of gender as the moderator, we first do regression analysis between the predictor and the consequent while including only the male gender in the analysis and then we do the same analysis using the female gender. This is done to find out whether gender has a significant role to play on how self-confidence affects leadership quality in a person. We use SPSS software to carry out our analysis.

## Results

Reliability: In order to test the consistency of a construct, Cronbach's alpha is calculated. Following are the results for the same. According to some professionals, as rule of thumb, if value of alpha is 0. 7 or higher, the construct is considered as reliable.

Construct

Cronbach alpha

Reliability

Leadership Quality

0. 847

Yes

Self Confidence

0. 681

Yes

Self Efficacy

0. 889

Yes

Effect of Self confidence on Leadership Quality: This