THE MEDIATING EFFECT OF CHARISMATIC LEADERSHIP COMMUNICATION AND ORGANIZATIONAL CREDIBILITY IN THE RELATIONSHIP BETWEEN CRISIS RESPONSIBILITY AND PERCEIVED ORGANIZATIONAL REPUTATION

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Abstrak

Berdasarkan teori komunikasi krisis situasional (SCCT), kajian ini memfokus kepada jenis krisis yang boleh dielakkan dan kesannya ke atas reputasi organisasi. Walaupun SCCT telah digunakan dalam penyelidikan komunikasi krisis secara meluas, teori ini masih terbatas dalam menerangkan potensi pengaruh-pengaruh lain terhadap reputasi organisasi. Untuk merapatkan jurang ini dan juga untuk merperkayakan sorotan karya tentang reputasi organisasi dalam sektor awam, kajian ini membangunkan model perantara untuk mendalami penyelidikan dalam reputasi organisasi awam. Model perantara kajian ini mengintegrasikan pemboleh ubah tanggungjawab krisis, komunikasi kepimpinan berkarisma dan krediibiliti organisasi dalam rangka kerja teoritikal SCCT. Objektif utama kajian ini adalah untuk menentukan kesan perantara komunikasi kepimpinan berkarisma dan krediibiliti organisasi terhadap hubungan antara tanggungjawab krisis dengan tanggapan terhadap reputasi organisasi. Model perantara ini diuji menggunakan model persamaan berstruktur dengan data yang diperolehi daripada 368 penjawat awam dari dua buah organisasi di Malaysia. Model perantara yang diuji menunjukkan mekanisma dinamik komunikasi kepimpinan berkarisma dan krediibiliti organisasi berfungsi sebagai separa perantara dalam hubungan antara tanggungjawab krisis dan tanggapan terhadap reputasi organisasi yang berkrisis. Hasil kajian ini membuktikan kesahan model perantara yang dicadangkan dalam kajian ini. Secara empirikal model perantara yang disahkan ini boleh dijadikan panduan instruktif kepada organisasi dan peneraju sektor awam dalam menangani krisis dan reputasi organisasi. Kajian ini menyediakan sumbang saran tentang peranan utama komunikasi kepimpinan berkarisma dan krediibiliti organisasi dalam proses reputasi organisasi. Implikasi praktikal kajian ini mencadangkan peneraju krisis harus mempraktikkan komunikasi kepimpinan berkarisma dan meneguhkan krediibiliti organisasi untuk mengurangkan kesan krisis terhadap reputasi organisasi. Yang lebih penting, hasil kajian menunjukkan komunikasi kepimpinan berkarisma dan krediibiliti organisasi menyumbang kepada reputasi organisasi secara jelas telah membawa kedua-dua konstruk ke tempat terpenting dalam pengurusan reputasi organisasi.

Kata Kunci: Komunikasi kepimpininan berkarisma, Kredibiliti organisasi, Reputasi organisasi, Tanggungjawab krisis dan Teori komunikasi krisis situational

Abstract

Based on the situational crisis communication theory (SCCT), this study focuses on the preventable crisis type and its impact on organizational reputation. Even though the SCCT has been widely used in crisis communication research, the theory still has its own limitations in explaining factors that could potentially affect the reputation of an organization. This study develops a mediation model by integrating crisis responsibility, charismatic leadership communication and organizational credibility in the SCCT theoretical framework. The main objective of this study is to determine the mediating effect of charismatic leadership communication and organizational credibility in the relationship between crisis responsibility and perceived organizational reputation. Based on the mediation model, nine hypotheses are tested using Structural Equation Modeling (SEM) with the data obtained from a sample of 368 employees of two selected public organizations in Malaysia. Research findings confirm positive and significant relationships between all constructs in this study. The tested mediation model also indicates that the dynamic mechanisms of charismatic leadership communication and organizational credibility partially mediated the relationship between crisis responsibility and perceived organizational reputation during a crisis. These findings validate the proposed model in this study. Empirically, the mediated model established can serve as an instructive guide for both public organizations and corporate leaders in managing crises and reputations. This study contributes to further establishing the SCCT and posits key attributes in the organizational reputation processes. A practical implication of the findings suggests that a leader should engage in charismatic leadership communication and strengthen organizational credibility to mitigate the impact of a crisis on organizational reputation. As a conclusion, the findings have placed the dynamic mechanism of the research constructs at the forefront of managing organizational reputation.

Keywords: Crisis responsibility, Charismatic leadership communication, Organizational credibility, Organizational reputation, Situational Crisis Communication Theory

Dedication

To all of my friends who taught me the true meaning of friendships, some of whom had gone through the same path together, and some who had not, but were always there; some who had shared insightful ideas, and some who simply care. Especially for Minn, Dib, Azie, Aziah, Zai & Echah, I am thankful for your whole-hearted emotional and moral support.

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List of Abbreviation

AGFI	Adjusted Goodness of Fit
AMOS	Analysis of Moment Structure
AVE	Average Variance Extracted
C.R	Critical Ratio
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
Chisq	Discrepancy Chi Square
Chisq/df	Chi Square/Degrees of Freedom
CR	Composite Reliability
EFA	Exploratory Factor Analysis
EMP	Empathy
ENT	Enthusiasm
GFI	Goodness of Fix Index
MACC	Malaysian Anti-Corruption Commission
NFI	Normed Fit Index
PNFI	Parsimony Normed Fit Index
RMSEA	Root Mean Square of Error Approximation
SD	Standard Deviation
SE	Standard Error
SEM	Structural Equation Modeling
SMC	Squared Multiple Correlation
SPSS	Statistical Package for Social Sciences
SRMR	Standardized Root Mean Square Residual
SRW	Standardized Regression Weight
TLI	Tucker Lewis Index
TOC	Task-oriented Communication
VIF	Variance Inflation Factor

CHAPTER ONE

INTRODUCTION

1.1   Background of the Study

Public or government organizations have long been associated with having unfavorable reputations (Waeraas & Moar, 2015; Carpenter & Krause, 2012). For decades, they have been portrayed as incompetent, inefficient, rigid, indulge in too much red tape and bureaucracy. These negative perceptions are associated with the government's reputation which is reflected in constant criticism such as being unreliable and not having a customer service orientation. This has resulted in the decline of public support for government and public organizations or agencies (Kennedy, 2009). To worsen this situation, a 'bad' reputation and stakeholders' distrust may signal a lack of legitimacy in public sector organizations (Luoma-aho & Makikangas, 2014). Fortunately, current research in public organizational reputation has indicated that public entities are becoming more cognizant with the value of a favorable reputation and have begun to put an interest in improving and protecting their reputation. These concerns are expressed in terms of actions taken to implement measures to nurture, maintain, and protect their reputation. As a result, a great deal of research has been dedicated to public organizational reputation in recent years.

A wide range of scholarly interests in this area focuses on the issues and criticisms concerning the problem of reputation management which threatens public organization's reputation. Among the issues and challenges are those concerning public safety, which involves matters of life and death, and other situations that directly affect citizens, such as general elections and public policies, which rely on trust from the public (Liu, Horsley, & Yang, 2012). To further address issues in today's increasingly complex organizations, scholars have also focused on issues such as political legitimacy (Houston & Harding,

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2013; Vigoda-Gadot, Zalmanovitch, & Belonogov, 2012), managerialism and corporate governance (Waeraas & Byrkjeflot, 2012), organizational performance (O'Toole & Meier, 2009), ethics and compliance (Lager, 2010), public complaints crises (Grunwald & Hempelmann, 2010) and government communication (Liu et al., 2012).

Reviews on corporate communication literature indicate that knowledge on the concept of favorable reputation in the public sector context, in terms of benefits and implications, is still limited when compared to the private sector. Research in this area is considered to be in its infancy but it is growing and promising. The growing number of crises in complex public organizations led to the emergence of a more systematic, theoretical, and empirical focus on reputation (Wæraas & Maor, 2015) that is not concerned with the general standing of political bodies or the public sector as a whole. Instead, the field draws attention to the reputation of individual administrative entities that behave, more or less, as autonomous actors within the political-administrative system.

Unlike private organizations where financial performance acts as the key indicator of success, and competition among business rivals is commonly acknowledged, public organization entities are assumed to benefit from cultivating and protecting their reputation. In order to achieve this, bureaucratic organizations such as ministries, federal and local government agencies, and regulatory bodies are working together to secure, enhance or establish a favorable reputation collectively. A favorable reputation is an asset of importance that no public sector entity can afford to neglect because it gives power, autonomy, and access to critical resources (Waaeras & Moar, 2015). Thus, it is crucial for reputation to be consistently established, nurtured, and protected. An increasing awareness on the importance of reputation has resulted in the public sector organizations in most countries increasing their ability to manage reputation.

The increased awareness in managing reputation is also due to the increased incidents involving public organizations. As such, with more crises occurring across and throughout specialized public organizations, communication scholars have realized that the management of public organizations' reputation is equally as important as private sector organizations, as the impact will determine the survival of the public organization (Carpenter & Krause, 2012; Kennedy, 2009). In light of this, current explanatory theories and perspectives on crisis and reputation management warrant expansion and a wider explanation to better capture the alarming complexities in public organizations. In particular the role of charismatic leadership during crisis as well as organizational credibility and its effects on organizational outcomes is critical.

The need to expand current explanatory theories is pressing due to the underrepresented theory-based research emphasizing key indicators in organizational crisis and reputation. In the context of a theoretical framework, several attempts had been made to explain organizational crisis such as the situational theory of publics (Grunig & Hunt, 1984), attribution theory (Weiner, 1985, 1986) and image repair theory (Benoit, 1995). Another theory which has been used to understand organizational crisis is an integrated four-step symmetrical model (Gonzales-Herrero and Pratt, 1996). These models, even though succeeding in analyzing a crisis, have limitations in identifying the crisis types as well as the response strategies for a specific crisis. Weiner's (1986) attribution theory, for example, provides empirical evidence on the link between crisis and reputation, but is not able to guide crisis leaders with robust decision-making when a situation erupts. While image repair theory often studied in a context of organization reaction to a crisis which neglects other possible element in the crisis management phase. In this regard, the application of the image repair theory often is descriptive rethorical, while causal research approach is relatively scarce (Holtzhausen & Roberts, 2009) which refrained the possibility of multiple

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issues affecting the image restoration efforts being analyzed. Therefore, using a death incident of a non employee as a preventable crisis context, this research tries to accommodate situational crisis communication theory (SCCT) developed by Coombs (2006) in order to understand the development of crisis from the victim type to the preventable type of crisis. Furtheremore the response strategies employed by the organization as well as the impact it has on the organizational reputation are also examined.

However, the effectiveness of the strategies being implemented could not be assessed solely using the existing theory since SCCT mainly focuses on crisis type and crisis response strategy in explaining the impact of crisis on an organization's reputation. In the organizational communication perspective, there are many other factors that have the potential to influence organizational outcomes, especially when the crisis arises. Among those factors are those originating from within the organization itself such as leadership communication and the organization's credibility. For example, previous research has proven that leadership communication (De Vries, Bakker-Pieper, & Oostenveld, 2010) and organizational credibility (Kouzes & Posner, 2012) have direct links with an organization's reputation. Thus, the current research proposed to expand the SCCT by incorporating leadership communication and organizational credibility in the theoretical framework in an attempt to analyze public organizations' reputation following a crisis.

Organizations' leaders can impact on the dynamics of organizational reputation in a crisis through their charisma, which will enhance the credibility of their respective organization as the source of information (Coombs, 2012). This is particularly important because in times of crisis, organizations are urged to minimize the impact on their reputation, which force the organizations to rely on their leaders. Leadership literature shows that there are many factors contributing to the leaders' success in managing crises, among others:

charismatic leadership (Antonakis, Fenley, & Liechti, 2011; Halverson, Holladay, Kazama, & Quinones, 2004; Hunt, Boal, & Dodge, 1999; Pillai & Meindl, 1998); leadership style (Ivanescu, 2011); leadership communication style (De Vries, et. al, 2010); leadership credibility (Kouzes & Posner, 2012); effective communication (Babarinsa, 2013); dialectics (Barge, 1996); non-verbal communication (Holladay & Coombs, 1994); and competence (James & Wooten, 2005). Some research has even investigated the emergence of leadership during a crisis (Kakavogianni, 2009) and environmental uncertainty (Waldman, Ramirez, House, & Puranam, 2001). What is missing in the literature is the importance of the issue of charismatic communication of a leader in determining the organization's success in overcoming a problem.

Organization reputation and crisis communication literature indicates that leadership behavior directly and indirectly drives and reinforces perceptions of crisis responses (Ramirez, 2010; Seeger, Sellnow & Ulmer, 2003) and perceives organizational reputation (Davies & Mian, 2010). The role of the leaders (or CEOs) during the crisis response stage is paramount in maintaining organizational reputation and identity (Flatt, Harris-Boundy, & Wagner, 2013; Coombs, 2012; Modzelewski, 1990). The behaviors of the leader himself are determining factors in the success or failure of crisis management. However, to date, the crisis communication literature has yet to include charismatic leadership communication as a meaningful variable that can influence the link between crisis communication and reputation, whether directly or indirectly (Davis, 2012; De Vries et al., 2010; Levine, 2008; Levine, Muenchen & Brooks, 2010). Therefore, lack of charismatic leadership communication employed by the organization during a crisis can be problematic because the public can be sensitive to the way in which information is received from the organization, hence affecting their perceptions of it. This may indirectly or directly affect the public's attitude to the institution or organization. Although there are implications of

charismatic leadership communication during the crisis for business and management practices, they have not been theoretically and empirically tested in a systematic manner (Levine, 2008).

It is also worth noting that charismatic leadership, as the core element in leadership theory, has been widely explored, yet no analysis has studied the communication aspect of it in an organization setting (Levine, 2008). On the other hand, in the field of crisis communication, research on leadership indicates that the criticality and centrality of crisis leadership has emerged as the cardinal rule in crisis communication (Lucero et al., 2009). Recently, research has highlighted that communication plays a major role in constructing and protecting government bodies' reputations (Liu et al., 2012) and forming many stakeholders' perceptions of their reputation especially in crises (Maor, Gilad & Ben-Nun Bloom, 2013). Whilst the literature indicates guidance, this important aspect of leadership communication has been afforded little attention by researchers, resulting in a knowledge deficiency in crisis communication, and its impact on organizational reputation from the internal stakeholders' perspective, specifically employees at the executive and managerial levels. Moreover, the diverse demographic factors of leaders in managing crises appear to be largely unexplored, and understanding these factors constitutes an opportunity to bridge the gap in the crisis literature.

Nevertheless, a review on previous research on charismatic leadership has recommended several areas to be investigated in order to bridge the gap in the charismatic leadership communication literature. First, there is a need for further validation studies, given the limited research attention that the subject has received to date (Johansson et al., 2014; Levine et al., 2010; Shamir, Zakay, Breinin & Popper, 1998). Second, there is a need to investigate the causal relationship between leadership communication and reputation in

times of crises (Coombs, 2014; Lucero, Tan & Pang, 2009). An understanding on the role of charismatic communication during a crisis can help generate guidelines for leaders to employ more of the charismatic leadership communication in mastering risks. Third, previous research on crises and charismatic leadership was mostly experimental and/or laboratory studies conducted on students samples (Coombs, 2014; Kirkpatrick & Locke, 1996; Levine et al., 2010; Shea & Howell, 1999). As such, this study is designed to investigate managerial samples to reflect the management's perspective on their leadership communication and perceived organizational reputation.

Previous research on charismatic leadership suggests five critical tasks that leaders should perform in times of crisis: making sense of the crisis, making decisions to deal with the crisis, framing and making meaning of the crisis to stakeholders, terminating the crisis to restore normalcy of the organization, and steering the organization to learn from what happened (Boin, Hart, Stern, & Sundelius, 2005). Not included in the list nevertheless, is what is being considered as equally important – the role of the leader as the organization's spokesperson, where the flow of information originates from the inside and goes to the outside world. Besides setting the direction for the organization, a leader re-establishes confidence among stakeholders through charismatic leadership communication. In other words, the CEO's role is not only planning and managing the strategy to overcome the crisis, but also communicating the strategy that is being implemented to the public.

Appointing a visible, charismatic leader to manage the crisis shows that organizations pay much attention to handling the crisis (Lucero et al., 2009). As such, further examination on many aspects of charismatic leadership communication is necessary to determine the exact nature, influences and consequences of the charismatic leadership communication in organizations. As Levine (2008) argues, apart from the main elements such as influence

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and motivation and key characteristics of charismatic leadership, communication variables also need to be given equal attention, as these elements are communication-based messages and behaviors. In the same vein, Osborn, Hunt and Jauch (2002) stressed that, investigating charismatic leadership in an organizational perspective is crucial, and the leader communication aspect during crisis should be considered because it will be significant in widening the scope of this field of study. In addition, further research on charismatic leadership by Frese, Beimel, and Schoenborn (2003) and leadership communication by Levine et al. (2010) and Levine (2008), has provided interesting results that serve as the platform to embark on investigating the mediating role of charismatic leadership communication in this study.

Likewise, the role of organizational credibility in re-building public organizational reputation following a crisis is noticeable, yet empirical evidence on its effects remains absent. Even though researchers have continuously attempted to fill the knowledge gap in the study of credibility, empirical analysis of the mediating impact it has on organizational reputation is still inadequate. A growing body of knowledge recommends that addressing this gap is timely due to the fact that the impact of organizational credibility has not been thoroughly understood (Wissmath, Weibel & Reber, 2010).

Organizational reputation does not occur by chance because it is closely related to the role of an organization's stakeholders and leadership communication (Forward, Czech, & Allen, 2007; Halverson, Murphy, & Riggio, 2004; Kakavogianni, 2009, Watson, 2007), and public trust and organizational credibility (Vigoda-Gadot, 2007). The dynamic interplay of leadership communication, organizational credibility and employees' perception of organizational reputation during a crisis serves as a new mechanism in understanding crisis communication. Given the established links between crisis and

reputation in Western countries' corporate sector, the present study investigates such links and develops a framework to examine the extent to which these relationships are mediated by charismatic leadership communication and organizational credibility in public organizations in Malaysia.

With a communication-centered approach, this study hypothesizes that charismatic leadership communication and organizational credibility are the primary process variables that mediate the relationship between crisis responsibility and perceived organizational reputation variables. This line of research answers Coombs and Holladay's (2012), Coombs's (2007) and Shamma's (2012) call to identify the underlying process variables linking crisis and organizational reputation. This study also answers Lange, Lee and Yee Dai's (2011) assertion to examine the antecedents of reputation and their effects in a more complex reputation model, particurlarly in Asian countries (Chetthamrongchai, 2010). More specifically, this research accepts Jin and Yeo's (2011) invitation to further investigate the effect of leadership communication in a reputation and relationship-building process in crisis situations. Thus, exploring these relationships using causality-based analysis is both theoretically and practically imperative because such analysis provides a realistic picture of the leadership in an organization and the organizational reputation during a crisis.

Previous research on charismatic leadership communication, organizational credibility and organizational reputation has been predominantly conducted in Western contexts (Coombs, 2012; Wester, 2009) including Europe and the United States, and more recently, to some degree, China (PRC), and Taiwan. To extend, broaden, and complement this work, this study considers the mediating effects of charismatic leadership communication on the relationship between organizational crisis and organizational reputation in the vastly understudied (and

inherently ethnically diverse) Southeast Asian country of Malaysia (Bakar, Jian & Fairhurst, 2014). It is strongly contended that broadening the literature via Asian-based studies such as this one are essential as we move toward more meaningful and deeply thought-through comparisons and contrasts between people from nations located in various regions (see also Ota, McCann, & Honeycutt, 2012).

In the few studies using non-Western samples, however, communication remains absent in the organizational reputation (Abd-El-Salam, Shawky, El-Nahas, & Nawar, 2013; Hamdi & Rajablu, 2012). Thus, this study tests a communication-centered model using members of public sector organizations or agencies in Malaysia. Unlike many other homogeneous Asian countries (e.g., China, Japan, and South Korea), Malaysia is rather heterogeneous in its cultural and ethnic composition, which includes Bumiputra (including Malays and other indigenous people), Chinese, Indians, and several other smaller ethnic groups (Bakar, & Sheer, 2013). Therefore, the findings can contribute to leadership and communication literature from both communication points of views; diverse cultural background and a non-Western perspective.

This study extends the research on the effect of credibility on organizational reputation and its interaction with crisis responsibility and charismatic leadership communication in a public organization setting to address the importance of assessing the role of leadership communication and organizational credibility during crisis situations in Malaysia's public sectors. Both charismatic leadership communication and organizational credibility will be tested as public organizations' weapons to combat declining public trust while securing its reputation. This research seeks to fill the lacuna in existing studies by comprehensively investigating and understanding the dynamics of two core aspects of organizational

reputation: firstly, charismatic leadership communication; and secondly, organizational credibility during a crisis in public organizations in Malaysia.

Malaysia is a developing country where organizational reputation has recently received its fair attention from both the public and private sectors. However, in general, it is found that Malaysian public organizations' reputation has received little attention when compared to private sector bodies. Like most public organizations worldwide, public organizations in Malaysia suffer from a poor reputation associated with inefficiency, low level of professionalism, financial uncertainties and political unrest (Nik Hazimah & Zaharul Nizal, 2010). While there is an increasing awareness on the importance of having a good reputation among the public organizations in Malaysia (Nik Hazimah & Zaharul Nizal, 2010), little is understood about public organizations' reputation in this country. Due to the nature of the public organization which is non-profit and service-oriented, the role of reputation is often overlooked or given less consideration, both from the public organization's key drivers as well as the researchers in this area. Likewise, crisis is often seen as less threatening to the public organization than a private sector one, leading to the as yet unanswered question as to how government organizations in Malaysia manage their reputation following a crisis. Thus, a more theoretical approach is needed on crisis and reputation management research to provide insights for professional in the public sector in Malaysia.

Recently, public organizations in Malaysia have become the centre of much attention from the populace. Besides having common issues concerning public sector agencies world-wide, such as the lack of expertise, transparency, heavy bureaucracy and trust (Luoma-aho & Makikangas, 2014; Grimmelikhuijsen and Meijer, 2014), and lack of integrity (Liu et al., 2012), Malaysian public organizations have had an unfavorable reputation in the way they

managed major crises. For instance, the integrity of the Malaysian regulators and judiciary bodies had received intense scrutiny from the media and its citizens due to controversies regarding the management of the general election that was held in May 2013 (Khoo, 2013; www.themicahmandate.org). More specifically, the incident of a political investigation involving Malaysia's opposition party, which led to the death of an important witness or a person under investigation (The Star, 22 July 2009), also raised public concern over public organizations' integrity. The investigation of this case is still ongoing (The New Straits Times, 16 April 2014). This incident is categorized under preventable crisis, which means it will wield the maximum impact on reputation (Coombs and Holladay, 2006, 2010), if the government is proven to be responsible for the cause.

While the unfortunate incident is still under investigation (The New Straits Times, 28 March 2014), Malaysia's regulatory bodies have been put under considerably strong scrutiny from the media, ending in a continuous political controversy, which directly and indirectly affects their reputation. Following this line of inquiry, this study focuses on the perception of employees in selected public sector organizations in Malaysia with reference to crisis responsibility and organizational reputation. It considers the role of charismatic leadership communication and organizational credibility in managing crises. The findings of this study are important because they demonstrate the reflection of public employees' assessments and evaluations of crisis and reputation management in Malaysia.

1.2   Problem statement

The primary aim of this study is to assess the impact of crisis on organizational reputation within the framework of Coombs' situational crisis communication theory (SCCT). Using a case which involved the death of a witness during an interrogation by the government agency; this study analyzed the development of the crisis situation as it unfolded.

Subsequently this study assesses the attribution of crisis responsibility three and a half years after the crisis erupted, in order to get a clear picture of its impact on an organization's reputation. Through the lens of SCCT theory, the present study examines employees' perceptions of the attribution of crisis responsibility and the relevant organization's reputation in the context of a preventable crisis. This study attempts to enrich the existing body of knowledge by expanding and developing the SCCT theory in reducing reputational threats.

SCCT is used to identify the three crisis types, namely: victim type, accidental and preventable type. At the beginning, the case selected for this study was categorized under the victim cluster where the person who was found dead while under the custody of Malaysian Anti-Corruption Commission (MACC), was considered a victim. At this point, MACC (later also referred to as 'the agency') was seen as employing a denial strategy as its initial response strategy when the victim was claimed to have committed suicide. However, as the crisis unfolded and evidence started to point to the agency as the crisis owner, the type of crisis was shifted from merely a victim to a preventable type. In both situations, the placed itself as the victim as well. From SCCT point of view, this crisis could have been prevented or avoided if proper measures were taken to stop it. Realizing the situation, the agency had taken further step by being more accommodative in its crisis response strategyand was seen to give full cooperation in managing the crisis.

Crisis response strategies, the way organizations react and respond following a crisis very much depend on the type of crisis that was triggered in an organization. SCCT outlined crisis response strategies according to crisis type. In the present study, the agency employs response strategies in the form of denial and defensiveness. Especially at the outbreak of

the crisis, the agency denied responsibility by shifting the blame and accusing the victim who committed suicide. There were no words of apology offered to the victim's family.

As the crisis developed and the intensity grew, the agency shifted to a more accommodative stance which indicated a low degree of crisis responsibility in order to reduce the tension and mitigate the threat to reputation. Later, as it entered the rebuilding strategies stage, the agency began to address concerns on the victims as well as relevant stakeholders. The response strategies were less defensive as the organization avoided being offensive when managing the crisis. These strategies, coupled with the intensive corporate communication initiatives, have become agency's main focus to restore its reputation.

1.2.1 The Framing of the Crisis: Preventable Type

Teoh Beng Hock (TBH), the Political Secretary of Selangor state's Executive Councilor, was found dead on the fifth floor corridor of Plaza Masalam in Shah Alam, Selangor, on July 16, 2009. At that time, the victim was under the custody of MACC after giving a statement at the agency's office, located on the 14th floor of the same building. The victim was a witness in the agency's investigations on the alleged misappropriation of state funds. The family of the victim filed a civil lawsuit against the agency and the government over his death. The coroner's court ruled on Jan 5, 2011, that the victim's death was neither a suicide nor a homicide. The coroner's court also ruled that his death was caused by multiple injuries from a fall due to or accelerated by unlawful acts by unknown persons inclusive of the agency's officers involved in his investigation (Hamdan, 2011). The deceased's family filed an appeal against the open verdict, which was dismissed by the High Court. A second appeal was filed to the Court of Appeal on Feb 10, 2012 (Reduan, 2014).

Immediately after the incident, the agency's reputation became the headline of the mainstream as well as alternative media. As confirmed by the Inspector-General of Police (IGP), the victim was not a suspect; rather, he was a witness assisting the the agency in an investigation (Cheng, 2014). The following years saw the reputation of the agency and the government of Malaysia being discussed openly by bloggers and netters questioning government bodies' reputations following the incident. This includes the charisma of the government leaders and credibility of the information coming from the organization they represent.

1.2.2 The Implications

The preventable crisis involving MACC had received attention from various parties, institutions, as well as the public (Mageswari, 2014). The immediate implication was that this incident attracted much coverage from the mainstream media and online types such as blogs and web pages. This has put the agency under close scrutiny by the media as evidence was reported in the mainstream media. While the mainstream media coverage seemed neutral in its reporting, there was a growing number of unavoidable yet unfavorable news reported in the blogs, mainly questioning the credibility and reputation of the agency as a regulatory body handling the case. Reacting to this, leaders of the agency constantly appeared before the press to give an update on progress being made. However, like many other organizations hit by a crisis, the reputation of the Malaysian government in general, and the agency more specifically, became more fragile in the eyes of the public. Direct consequences from this incident resulted in the public constantly demanding to know the truth, and in order to do so, they turned to the agency for answers. Two questions arise from this: 1. How charismatic is the leader in communicating the crisis messages?; and 2. How credible is a government agency in communicating those messages? These

questions have become the critical factors which led to this investigation in the present study.

The portrayal of the incidents in the media had created various reactions among the public. These reactions are expected since crisis victims are often portrayed in the media as 'powerless, harmed by forces' that have little or no control over the situation (Seeger, Sellnow & Ulmer, 2003). Among the initial impressions were 'shocked and disappointed' with the findings of the Royal Commission of Inquiry (RCI), which was perceived as deeply flawed and doubtful (Hector, 2009). Bloggers raised concerns over the integrity and credibility of the Report of the RCI into the death of victim (Klassen, 2009), as well as on the unfounded conclusion of a befuddled RCI that the victim was driven to suicide while he was in the custody of the agency investigating the case. Among the conclusions made by bloggers on the RCI is that, the RCI's suicide verdict is questionable as the reasoning in its argument is considred as deeply flawed. Mere speculation of victim's psychological state prior to his death had become hard facts. The authenticity of the evidence of intention to suicide used to support the claim is doubtful. Furthermore the inference from such evidence to the conclusion of suicide is perceived as invalid and unsound. Finally, the RCI should have delivered an open verdict as it is a matter of intellectual honesty and integrity to respect facts and evidence (Chan, 2009).

Following the incident, the agency was abruptly given responsibility of the crisis under the perception that "full responsibility for TBH's death lies squarely and solely on the MACC" (Chan, 2009). Even though the general perception does not represent that of all Malaysians, the unfavorable perception does exist, and it can be traced through alternative media and blogs. Citing Chan (2009) as stating in his limkitsiang.blog, "the finding by RCI that Teoh was driven to suicide was unsupported by any evidence". Such articles have led to a serious

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accusation directed at the judges appointed for the case as "either corrupt (interested in the pursuit of power) or simply incompetent" (Chan, 2009). This accusation has become a major threat to the reputations of the judiciary body and the MACC specifically. It shows a decreasing trust among Malaysia's citizens who were determined enough to voice their dissatisfaction over the way the case was being managed by the Malaysian court system.

Some blogs portrayed the incident as 'blatant misused and abused of powers' and that the 'people are losing confidence in them to rule the nation' (Klassen, 2009). As reported in several selected blogs, the issue of reputation for the agency after the incident revolved around the questions such: firstly, is it safe enough for Malaysians to be interrogated by the police or any governemnt authority?; and secondly, could the law enforcement agencies guarantee the safety of Malaysians during the interrogation process? Immediately after the incident, the opposition coalition of Pakatan Rakyat came out strongly and held the agency fully accountable for the mysterious death of the victim (Klassen, 2009). Consequently, the incident has put the credibility of the ruling government and its law enforcement agencies in the dock of the court of public opinion (Klassen, 2009). In contrast, the Malaysian Prime Minister, Datuk Seri Najib Tun Razak made an official statement that the case (the inquest) 'had been politicised' and that TBH's family should have given the Commission the chance to fulfill its responsibility in finding the cause of his death (Zuhrin Azam, 19 February 2011). Nevertheless, what the public expects from the Malaysian government now is a continuous effort to convince them of the truth, through a thorough investigation of this matter.

It was obviously a big responsibility for the agency's leaders to manage the crisis. During this period they continuously appeared before the press to clear the situation. The then MACC chief commissioner, Datuk Seri Ahmad Said, appeared at a press conference

immediately after the news of the incident broke, expressing his condolences to the victim's family as well as assuring them and the public that a thorough investigation would be conducted to solve the unfortunate crisis (Bernama, July 20, 2009). Subsequently, the Commissioner made a continuous effort to raise public confidence in MACC's credibility (The Star, 8 June, 2104).

The questions of accountability and integrity, which can be traced through the mainstream and alternative media have affected the government's reputation in many ways. The public at large has lost its trust in the government's credibility and reputation. MACC and the Malaysian government should defend themselves from negative publicity and unfavorable perceptions resulting from the accusation. While justice is being sought for both parties, consistent efforts must be continuously made to re-build a tarnished reputation by focusing on internal sources, such as leadership communication, and strengthening its credibility by rebuilding trust among citizens and public sector officials or representatives.

Ironically, the questions of the Malaysian government's organizational reputation following the incident attracted not only the attention of the mainstream and alternative media, but also other social networking media, such as online blogs. While the mainstream media is considered 'neutral' in its reporting, the bloggers are more blunt in their writings, which usually means, taking sides and blaming the government. The blogger's negative portrayals of government organizations can cause unfavorable outcomes for them, their leaders, stakeholders and the public at large. To the individual organization, tarnished reputation can hurt recruitment efforts for the best talent while retaining existing, highly qualified employees (Lange, Lee & Yee Dai, 2011; Nik Hazimah & Zaharul Nizal, 2010). As Liu et al. (2012) suggested, public organizations with a favorable reputation not only can enhance public political efficacy; it also help to reduce employees' desire to leave.

Employees working in an environment where a poor organizational reputation exists, will likely experience low participation (Parasuraman, Badariah & Rathakrishnan, 2011), low self-esteem, less pride and refusal to be regarded as a member of the organization, and will want to leave (Men, 2012) resulting in a high turnover (Nik Hazimah & Mohamad Nizal, 2010).

As the internal stakeholders, employees are recognized as the human capital, regarded as the most invaluable asset to the organization. Thus, it is essential to avoid a dramatic downturn especially among talented young people by having a stable and strong favorable organizational reputation (Campbell & Im, 2015). In public organizations, employees are often referred to as public servants or administrators who run or implement the administrative (or governing) tasks (Vigoda-Gadot et al., 2012). Considering their important roles in administering and governing the organization, it is worth noting the empirical research that seeks to understand public employees' reactions and perceptions of their workplace.

To summarize, the public organizations in Malaysia are highly influenced by political, economic and social factors (Parasuraman, Badariah & Rathakrishnan, 2011; Parasuramanm, 2005) which determine the survival of their leaders following a crisis. Intense scrutiny from the media in covering the crisis news has resulted in pressure being exerted on public organizations' leaders to face and answer public concerns. While a crisis is always seen as an unfortunate event, the fortunate consequence is, it forces the emergence of a crisis leader to manage it in his/her attempts to secure a better organizational reputation (Davis, 2012). However, the challenges faced by the organization leaders are not only to mitigate the risk of the crisis, but also to present their charismatic leadership communication while communicating the crisis messages and, to present the

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agency as a credible organization that has reliable information being given to the public. Despite all these challenges, there remains a large gap in theory-based research on the theme of charismatic leadership communication and organizational credibility in the management of public organizations, which in this case, is the agency's reputation after the crisis. This is the research void that the present study tries to fill by testing the role of charismatic leadership communication and organizational credibility as the mediating variable in the extended SCCT theoretical framework.

1.3   Significance of the Study

The importance and significance of this study lie in the fact that Malaysian public organizational reputation has been questioned increasingly in the last few years. The MACC itself was exposed to a few crises which required prompt and professional responses in dealing with the media and the public. The high profile cases such as the Scorpene scandal and the National Feedlot Corporation (NFC), all reflected a negative reputation of MACC and on public organizations more generally. Other issues at hand included the agency's officers involved in the Teoh Beng Hock case, as well as the conferment of the Datukship to MACC's Pahang State Director by His Royal Highness the Sultan of Pahang (Annual Report, 2012).

These incidents involving Malaysian regulatory bodies have resulted in declining public trust in the government, a sign of unfavorable reputation. More importantly, the decline in trust has implications for public organizations in regard to the legitimacy of democratic governance. As a politically appointed organization, public support and trust are of utmost importance to ensure the survival of the government in Malaysia. Thus an empirical study on public organizations' reputation and identifying its antecedents is highly relevant and a timely initiative to restore public trust and to gain their support. This can be done by

applying a specific mechanism to reduce reputational threats in public sector organizations and thereby create positive outcomes.

Generally, all public organizations, in some ways, are connected to a political, superordinate level (Waeeras & Moar, 2015). As Carpenter (2010) stressed, public organizations rely on strong reputation to achieve delegated autonomy and discretion from politicians. This study is crucial to assist public organization in building a strong, favorable reputation. Reputation in the public sector has been recognized as "valuable political assets" (Carpenter 2002, p. 491) used to generate public confidence to continuously support the government. Considering the magnitude of reputation for public organizations, addressing the reputational threats in them is highly necessary. By focusing on politically appointed leaders' charismatic communication and organizations' credibility, this study contributes to a growing literature on reputation management in Malaysia's public sector.

Theoretically, the importance of the study lies in the fact that current explanatory theories are limited in capturing complex organizational phenomena while in crisis. The SCCT is the most frequently analyzed theory and has been used in most recent research on crisis communication. However, the SCCT to certain extent, failed to address other elements in an organization that may have the potential to influence organizational outcomes. Thus, this study is crucial because it seeks to widen the scope as well as to further develop SCCT by incorporating charismatic leadership communication and an organizational credibility in analyzing crisis and reputation. The findings of this study should indicate the influence of the mediating variables on the relationship between crisis responsibility and perceived organizational reputation, which will contribute to the crisis and reputation literature.

In addition, communication scholars have not sufficiently explored the role of credibility as a variable influencing organizational outcome from the internal stakeholders' perspective.

While many predictors are associated with organizational reputation, employees' perceptions of organizational credibility and its relationships and interactions with other antecedents is less understood. Understanding employees' perceptions of organization credibility is crucial because credibility does not reside in the organization; rather, it is in the mind of its stakeholders, including its employees (Cheung, 2013). More importantly, Clardy (2005) has stressed that the nature of reputation influences the way employees interact with their organization. This becomes significant, especially since public servants are also considered as public for they use the services provided by their and other public organizations.

In crisis and reputation management initiatives, a leader's charismatic communication will set the tone of engagement toward the organization's internal and external public inform the organization's stance on the matter, and assuage public concerns that such incidents are viewed seriously and that the organization is doing everything it could to rectify it. A leader's charismatic communication and organizational credibility can be seen as invaluable strategies that management can rely on to reduce the impact on their reputation (Jamal & Bakar, 2015). It is hoped that this study provides a starting point in advancing the literature on leadership communication and organizational credibility and fills an important void in the crisis communication and public organizational reputation literature.

Thus, this study is aimed at enriching the situational crisis communication theory and clarifying the roles of charismatic leadership communication and organizational credibility while in crisis. By incorporating charismatic leadership communication and organizational credibility into the model, it is hoped that this study strengthens the existing model to cater for the public sector and offers wider perspective in looking at reputation management during a crisis. Charismatic leadership communication and an organization's credibility

become crucial when it is forced to take a negative/unpopular stance. As the most authoritative figure in the organization, a leader is the most credible person to diffuse the tensions brought about by a perceived threat. Thus, it would be prudent for the crisis managers to focus on building charismatic communication and strengthen the organization's credibility as these will benefit them during turbulent times. This is especially true when the crisis involves the integrity of an organization, where the leader has to make changes in order to face a crisis. This study is expected to provide an initial operational framework for professionals and practitioners to better understand the dynamic interactions of those important variables.

Methodologically, this study is significant in revalidating the measurement instruments of the constructs used, because they have been tested widely in the corporate sector. Previous studies on reputation management showed that there are no significant differences between the perceptions of individuals belonging to different stakeholder groups (Fombrun & Wiedmann, 2001). The present study accepts Chetthamrongchai's (2010) and Fombrun and Wiedmann's (2001) invitation to revalidate reputation instruments with other stakeholder groups. With certain precautions in mind, this study is aware that the weights of the reputational criteria might vary between groups, thus the end result may be a little different from previous findings. This study revalidates the RQ with public organizations in Malaysia and found respondents felt that the dimension of financial performance is 'not relevant' to the organization. Consequently this particular dimension, consisting of 4 items, was removed from the survey. By focusing on the organization in Malaysia, the present study attempts to explore the dimensionality of reputation measurement by using a revised RQ scale in the public sector.

Another important point to consider is that the literature on charismatic leadership communication has noted that solid, established metrics for this important construct are still absent (Levine et al., 2010). Several attempts to define exactly what comprises a charismatic leadership construct have faced difficulties, and studies have yet to find a significant relationship between the existing scales and definitions of behaviors associated with charisma. As such, the present study will adopt Levine's Charismatic Leadership Communication Scale (CLCS) and revalidate the scale in a different setting. A previous study using this scale has used a convenient, rather small sample of university students in a Western country (Levine, 2008). The present study accepts Levine et al.'s (2010) suggestion by revalidating the instrument using an organizational setting but with a larger sample size. Thus, this current study is expected to contribute to the establishment the CLCS as a useful tool from a different perspective — that of assessing leaders in public sector organizations in Malaysia. Besides validating the scale among more respondents drawn from public sector employees, this study also examines the interaction of the charismatic leadership communication scale with other organizational factors, including reputation in a preventable crisis context. Unlike previous studies employing Singular Value Decomposition (SVD) to validate the scale of Levine et al. (2010), this study will revalidate the scale using structural equation modeling (SEM). SEM is statistically more advanced compared to SVD in validating measurement scales.

Revalidating the CLCS scale is important because charismatic leadership is highly likely to emerge during a crisis (Levine et al., 2010; Pillai, 1996), in which a charismatic leader is given more power and authority to act communicatively upon what is deemed appropriate to lessen the potential negative impact of the crisis (Gibson, Ivancevich, & Donnelly, 2000). Hackman and Johnson (2004) supported this line of reasoning, saying that stressful conditions involving an organizational crisis allow a communicative leader to have a more

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receptive audience. Thus the assumption can be made that, the demonstration of charismatic leadership communication could appear more prominent during a crisis situation than in a non-crisis scenario, and that the organization needs to measure and evaluate its actions. This study expects to contribute to the minimal research done on crisis and reputation in the context of public sector employees.

1.4 Research Questions

This research aims to investigate the relationship between crisis responsibility and organizational reputation of public organizations with the influence of charismatic leadership communication and organizational credibility as mediators. As such, this study will address the following research questions:

1. Is crisis responsibility, charismatic leadership communication and organizational credibility related to the perceived organizational reputation?
2. Is there a mediation effect of charismatic leadership communication and organizational credibility in the relationship between crisis responsibility and perceived organizational reputation?
3. Is there a mediation effect of charismatic leadership communication in the relationship between crisis responsibility and organizational credibility?

1.5 Research Objectives

The research objectives in this study are derived from the research questions, and are as follows:

1. To examine the relationship between crisis responsibility, charismatic leadership communication, organizational credibility and perceived organizational reputation

2. To investigate the mediating effect of charismatic leadership communication and organizational credibility in the relationship between crisis responsibility and perceived organizational reputation.

3. To examine the mediating effect of charismatic leadership communication in the relationship between crisis responsibility and organizational credibility.

1.6 Conceptualization and Operationalization of Construct

This section provides an in-depth conceptual and operational definition for each variable used in this study. The operational definitions embraced by the relevant construct variables are explained in more detail below.

1.6.1 Public Organizational Reputation

In a comprehensive review of several definitions, scholars asserted that reputation as a construct has been widely discussed in the public relations and business literature (Bennett & Kottasz, 2000; Chun, 2005; Eberl & Schwaiger, 2005; Grunig, 1992; Hutton, Goodman, Alexander, & Genest, 2001; Kim, 2001; Luoma-aho, 2005; Mahon & Wartick, 2003; Meng & Berger, 2013). Organizational reputation has been defined as "a collective representation of a firm's past actions and results that describes the firms' ability to deliver valued outcomes to multiple stakeholders" (Fombrun, Gardberg, & Sever, 2000, p. 304). Wartick (2002, p. 374) defines organization reputation as "the aggregation of a single stakeholder's perception of how well organizational responses are meeting the demands and expectations of many corporate stakeholders". Among the many definitions academics proposed, scholars have agreed that the most precise and widely accepted is that of Fombrun (1996, p.72) who defines organizational reputation as "a perpetual representation of a company's past actions and future prospects that describes the firm's overall appeal to its key constituents when compared to other leading rivals". Fombrun (2012, p.100) refined his

definition of an organization reputation as "a collective assessment of a company's attractiveness to a specific group of stakeholders relative to a reference group of companies in which the company competes for resources".

Meanwhile, corporate reputation is defined as stakeholders' overall evaluation of an organization over time. This evaluation is based on their direct experiences with the organization or business, or any other form of communication and symbolism that provides information about its actions and/or a comparison with the actions of other leading rivals. Stakeholders' evaluation can be favorable or unfavorable, and often not static as they judge the corporate reputation based on an ongoing organization behavior and performance. More recently, scholars have differentiated the concept of corporate reputation into two perspectives: firstly, corporate reputation is an expectation about an entity's behavior based on information about or observations of organization's past behavior; and secondly, with reference to the business world, it has two characteristics: a) it evolves through time and; b) is based on what the organization has done and how it has behaved (Alnemr, Koenig, Eymann, & Meinel, 2010). Other definitions have highlighted elements of corporate reputation such as being the source of potential competitive advantage (Rhee & Valdez, 2009), past performance compared to future performance (Roberts & Dowling, 2002), communication, trustworthiness, experiences based on past actions, and responsibility toward society and the environment (Satir, 2006). Various definitions of corporate reputation have reflected an organization's ability to fulfill its stakeholders' expectations (Delgado-Garcia, De Quevedo-Puente, & De La Fuente-Sabate, 2010).

Closer to this study, the concept of public organizational reputation is adapted from two scholars' definitions, which explains the public organization orientation: The first definition is adopted from Tucker and Melewar (2005, p. 378) who define organizational

reputation as "the perception of an organization based on its stakeholders' interpretation of that organization's past, present and future activities and the way in which these are communicated". This definition is drawn from inferences about employees' perceptions of organizational reputation based on their experiences. As part of the business or organization, the interpretation these employees made was crafted through their interactions with the organization.

Secondly, in viewing the uniqueness of public organizational reputation, scholars using the political science approach agree with Carpenter's (2010, p. 45) definition on public organization reputation which is "a set of symbolic beliefs about the unique or separable capacities, roles, and obligations of an organization, where these beliefs are embedded in audience networks". Carpenter and Krause (2012) refine this definition slightly to cater for a wider scope of public organizations and their growing functions by including capacities, intentions, history, and mission that are embedded in a network of multiple audiences. Reputation uniqueness in this context refers to the demonstration by public organizations for their ability in creating solutions and offering services. Thus, these two definitions are accepted as the most appropriate operational definitions for public organizational reputation in this study.

Researchers of organizational reputation have established two approaches in measuring stakeholders' perceptions: first, the specific stakeholder group perspective, and, second, a more generic approach. Researchers studying specific dimensions of reputation propose that reputation should include stakeholder-specific measures relating to specific stakeholder groups; while a more generic approach applies across all stakeholders' perspectives (Shamma, 2012). Fombrun and Van Riel (2004) note that most research on organizational reputation adopts a generic approach where stakeholders' perceptions

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invoke an attraction dynamic (i.e., individuals accentuate the positive attributes of an organization and thus create a positive reputation). This study adopts the specific stakeholders' group perspective which measures the internal stakeholders' (public organizations' employees) perceptions of reputation. According to Davies, Chun, and Kamins (2010) employees' perceptions have a significant influence on an organization's reputation. Measuring organizational reputation from their perspective is categorized as "internal reputation"; that is how the public customer-facing employees perceive their own organization (Davies et al., 2010, p. 532).

This study measures the reputation quotient using the system developed by Fombrun and Van Riel (2004). Previous researchers have indicated that the reputation quotient is a pragmatic scale and can represent an employee's perspective of organizational reputation (Chetthamrongchai, 2010; Kiousis, Popescu, & Mitrook, 2007; Chun, 2005). The reputation quotient assesses employees' perceptions of their workplace based on six attributions: vision and leadership, social and environmental responsibility, emotional appeal, products and services, workplace environment, and financial performance. These attributes are listed in Table 1.1 below.

Table 1.1

The Attributes and Sub-attributes of Corporate Reputation

Attribute	Sub-attributes
Vision and leadership	Market opportunities.
	Company has excellent leadership.
	Company/management has clear vision for the future.
	Company supports good causes.
Social and environmental responsibility	Company is environmentally responsible.
	Company is responsible for the community.
	Feel good about company.
Emotional appeal	Company inspires admiration and respect.
	Company inspires trust.
	High quality products and/or services.
Products and services	Innovative products and/or services.

	Company provides good value for money.
	Company stands behind its products and/or services.
	Rewards employees fairly.
Workplace environment	Good place to work.
	Good employees.
	Outperforms competitors.
Financial performance	Company has a record of being profitable.
	Company is low-risk investment.
	Growth prospects

Source: Chun (2005), Fombrun & van Riel (2004), Kiousis et al. (2007)

However, for the purpose of measuring public organizational reputation, the dimension of financial performance has been omitted from this study.

1.6.2 Crisis Management and Crisis Communication

An introduction to crisis management and crisis communication is made in this study to serve as an overview of the sub-topics and to give broad ideas on the context in which organizational crisis is often discussed. Crisis management is defined as a "systematic attempt by organizational members with external stakeholders to avert crises or to effectively manage those that do occur" (Pearson & Clair, 1998, p. 60) Coombs and Holladay (2010, p. 239) described crisis management as "a set of factors designed to combat crises and to lessen the actual damage inflicted".

Crisis management differs from crisis communication. As mentioned above, the former reflects the planning and implementing stages and steps involved in managing a crisis before, during and after its occurrence. The latter focuses mainly on the communicative aspect of the crisis, i.e. the strategy of the response taken by the organization in delivering the message. Accordingly, crisis communication is defined as the communication between the organization and public prior to, during, and after the crisis has occurred (Fearn-Banks, 2007). Crisis communication focuses on the communicating process through the crisis phases involving various strategies widely known as accommodative style, defensive style

or neutral (no comments). Each strategy leaves a different impact on the organization and the public.

1.6.3 Organizational Crisis

Studies on crises indicate that scholars are still negotiating the appropriate terminology to describe a crisis (Kim & Liu, 2012; King, 2002). Despite many attempts conducted to accurately describe a crisis, few definitions come close to its meaning. Among those widely accepted definitions are by Fearn-Banks (2007) who proposes crisis as a major occurrence with a potentially negative outcome affecting an organization, company, or industry, as well as its publics, products, services, or good name. In this circumstance, organizational crisis is also seen as an unplanned event that has potentially disturbed an organization's structure and has affected stakeholders' perceptions of the organization. Referring to the early stage of crisis investigation, Hamblin (1958, p. 322) defines a crisis as "an urgent situation in which all group members face a common threat". Pauchant and Mitroff (1992, p. 25) describe a crisis as "a disruption that physically affects a system as a whole and threatens its basic assumptions, its subjective sense of self, and its existential core". Pearson and Clair (1998, p. 60) defines a crisis as "a low-probability, high-impact event that threatens the viability of the organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly".

A review of scholars' definition of organizational crisis shows some common features, including the fact that it is a crisis: 1. Unfortunate yet unexpected occurrence with a potential to dismantle the entire structure of an organization; 2. Can affect its internal and external stakeholders; 3. May occur in any organization across all industries nationwide. 4. Able to threaten the survival of an organization (King, 2002). For the purpose of

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understanding organizational crisis, this study adopts the idea proposed by Coombs and Holladay (2010, p.238) who define crisis as "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes". In the present study, organizational crisis is operationalized as a situational context in which crisis responsibility is evaluated by the participants. Specifically, the relationship between crisis responsibility, organizational reputation, charismatic leadership communication and organizational credibility is perceived in an organizational setting where an ongoing crisis is evident.

1.6.4   Crisis Responsibility

Crisis responsibility is derived from the centerpiece of situational crisis communication theory. Crisis responsibility refers to the degree to which stakeholders attribute their responsibility for a crisis in an organization (Coombs, 2007). The SCCT categorizes types of crisis into three crisis clusters, namely the victim cluster, the accidental cluster and the preventable cluster. Each cluster explains a different level of crisis responsibility attributed to the organization. The victim cluster is linked to weak attribution, while the accidental cluster is associated with a reasonable degree of responsibility and the preventable cluster is regarded as a high level of attribution to the organization. Thus, crisis responsibility is directly related to the organizational reputation; the higher the level of crisis responsibility held by the organization, the more severe the impact on its reputation. In this study, participants will make attribution of crisis responsibility based on the crisis type that has been chosen for the study.

In this study, perceptions of organization responsibility are assessed by the degree that public employees held the organization (MACC) responsible for the crisis. In measuring crisis responsibility, the element of employees' perceptions of the following must be

included: (1) cause of the crisis, whether by the organization or circumstances, (2) organizational ability to control or avoid the crisis, and (3) organizational ability to manage the crisis (Coombs & Holladay, 2006, 2004, 2002; Holladay, 2009). Thus, an employee would be able to evaluate whether the organization is responsible for the crisis or not. Logically, if the employees have identified the cause of the crisis, they would be able to assign responsibility for it. In this study, we capture and measure organizational crisis responsibility from two perspectives, namely, personal control and assignment of blame. Personal control refers to the organization's ability to control and manage the crisis; while assignment of blame measures employee's perceptions of the cause of the crisis, whether the organization is at fault or whether the crisis is due to the circumstances beyond its control. An employee who perceives an organization to be responsible for the crisis will likely blame the organization. Table 1.2 below presents the attributes for crisis responsibility.

Table 1.2

The Attributes of Crisis Responsibility

The cause of the crisis was something the organization could control.
The cause of the crisis was something the organization could have controlled.
The cause of the crisis is something that is manageable by the organization.
The blame for the crisis lies in the circumstances, not the organization.
The blame for the crisis lies with the organization.
Circumstances, not the organization, are responsible for the crisis.

Source: Coombs (2007)

The attribution of crisis responsibility is made by the stakeholders regardless of whether the organization admits or denies responsibility. Thus, crisis responsibility in this study is referred to as the attribution of crisis responsibility perceived by the stakeholders to the organization having a crisis. When the employees perceived that the organization's actions

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have triggered the situation, they are likely to attribute responsibility to the organization and vice-a-versa.

1.6.5   Charismatic Leadership Communication

Despite the growing body of literature on the subject of leadership, researchers have yet to provide a solid definition of charismatic leadership communication (Johansson, Miller, & Hamrin, 2014; Levine et al., 2010). Previous attempts to conceptualize charismatic leadership have proposed four attributes that a person must possess: (1) extraordinary gifts, (2) presence in a crisis, (3) ability to present radical solutions (Meindl, & Ehrlich, 1988), and (4) transcendent powers (Trice & Beyer, 1996). The literature also indicates five important traits used most often to define this concept: (1) behavior; (2) presence in a crisis; (3) determination; (4) communication of ideas; and (5) communication of expectations. These skills are traits of a competent communicator and should be evaluated when assessing a charismatic leader (Madlock, 2008; Levine et al., 2010). In addition, research has also concluded that charismatic leaders are characterized by a verbally non-aggressive communication style (De Vries et al., 2010). Choi (2006) suggests that empathy - the ability to understand another person's motives, values, and emotions (Salovey & Mayer, 1990) - characterized the trait of charismatic leadership communication. By being empathic, a leader expresses his inner feelings by being genuine, which involves entering and accepting another person's perspectives.

Communication competence is also considered to be a dimension of charismatic leadership communication. Communication competence has been conceptualized to encompass elements of knowledge, motivation, skill, behavior, and effectiveness (Spitzberg, 1983). Spitzberg and Cupach (1981, p. 10) argue that "competent interaction can be viewed as a form of interpersonal influence, in which an individual is faced with the task of fulfilling

communicative functions and goals (effectiveness) while maintaining conversational and interpersonal norms (appropriateness)". From this perspective, the more a manager is motivated to interact with employees, is knowledgeable in communication skills that facilitate openness, negotiation, and teamwork, is skilled at using these techniques, and is sensitive to the communication context, the more communicatively competent the leader is perceived to be. Salacuse (2007) notes that in order for leaders to persuade people to follow their vision, they need to communicate effectively by appealing to the interest of the followers in order to sell their vision. Competent communicators must also employ communicative resources such as language, gestures and voice (Stohl, 1984) and must share and respond to information in a timely manner, actively listen to other points of view, and communicate clearly and succinctly (Shaw, 2005).

Recently, Johansson, Miller, and Hamrin (2014, p. 155) proposed a new insight in defining the communicative leader as 'someone who engages employees in dialogue, actively shares and seeks feedback, practices participative decision making, and is perceived as open and involved' which summed up the elements of communicative behaviors that are centralized to the leaders, i.e. structuring, facilitating, relating, and representing. The notion is that leaders who are "communicative" are not just communicating, but they communicate effectively with a high level of competency. Considering the concept of charismatic leadership and communicative leader's behaviors in an organization, charismatic leadership communication in this study is thus conceptualized as "a distinctive set of leader's interpersonal communicative behaviors, geared toward the optimization of hierarchical relationships" (De Vries et al., 2010, p. 368) in order to form a favorable perception. Unlike other leadership practices or definitions that focus on the managerial aspects and styles of leadership, this comprehensive definition suggests that leaders must employ more interpersonal communication skills in achieving the organization's goals. This does not imply that a leader

should depend on interpersonal skills exclusively, but should see these skills as complementary. We argue that adopting this set of interpersonal communicative behaviors will enhance leaders' ability to manage a crisis, thus creating better perceptions of organizational reputation.

To complement the definition, Levine et al. (2010) find that verbal and nonverbal communication are equally important aspects that determine charisma. Other communication behaviors such as listening, persuasion and influence are central to the definition which needs to be assessed while evaluating the construct. Leaders are seen as charismatic when they are enthusiastic, emphatic and demonstrate task oriented communication. More broadly, this definition suggests that a person with charisma is well-liked and respected. A charismatic leader is seen as strong, confident, understanding, influential, possesses a good attitude and is a good speaker. A charismatic leader is also genuine and knows when to talk and when to listen. The verbal communication aspect of a leader includes the ability to speak well, is poised, and demonstrates a sense of involvement. Furthermore, a charismatic person is a skillful speaker and has a large vocabulary. Another aspect of charismatic leadership communication incorporates nonverbal communication such as the ability to speak well and to maintain effective eye contact as well as to possess a genuine speaking style. The final aspect includes behavioral and personality terms such as: someone who is powerful, enthusiastic, and has the ability to put others at ease.

Therefore, in the present study, charismatic leadership communication is operationalized as communicative leadership with 23 items, which are categorized under three main dimensions: task oriented communication, enthusiasm and empathy. Using Levine et al.'s (2010) Charismatic Leadership Communication Scale (CLCS), employees in two public

organizations assessed the charismatic leadership communication of a leader while managing a crisis. CLCS measures communication behaviors that are associated with charisma, emphasizing interpersonal communication skills in achieving organizational outcomes. The scale gives considerable attention to nonverbal communication to capture the leader's communicative behaviors. Table 1.3 presents the attributes and sub-attributes of charismatic leadership communication measurement.

Table 1.3

The Attributes and Sub-attributes of Charismatic Leadership Communication

Attribute	Sub Attribute
Enthusiastic	The leader has a confident communication style.
	Is influential.
	Is a good public speaker
	The leader uses active language.
	The leader is poised.
	The leader communicates a sense of involvement with the subject matter.
	Is a skillful speaker.
	The leader is positive.
	The leader is enthusiastic.
	The leader uses powerful language.
	The leader is persuasive.
Task Oriented Communication	The leader is goal-oriented.
	The leader is motivational.
	The leader has definite ideas.
	The leader is likely to achieve the goals that he/she sets out to accomplish.
	The leader communicates well both verbally and nonverbally.
	The leader is task oriented.
	The leader asks others to share opinions.
	The leader listens well.
Empathy	The leader can empathize with others.
	Is genuine.
	Understands other people's feelings.
	Can put others at ease.

Source: Levine et al. (2010); Levine (2008)

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Because of the political nature of public organizations, their leaders are often perceived as highly effective when they demonstrate verbal intelligence or oratorical attributes such as effective interpersonal skills (Levine et al., 2010; Renshon, 1996, 1995). Bligh et al. (2004) argue that the attributes of interpersonal skills are strongly demonstrated by leaders when a crisis involving national or political issues requires influencing public perceptions. Thus, in the present study, leadership communication will be examined from interpersonal perspectives, including the demonstration of communication behaviors a charismatic leader exhibits. The communication behaviors such as expressing appropriate emotions by leaders, show the degree of their involvement with the subject matter.

Scholars have agreed that charisma can be taught (Antonakis, Fenley, & Liechti, 2011). Traits that are not inborn, such as physical appearance and interpersonal skills, can be acquired through learning to complement the inborn traits such as physical unattractiveness. Ultimately, charisma is the result of excellent communication and interpersonal skills, and these skills can be learned and developed. Charismatic gap can be bridged through training, which will significantly improve a leader's performance. Scholars also suggest that charisma can be acquired by bolstering one's ability to gain and maintain other people's attention to his or her ideas (Conger, Kanungo, & Menon, 2000). In this way a charismatic leader will be able to successfully communicate ideas and processes.

Charismatic leadership communication exhibited by leaders is closely associated with the leader's ability to execute the traits of a competent communicator, and demonstrate authenticity and trust to deal with a crisis (Freeman & Auster, 2011; Schoenborn, 2005). At this stage, an authentic leader is expected to responsibly communicate the realities and possibilities to gain stakeholders' trust and confidence. This is done through his or her ability to develop a level of trust, and demonstrate authenticity in order to influence or motivate an organization's

stakeholders toward a specific behavior or belief initially set by the organization. This ability is not always an inborn trait, but rather can be gained through training (Levine et al., 2010). Wang and Hsieh (2013) suggest that leadership is derived from one's life experiences, which provide advantages for exercising authentic morality and integrity (George, Sims, McLean, & Mayer, 2007). Frese, Beimel, and Schoenborn (2003) suggest that training for charismatic communication emphasizes both content (stressing the importance of the project, by sharing a vision related to the project, by increasing the confidence of the subordinates, and by stressing a common goal) and stylistic components, such as nonverbal communication including power, confidence, and a dynamic presence. Most organizations emphasize training for leaders to bring out or to polish the charismatic communication in them (Hooijberg & Choi, 2001)

Crisis management is a challenge for leadership because it tests the quality and character of leaders, including their communication skills. In view of this, scholars examining public relations have highlighted the importance of analyzing leadership traits and the qualities of leaders in an organizational crisis context (Meng & Berger, 2013; Schoenberg, 2005). In addition, current research in public relations and strategic communication has acknowledged the rising need to instill a successful communication leader in an institutional context (Meng & Berger, 2013).

1.6.6 Organizational credibility

In the public sector, organizational credibility is associated with a concept of trust which has usually been viewed from an external environmental or an interorganizational social perspective (Park, 2012). The concept of credibility, however, has long been of interest to scholars and practitioners in business marketing and advertising. Rooted in communication theory, the concept of credibility refers to the source of information that leads to an individual's evaluation of believability and trustworthiness elements (Bettinghaus, 1969;

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Lafferty, 2007). Defined as 'consumer perceptions of expertise and trustworthiness that receivers hold toward a source'' (Newell & Goldsmith, 2001, p. 235), credibility is reflected from an external public opinion regarding the source in general.

A huge body of knowledge on credibility largely focuses on the spokesperson's credibility and its relationship with the brand, and the consumer's loyalty and purchase intention. Over the years, this concept has received attention from the area of corporate communication, with organizations or corporations as its major concern (Coombs, 2014; Newell & Goldsmith, 2001).Since then, scholars in communication have yet to find a solid definition to describe credibility and to clearly differentiate ti from reputation. For example, organizational credibility is defined as "the perceived reputation of the firm or company that makes or produces the product" (Goldberg & Hartick, 1990, p. 173). This definition suggests that credibility is derived from the reputation of the organization. This supports Fombrun's (1996) definition which explicitly incorporates organizational credibility as an important aspect of corporate reputation. In this context, credibility is the degree to which consumers, investors and other constituents believe in the company's trustworthiness and expertise. The argument is based on the assumption that an organization's credibility is related to the reputation that the firm has achieved in the market place (Hansen & Christensen, 2003).

However, Coombs (2014) sees credibility as a different construct from reputation, emphasizing the organization's reputation is different from credibility and has a separate construct, which distinguishes the way the two variables are measured. Organizational reputation is how the public perceives the overall performance of the organization, which will be affected if its credibility is not as strong as its reputation. In a situation where an organization is seen as not delivering its promises, or conveying messages lacking in

believability, it will be perceived as not credible, resulting in an unfavorable reputation. Previous research in marketing and advertising referred to organizational credibility in several terms including a company's credibility, and in a broader concept, attitude toward the advertiser. For example, Ohanian's (1990) definition describes credibility as the extent to which the source is perceived as possessing an expertise relevant to the communication topic and can be trusted to give an objective opinion on the subject. Keller (2003, p. 426) defines organizational credibility as "the extent to which consumers believe that a firm can design and deliver products and services that satisfy customer's needs and wants". This definition refers to reliable products or services offered by an organization as an important component of credibility, which is directly linked with consumers' loyalty and purchase intention. These definitions explicitly mention 'expertise' and 'trustworthiness' as important elements of organizational credibility, which are derived from Hovland and Weiss' (1951) definition of credibility as having two primary components: trustworthiness and expertise.

Expertise is the extent to which a communicator is perceived to be a source of valid, accurate information or assertions (Hovland, Janis, & Kelley, 1953; Ohanian, 1990). According to Kouzes and Posner (2012), expertise is the organization's knowledge about the subject. An expert in the organization will appear to be competent, capable and effective, someone who knows the ins and outs of the issue. Trustworthiness refers to a consumer's belief that the communicator provides information in an honest manner, without the motivation for manipulation or deception (Ohanian, 1990). Trustworthiness demonstrates honesty and believability of the source, and is the organization's goodwill toward, or concern for, its stakeholders (Kouzes & Posner, 2012). A trustworthy organization is truthful and ethical, and always considers how its actions will affect its stakeholders. The dimensions of source expertise and trustworthiness are important to

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conceptualize credibility and have been shown to be influential in persuading consumers and in influencing attitudes.

This study embraces the definition of organizational credibility by Newell and Goldsmith (2001, p.236) who define the concept as "the organization or corporation that manufactures the product or provide services and seen as a credible source of the communication". This definition has been widely accepted as documenting the credibility of the source of information through public's perception, which reflects 'perceptions of expertise and trustworthiness that receivers hold toward a source' (Newell & Goldsmith, 2001, p. 235). In this study, credibility is assessed from an internal public opinion of the source of the communication, which is the organization. The operationalization of this concept reflects a public organization's credibility from its employees' perspective. In essence, organizational credibility here is the perceived expertise and trustworthiness of the agency as being trustworthy and an expert as the source of information during a crisis. Public organizations' employees assess whether their workplace has the information and in-depth knowledge about the crisis or possesses the ability to fulfill its claims and whether the organization can be trusted to tell the truth or not. The measurement of perception concerning organizational credibility is presented in Table 1.4 below.

Table 1.4

Attributes and Sub-attributes of Organizational Credibility

Attribute	Sub Attribute
Trustworthiness	I trust the organization
	The organization makes truthful claims
	The organization is honest
	I do not believe what the organization tells me
Expertise	The organization has a great amount of experience
	The organization is skilled in what they do
	The organization has great expertise
	The organization does not have much experience

Source: Newell and Goldsmith (2001)

1.7   Scope of the Study

According to Jin and Yeo (2011), further exploration is needed to investigate the current state of public organizational reputation. Consequently, the scope of the present study focuses on the internal stakeholders' perception of the reputation of public organizations in Malaysia. More specifically, the internal stakeholders' perceptions are measured in terms of the MACC's reputation following a crisis.   These internal stakeholders consist of employees at the administrative and managerial levels working in two public sector organizations, namely the Malaysian Anti-Corruption Commission (MACC), and Department of Information (Jabatan Penerangan). Both are located in Putrajaya.

This context is chosen for a few reasons. First, empirical studies in the developing countries, especially in Asia, have not been paid adequate attention in the field of reputation management, especially with reference to public organizations. Second, the Malaysian government is currently facing reputational issues following a few incidents involving crisis management, credibility and integrity of departments and certain leaders. Third, employees' perception of their public organizations has scarcely been debated; since they are internal stakeholders during a crisis, they are also answerable to public distrust, complaints and dissatisfaction. Thus, understanding employees' stance and perceptions of their organization's reputation is crucial as they are the pillar of their organization's strength.

Perception of MACC's reputation in this study is evaluated on four variables: organizational crisis responsibility, organizational reputation, charismatic leadership communication, and organizational credibility. Specifically, the scope of this present study examines the employees of the public organizations' perception of the attribution of crisis

responsibility, their leaders' charismatic leadership communication, the agency's organizational reputation and organizational credibility.

1.8   Organization of the Thesis

This thesis is organized into five chapters. The first chapter is a general introduction and overview of the study. Chapter Two presents the conceptual and theoretical framework, followed by a discussion of the literature review pertaining to the main variables. The relationships among key variables and proposed hypotheses for the study are presented in this chapter. Chapter Three discusses the research methodology employed while Chapter Four presents the results with an in-depth analysis and findings. Chapter Five presents the discussion and conclusions of this study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter consists of a thorough review of the literature on organizational crisis and the attribution of crisis responsibility, charismatic leadership communication, organizational credibility, and perceived organizational reputation in a public sector agency. It is divided into five major sections. It begins with a brief introduction followed by an in-depth discussion on the literature review in section two. The third section covers the underpinning theory where the research framework is derived from. Subsequently, research hypotheses are advanced in the fourth section followed by a summary in section five.

2.2 Literature Review

This section provides an in-depth literature for each variable in the present study. The relationships between variables were described based on the literature review. The research hypotheses were derived from this discussion in order to answer the research questions and to achieve the research objectives.

Despite the rapidly expanding number of studies on public settings in recent decades, the situational literature on Malaysian public organizational reputation is still scarce resulting in less arguments being made on the relationship between these variables in that country. Thus, the literature review covered research mainly from other countries, especially Western countries, in which findings can be generalized. In addition, most research from both the public and private sectors worldwide have been mono-sectoral and monodisciplinary in both theory and method (Van Der Wal, De Graaf, & Lasthuizen, 2008) which can be applied in the present study. More importantly, this thesis has responded to earlier critiques regarding the lack of contextual factors as mentioned by Kuipers et al.

(2014) by enriching the reputation literature in a situational context, specifically in Malaysia's public sector.

2.2.1 Overview of Public Sector Organizations

In many aspects of organizational matters, research on public sector organizations has remained unexplored (Wæraas & Byrkjeflot, 2012; Luoma-aho, 2006) and its substance still remains unutilized. This has resulted in a limited understanding of this crucial area (Waeraas & Moar, 2015; Luoma-aho, 2008, 2007). During the early stages of studying public organizations, researchers have had difficulty in identifying criteria that clearly distinguish public from private institutions, and have found that leading figures in organization theory have downplayed the private-public distinction (Luoma-aho, 2008; Rainey, 1991). However, as the field grows, scholars have been able to distinguish private organizations from public ones by referring to the latter as non-profit or-profit enterprises, while the public sector ones are referred to as government agencies. Thus in this study, a public organization will be referred to as public sector and government agency interchangeably.

2.2.1.1 Reputation of the Public Sector Organizations

Although there has been much discussion about organizational reputation, of which much has contributed to the body of literature in this area, research in this field remains debatable. The scope of research interest has been focusing mainly on the private sector more than the public sector. As a result, reputation in public sector organizations and national legislations remains a much underused resource (Luoma-aho, Olkkonen & Lähteenmäki, 2013; Sisco, 2012a). To begin with, some prominent issues such as the concept of reputation itself, its benefits, characteristic differences, restrictions and

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constraints, and challenges as well as the way to deal with them, have not been clearly recognized.

A thorough examination of the public organization literature found that most research on public organizations' reputation is not directly done from the reputational perspective. Rather, these analyses focused on major issues concerning public organizations, which indirectly affect their reputation, though not specifically investigated. The rationale is rather straight forward; issues that revolve around public organizations will eventually reflect their reputation as perceived by the public. For example, a few studies have focused on public perceptions of public administration performance management (Hvidman & Andersen, 2014), public trust in government (Citrin & Muste, 1999; Coulson, 1998; Hardin, 1998; Nyhan, 2000), the quality of public services (Sharifah Latifah, Mokhtar and Arawati, 2000), public sector management and the democratic ethos (Vigoda-Gadot & Mizrahi, 2008), and perceptions of politics and perceived performance (Poon, 2003; Vigoda-Gadot & Kapun, 2005). Even though not explicitly mentioned in these studies, there are implications for the organizational outcomes, particularly reputation.

Technically, the concept of reputation in public organizations is not portrayed referred to in legislation but it does depend on the perception in which stakeholders can freely form their opinions based on an organization's performance (Cheung, 2013; Luoma-aho et al., 2013). Empirically, the concept of organizational reputation has remained a rather controversial issue (Helm, 2005). From a lack of consensus in defining the concept and approach that involve various measurement issues, constructs, and dimensions (Chetthamrongchai, 2010; Chun, 2005; deCastro, Lopez, & Saez, 2006; Helm, 2005; Money & Hillenbrand, 2006; Schwaiger, 2004), drivers affecting the judgment of good organizational reputation (Gabbioneta, Ravasi, & Mazzola, 2007), its relations with performance management and

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leadership commitment (Dooren, Bouckaert, & Halligans, 2010; Fryer, Antony & Ogden, 2009), political sensitivity (Kuo-Tai Cheng, 2015), the financial value of reputation (Schnietz & Epstein, 2005), crisis and its threats (Tucker & Melewar, 2005) to the issues of influences on reputations (Kiousis et al., 2007), the academic literature has not provided unambiguous connections on organizational reputation in the public sector.

Despite this ambiguity, research on reputation continuously focuses on the private organization and financial performance (Inglis, Morley, & Sammut, 2006); corporate image, satisfaction and trust (Casalo, Flavian, & Guinaliu, 2007); organization-public relationship outcomes (Yang & Grunig, 2005); agenda setting/building (Kiousis et al., 2007); threat and manageability of anti-corporatism (Tucker & Melewar, 2005); competitive advantage (Deephouse, 2000); corporate brand (Greyser, 2009); ethical behavior (Watson, 2007); 'bottom line backlash' (Porritt, 2005); and internet service and e-commerce (Alnemr et al., 2010) just to name a few. Narrowing the scope to Malaysia's context, the importance of corporate reputation, stakeholder relations and corporate social responsibility were examined among the MNCs, GLCs and PLCs (Zulhamri & Yuhanis, 2011). This study has shed some light on the key drivers as well as the alignment and integration among the three concepts. Apart from this, just like the research in Western nations, reputation in Malaysia's public sector has also been rarely investigated. As a result, little has been discussed and understood about the nature and challenges faced by Malaysia's public sector organizations. Given the rising issues concerning the reputation in Malaysia's public sector, there is so much waiting to be explored, which will enrich the literature on organizational reputation. Knowledge in this area would certainly benefit the government organizations and the public at large.

It is undeniable that a strong and stable reputation is one of the most invaluable assets for public organization (Cheung, 2013; Haywood, 2002). A good and favorable reputation is identified as an intangible resource which may provide public organizations with a basis for sustaining competitive advantage (Jacques, 2010a). Benefits of establishing a good reputation can also ensure the survival of the public organization (Jacques, 2010b). Strong reputation helps attract the best talent and foster employee retention, increase customers' confidence in products and services (Schwaiger, 2004), attract investors and allow the organization to enter a new market more easily (Tucker & Melewar, 2005). Good reputation is also associated with increased sales (Inglis et al., 2006) and sustainable profits (Schwaiger, 2004). In addition, crisis management literature indicates that strong reputation has been regarded as "reputational capital", which can create a halo effect that protects an organization during a crisis (Coombs & Holladay, 2006, p. 124).

While the benefits of enjoying established reputation for public organizations cannot be denied, many issues pertaining to the prominent differences between the two sectors (public/private) are left unanswered. Public organizations differ from private organization ones in terms of characteristics. In contrast to the private sector, public organizations are characterized by a massive amount of government policy, more stakeholders, greater and more rigorous organizational dynamics and much more bureaucracy (Sminia & Van Nistelrooij, 2006). Or as Patchett (2005, pp. 598–9) puts it: 'The political nature of the legislative and representation process and the functional expert and efficiency orientation of the administrative process produce considerable tensions in a public-sector organization'. The forces with which public organizations must comply when dealing with different government authorities require specific demands for the management of reputation to ensure smooth cooperation. Thus, public organizations must pay serious attention to building and maintaining their reputation in this particular context.

Even though building and maintaining a favorable reputation has recently become one of the top priorities in public sector organizations (Luoma-aho & Makikangas, 2014), establishing an excellent reputation among public organizations is often restricted by the intrinsically political nature of public organizations themselves (Wæraas & Byrkjeflot, 2012). These constraints include the most critical issues such as political issues and pressures which limit the freedom for strategic matters, consistency in the reputation platform, and charisma in the organizations' ability to build an emotional appeal to respective stakeholders. Due to these restrictions, most public organizations struggle to create an excellent perception of their reputations, let alone to maintain them.

Apart from the tight restrictions and constraints, there are many other influences that affect the way in which public organizational reputations are perceived (Tucker & Melewar, 2005). Unlike the private sector, reputation in public organizations is not determined by financial performance as the key indicator. Rather, stakeholders in this sector perceive public organizations' reputations based on their direct experiences in dealing with them. Public organizations often face considerable political and budgetary pressures, and their reputations are formed through the force of law and government policies (Luoma-aho, 2007). Therefore, the survival of public organizations very much depends on their stability and legitimacy, which is gained through a strong reputation.

2.2.1.2 Public Organizations' Reputation in the Asian Context

Reputation literature has demonstrated that culture plays a significant role in influencing the way in which Asians perceive organizational reputation (Oliveira, 2013). Like other Asian countries, the culture in Malaysia's public organizations is characterized by sets of values, norms and beliefs shared among organizational members. Collectivism, as a characteristic of Asian organizational culture, has long been recognized in many studies on

organizational reputation. The collective culture emphasizes a set of core values: virtue, moral consciousness, integrity, trustworthiness, a sense of shame, and the fear of a loss of face (Oliveira, 2013; Fan, 2000), which helps explain the way in which Malaysian employees perceive their organizational reputation and leadership communication. In this context, Caligiuri, Colakoglu, Cerdin, and Kim (2010) suggest that understanding cross-cultural is crucial in predicting an employer's reputation. Their findings suggest that the driver of organizational attraction is largely influenced by culture that values collectivism as perceived by potential employees.

Thus, using the context of Asian culture, a fairly recent study revalidating (RQ) in South East Asia found that the instrument was appropriate for evaluating reputation across cultural contexts (Chetthamrongchai, 2010), confirming the establishment of measurements for stakeholder groups (Van Riel & Fombrun, 2002). Previous studies on reputation management showed no significant differences between the perceptions of individuals belonging to different stakeholder groups (Fombrun & Wiedmann, 2001). Therefore, they suggest that reputation should be measured using the same set of indicators for all stakeholder groups, bearing in mind that the weights of the reputational criteria might vary between groups. Being mindful of this caution, this study revalidated the RQ with public organizations in Malaysia and found respondents felt that the dimension of financial performance was "not relevant" to the organization. Thus, this dimension, consisting of 4 items, was removed from the survey and a modification of RQ scale was made for the Malaysian public sector. In this way, this study contributes to the research on crisis and reputation that currently exists in the context of Malaysia's public sector employees.

2.2.1.3 Public Employees' Perceptions of Organization's Reputation

Most public organization research has been done through the lense of the public or consumers (Liu et al., 2012; Vogoda-Gadot et al., 2012). As a result, there is a great deal of understanding on the perpetion of public organizations from the consumer's perspective. While external perception is important in positioning its reputation, internal perspective is equally invaluable to a public organization. Investigating internal stakeholders' perceptions, specifically those of employees, is crucial because they are the key drivers in the establishment of a good reputation. Employees' perceptions to their organization's reputation will be an indicator of the value they place on the organization. Both favorable and unfavorable perceptions to a certain extent will be reflected in their actions and behaviors, particularly when dealing with the public who in turn, will form a perception of the organization through their experiences with it.

Following this argument, a few studies investigating employees' perception were conducted on professionalism in practices among public employees (Nik Hazimah & Zaharul Nizal, 2010), job satisfaction and pessimism among government servants (Al-Mashaan, 2003), organizational climate and job satisfaction (Faizuniah, Khulida Kirana, Johanim, Mohd Faizal, & Zulkiflee, 2011), perception of the workplace environment (Muhammad Sabbir, 2012), perception of developments in organizational politics and the effect of political dynamics on performance (Vioda-Gadot, 2007), public servants' trust in citizens (Yang, 2005) and public service motivation (Perry, 1996). These studies have not only contributed to a better understanding of public organizations, but also value the employees' assessment as vital in developing and maintaining the organization's reputation.

2.2.1.4 Crisis as Public Organizations' Threat to Reputation

Similar to private sector organizations, reputation in public organizations is also fragile and vulnerable to threats. Organizations that pay considerable attention to factors threatening their reputation have found that crisis is one of the factors that can directly impact on them (Coombs & Holladay, 2010; 2006, 2004; Coombs et al., 1995; Watson, 2007). Organizational crisis and organizational reputation have also been identified as important factors influencing institutions' viability (Pearson & Clair, 1998; Shrivastava, 1995). Even though scholars agree that crisis communication and organizational reputation are linked and influence each other (Coombs & Holladay, 2010, 2006, 2002; Watson, 2007), most studies to date have indicated that crisis communication and public organizational reputation are being investigated separately. This is evident in the trend of research, where public organizations' reputation has been examined widely from the administration and management perspective by looking at excellent service and job satisfaction as the sole outcome of good reputation (Wæraas & Maor, 2015; Kiousis et al., 2007).

Meanwhile crisis communication studies receive considerable attention from communication professionals, mainly in the form of public relations and organizational communications (Coombs, 2012; Coombs & Holladay, 2010) Recently, the growing research area in reputation management has attracted attention with reference to crisis communication. The goal here is to empirically investigate the impact of crisis on reputation from various angles, by linking it to other variables from other disciplines (Roberts, 2009) which have the potential to threaten organizations' stability. This has contributed to a growing body of literature in reputation management and expanded the scope into multi-disciplines.

This multi-disciplinary research has addressed several aspects of crisis and its impact on reputation. Unfortunately, the findings indicate either an inconsistent relationship, or a rather weak one, between the two variables. In addition, this research stream has not focused on other factors influencing the relationship between these variables, such as reputational threats. According to Tucker and Melewar (2005), the fundamental threat to a good reputation is that, although organizations can manage their reputation and do everything they can to influence and frame stakeholders' perceptions, there are many other influences on how an organization is perceived. Reputation in public organizations needs to be consistent and stable in order to thrive in new challenges. As Tucker and Melewar (2005) suggest, the more respected the reputation of an organization, the more sensational a crisis will be and the more scrutiny it has to face. This includes severe impact on reputation that it may well have to risk. This idea strengthens the popular contention that reputation is not only the end result of an organization's initiatives, but also a factor that has a potential to mitigate risk during crisis.

Among the risks that can potentially harm public organizations' reputation are the following: a failure in crisis management due to managers' treatment of crisis communication plans; as a simple and singular solution (Marra, 1998); and managing a crisis in a better way (Kovoor-Misra, Zammuto, & Mitroff, 2000). It is therefore worth considering how people react to what precedes a crisis and reputational threats (Wester, 2009). The field of risk perception and risk communication research has provided empirical knowledge on how people react in a crisis. Understanding people's reactions and the consequences – how a crisis outcome helps a crisis management team execute crisis communication plan accordingly so that the impact on organizational reputation is mitigated.

Organizations that continuously seek to identify any potential issue that can be a threat to them, can better manage a crisis. One of the best ways to protect organizational reputation is to avoid a potential crisis, or at least limit the damage by having an initial crisis management plan. According to Tucker and Melewar (2005), reputation is both a factor and a consequence of crisis management, hence, the two entities are seen as linked to one another: successful reputation management leads to effective crisis management and successful crisis management improves reputation. Even though this notion suggests that the relationship between the two variables is close, the SCCT suggests that crisis will more likely affect the reputation rather than the other way round (Coombs, 2007).

More recently, research in public organizations has been focusing on gathering stakeholders' feedback in terms of their expectations, especially after the crisis hits. Understanding stakeholders' expectations is crucial since these can affect their satisfaction and future assessment of organizational reputation (Luoma-aho & Makikangas, 2014). Organizations with a good understanding of stakeholders' expectations, including their own employees, suffer less damage and recover more quickly. A recent findings indicated that executives and managers are responsible for more than half of all crises that strike organizations, while employees are responsible for 29% and the outside forces trigger the remaining 19% (Jacques, 2010a). This finding reveals that internal factors cause most crises, which can be controlled, managed, and more importantly, avoided by most managers, should they realize the impact it has on their workplace (Jacques, 2010a). These realities underpin the emergence of a new approach to crisis and reputation management, in which the emphasis on knowing that the expectation of internal stakeholders is equally important as other factors in order to protect reputational threats. Kiousis, Popescu, and Mitrook (2007) propose that - explicit in the concept of organizational reputation - is the role of communication and its contributions to an organization's success.

Closer to home, public organizations in Malaysia have been tested by a few major crises which have raised questions about the reputation of the government. A few organizations had not only failed to gain any profit or merit, but were found to be involved in endless scandals and corruption, and internal management problems (Nor Azizah & Halimah & Nasibah, 2007). This has strengthened public connotation that public organizations in Malaysia are synonymous with red tape, bureaucracy, low levels of productivity (Sharifah Latifah, Mokhtar & Arawati, 2000), and lack professionalism (Nik Hazimah & Zaharul Nizal, 2010). In contrast, the Asian financial crisis in 1997, in which Malaysia itself was caught and struggled to overcome, was caused by a speculative attack in the finance industry. Most Asian countries suffered heavily. The Malaysian government consequently implemented and enforced a few recovery plans which enabled a speedy recovery of its finance industry and reputation (Zaherawati, Zaliha, Nazni & Mohd Zoolhilmie, 2010).

2.2.2 Organizational Crisis and Crisis Responsibility

2.2.2.1 Crisis

The term crisis reflects an unusual event that often ends in unfavorable consequences with high level of risk. Often, crisis will put an organization into disrepute which endangers its growth, and threatens its survival (Coombs, 2012). Even though some crises can be predicted, such as financial or economic situation, most crises have a low probability of occurrence and most of the time happen when it is least expected (Coombs & Holladay, 2010). A crisis can be highly consequential, risky with a high degree of uncertainty and anxiety generated among stakeholders. A crisis can also create tensions within and between the organizations due to media scrutiny (Liu et al., 2012; Guth, 1995) and pose a threat to a political party's or government's legitimacy and power (Waeeras & Moar, 2015; Rosenthal, 2003) and thus, managing it is not an option.

For public organizations, crisis signals harmful threats to system stability and its legitimacy (Seeger, Sellnow & Ulmer, 2003). The consequences of a crisis will not only affect the organization internally (stakeholders, employees, product and/or services), but also externally (family members of the victim(s), competitors, market share or even the environment either locally or globally). More often than not, a single crisis affects more than just the organization that causes it, but it involves a few other organizations which are indirectly related to it. For example, a landslide that causes high-rise buildings to collapse will impact badly on the developers, local government agencies, the media, rescue teams, hospitals, suppliers and buyers, communities, and perhaps insurance companies. The effects of a crisis could be short term or long term, depending on the type of problem encountered. Regardless of the form of the crisis that takes place, the cost is always immeasurable. In major crises where the effects are severe, the price is the organization's survival.

While the impact of a crisis is often negative, there is however, a slim possibility of positive outcomes (Seeeger, Sellnow & Umer, 2003) known as the 'silver lining effect'. Among the potential positive consequences when a crisis hits are: leaders emerge, new ideas are proposed, new policies introduced and new strategies are executed. During a crisis, changes are inevitable and sometimes drastic. Good organizations will treat unfortunate circumstances as an opportunity to make immediate changes and change the outcomes from negative to positive.

2.2.2.2 Public Organizational Crisis

Research in organizational crisis has been examined from various angles and how the media has covered it (Holladay, 2009). For example: the Enron scandal and corporate governance failure (Sauviat, 2006); communication and business ethics (May and Zorn,

2003; Tonge, Greer, & Lawton, 2003); crisis and antecedents of creative decision-making (Sommer & Pearson, 2007); relationships with human resource development and its implications for HRD research and practice (Hutchins & Wang, 2008); trade-off between effectiveness and timelines (Shemetov, 2010); product recall and impact on a manufacturer's image, loyalty and purchase intention (Souiden & Pons, 2009); and events such as 9/11 (Rottier, Hill, Carlson, & Griffin, 2003). Several research studies in crisis communication cover more specific issues, for instance, communication strategy and the channels frequently used in the pre- and post-crisis communication stage (Craig, Olaniran, Scholl, & Williams, 2006), crisis communication void (White, 2009) and the roles of R&D in crisis management (Areiqat & AbdelHadi, 2010). Alpaslan, Green, and Mitroff (2009) developed a stakeholder theory of crisis management. Their theory proposed a mechanism that can explain the association between stakeholder model with a more successful crisis management outcome, which can be applied both in the public and private sectors.

Meanwhile, literature on public organizational crisis has nothing much to offer since the mainstream public organizations usually do not feel comfortable with the study of crisis and crisis management (Rosenthal, 2003). According to Rosenthal (2003) crises in public organizations are often perceived as a threat to the survival of their heads or elites rather than the organizational reputation. Nevertheless, a growing body of literature has documented the importance of understanding crisis communication in public organizations, which has led to more research in this area, such as crisis communication strategies in the media (Liu et al., 2012). Also considered are public servants' trust in citizens (Vigoda-Gadot et al., 2012), crisis and levels of trust in the government (Kennedy, 2009), criticism of public service motivation (Perry, Hondeghem & Wise, 2010; Perry & Hondeghem, 2008) and a few other major problems in public administrations such as charisma issue, consistency, and uniqueness (Waeraas & Byrkjeflot, 2012). In the public sector,

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organizational crisis has resulted in vulnerability to reputation, largely due to economic pressures, political crisis and rising stakeholders' expectations (Luoma-aho, 2008). Related to this is the rising political distrust and cynicism of people, and problems with governance resulting in declining public trust and governability (Cheung, 2013).

While research in public organizational crisis is common in Western countries, crisis literature in Malaysia's public organizations remains understudied. Thus, most crises involving public organizations in Malaysia are either managed according to Western experiences and practices or by bringing in foreign experts as consultants. Understanding how Malaysia's public organizations react to a crisis, plan and execute crisis management seeks to minimize the threats to reputation of both public leaders and their organizations.

2.2.2.3 Crisis Responsibility

A thorough review of the literature reveals little evidence of attribution of crisis responsibility in public organization settings. This section discusses organizational crisis responsibility in general by taking examples from well-known case studies. For example, the 1989 Exxon Valdez oil disaster (EVOS) remains by far the largest spill in US coastal waters and is remembered as the greatest environmental tragedy especially in the oil and gas industry. It was caused by human error and the inevitable happened (Paine et al., 1996). Even though Exxon Corporation assumed full responsibility for the spill and focused on remediation and restoration, the entire industry s focused on the damage and its assessment, which had clearly damaged Exxon's reputation.

The positive outcome of assuming a crisis responsibility can be clearly seen in the three separate, but related, automobiles recalls by Toyota Motor Corporation between 2009 and 2011. The Toyota product recalls had seriously damaged the company's image, credibility, and reputation (Seeger & Padgett, 2010). Toyota employed accommodative strategies by

apologizing openly and took full responsibility in dealing with the victims' families and to re-examine its products. This strategy had helped the corporation to restore its reputation even though it did not immediately lead to more purchase of its products (Choi & Chung, 2013), resulting in a 19% fall in the company's cumulative abnormal returns in the following year (Gokhale, Brooks, & Tremblay, 2014). By the end of 2013, Toyota restored its reputation, indicated by a boost in its financial performance. In 2014, the company's revenue increased by 24.3% and the operating and net profit of the company grew by 39.7% and 72.6%, respectively. The company's consistent strong financial performance enhanced its shareholders' value and allowed it to build on expansion plans (Toyota Industries, Inc. SWOT Analysis. 2015).

In accounting and organizational governance scandals, refusals to take responsibility had resulted in the disappearance of two giant corporations, in oil and gas and accounting industries, simultaneously. The Enron scandal in early 2001 not only led to the bankruptcy of the Enron Corporation, but also the demise of Arthur Andersen, once the most prominent audit and accounting firm (one of the Big Five). The revelation of accounting irregularities at Enron caused the most damage to Arthur Andersen's reputation due to simple accounting fraud (Li, 2010; Sauviat, 2006).

Based on the three major crises discussed above, it is safe to assume that when a crisis hits, the responsible organization would take responsible steps to deal with it. In most cases, an organization's actions depend on what or who actually triggers the crisis. The first step in deciding the crisis management action is to frame the crisis according to its type. The type of crisis determines the attribution of responsibility both by the organization and the public. According to SCCT, the attribution of crisis responsibility is based on framing it into crisis types or clusters, namely victim, accidental and intentional clusters. A victim cluster

produces a low attribution of crisis responsibility to the organization, while preventable or intentional types of crisis produce strong attribution of crisis responsibility. As perceptions of crisis responsibility strengthen, so does the threat of damage to corporate or organizational image.

Any delay in assuming crisis responsibility will put an organization on the defensive as the media will presume that it is hiding something. When the media portrays that the organization is at fault, this will put pressure on the organization (Coombs & Holladay, 2012). Likewise, an organization that takes responsibility is seen as admitting that it is the cause of the crisis, and hence, is responsible for managing it. On the other hand, an organization denying responsibility is often perceived as assuming another party/ outside factor is the cause and will not act to rectify it. Previous research has indicated that taking responsibility when the organization is at fault would reduce potential reputational threats, while denying it will lead to damage far beyond repair.

2.2.3 Charismatic Leadership Communication

Research on charismatic leadership communication is still new in the field of communication (Levine, 2008) even though it has been receiving wide attention within the field of organization behavior as early as the 1980s (Conger, Kanungo, Menon, & Mathur, 1997). A growing body of literature in leadership and communication, however, has expanded this topic, which in turn has encouraged more empirical studies being conducted in organizational communication (Levine, 2008). The early stages of charismatic leadership work focused more on speculative and formative theories (Katz & Kahn, 1978). Later, interest grew to include a wider perspective of charismatic leaders such as behavioral dimension and impact on followers (Conger & Kanungo, 1998). Shamir, House, and Arthur (1993) extend the empirical investigation to include transformational leadership and

charismatic leadership and the effect these had on followers' performance and satisfaction. Further research has examined the effects of leadership style in relation to group satisfaction (Anderson, Madlock, & Hoffman, 2006), effective communication skills (Fairhurst, 1993), interpersonal communication (Quick & Macik-Frey, 2004) and communication competence (Madlock, 2008; Wooten & James, 2008). What is missing in the leadership literature is the relationship between charismatic leadership communication and crisis communication. Before this particular gap can be addressed in the present study, a brief introduction to charismatic leadership is made to see how it has developed in order to capture the communicative aspect of leadership.

2.2.3.1 Charismatic Leadership

Charisma has been associated with leadership for many decades (Conger & Kanungo, 1994) and received wide scholarly attention. From the classical approach, Weber (1947) concludes that charisma is one of the important traits leaders should possess to solve any organizational problem (Barbuto, 1997). Specifically, Weber introduces the term charisma in a political perspective as a solution to social turmoil. The writings of Weber indicate the emergence of a charismatic leader and its relationship with crisis among political leaders in any era. The word charisma is derived from the Greek word, 'charismata' (gift presented by the gods) which is widely used in the transformational leadership style. While many researchers concluded that charisma is mainly a leader-followers phenomenon (Seltzer & Bass, 1990), Tejeda, Scandura, and Pillai (2001) believe that charismatic leaders have the ability to make a significant impact in both personal and organizational perspectives. A charismatic leader is also very competent in communicating ideas and expectations. Another definition of charismatic leadership is associated with influences where leaders are seen as having a referent power that can inspire followers to make personal sacrifices for the greater good (Gardner, 2003).

Some theorists believe that charismatic leadership is a sub-dimension of transformational leadership (Levine et al., 2010; Choi, 2006, Conger et al., 2000; Bass, 1985). Therefore, it is necessary to discuss transformational leadership for a better understanding of charismatic leadership. Bass, Waldman, Avolio, and Bebb (1987) propose a model of transformational leadership consisting of four major elements: Firstly, idealized influence which focuses on the leader's ability to articulate an inspiring vision and to engage in exemplary acts that the followers interpret as involving great personal risk and sacrifice on the part of the leader. The leaders' willingness to contribute wholeheartedly to the wellbeing of the organization influences subordinates' perceptions and indirectly instills intense feelings and confidence toward their leaders (Conger & Kanungo, 1987). Leaders are seen as an idol in a management setting and will be more likely to gain subordinates' trust, respect, and support.

Secondly, inspirational motivation is an attribute which consists of a sub-set influence. Inspirational and motivational leaders are seen as possessing a clear, appealing and inspirational vision to their followers. Leaders' attributions such as confidence, enthusiasm, and belief, motivate subordinates to achieve the goals of the organization collectively.

Thirdly, individualized consideration which is also known as personalization occurs where leaders treat subordinates individually in a lesser formal way by having one-to-one communication. Through this attribution, a leader pays particular attention to individual subordinate's needs and wants, as well as listens to their problems with empathy. Leaders' communicative behaviors express concern and indicate the necessary, illustrative and feedback information that their subordinates need in order to achieve both individual and organizational needs. Panopoulos (1999) suggests that leaders must communicate the needs to rise to a higher level so as to maximize both the organizational and individual

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achievements. Fourthly, intellectual stimulation refers to the leader's initiatives to stimulate subordinates' creative thinking, develop decision-making skills, and use their imagination in accomplishing their tasks (Yammarino, 1993).

Apart from these four elements, researchers agree that transformational leadership communication consists of the following trait criteria: creative, interactive, visionary, empowering, and passionate (Hackman & Johnson, 2004). Transformational leaders clearly communicate the vision and mission of the organization or team with full support from their subordinates. Other criteria are: communicating and interacting openly, frequently, providing individualized guidance, coaching, counseling and monitoring, emphasizing open dialogue and practicing more personalized interaction with the subordinates (Ewing & Lee, 2009).

Transformational leadership theory has been limited in its exploration of specific leader communication behaviors, even though scholars have highlighted that communication behaviors and activities are essential characteristics in transformational leadership. A few largely conceptual studies, however, have described that transformational leaders engage in ethical, inspirational, stimulating, and individually tailored communication with their followers (Avolio & Bass, 2002). More specifically, previous empirical studies on transformational leadership described leaders' communication behaviors as open, frequent, personal, inspirational, ethical, concerning goals, needs and changes. In line with a descriptive approach to communication in transformational leadership, Hackman and Johnson (2004) theorize transformational leaders as creative, interactive, visionary, empowering, and passionate in their communicative behaviors. Further investigation by Hackman and Johnson (2004) concluded that transformational leaders are very willing to communicate, and this involves articulating future trends, inspiring followers to understand

and embrace a vision which they share. Charismatic leaders often express themselves well, but their greatest attribute is their ability to listen and feel for the person who is speaking. It is the ability to listen and empathize with others that make them so compelling.

A review on both transformational and charismatic leadership theories found that they are similar, in that both theories emphasize an outstanding leader must be a competent communicator in order to get the message across to his or her followers. The transformational leadership components deploy communicative behaviors to articulate, motivate, inspire and influence subordinates, while charismatic leadership emphasizes the traits of a competent communicator, such as possessing effective communication skills, specifically the skills in communication of ideas and communication of expectations. This means charismatic communication emerges as the primary requirement for a charismatic leader.

2.2.3.2 The Conger-Kanungo Model of Charismatic Leadership

Conger and Kanungo (1987, 1994) developed a model of charismatic leadership within organizational settings, and a measurement scale (Conger et al., 1997) to operationalize the concept. According to this model, charismatic leadership is defined as an attribution based on the the followers' perceptions of their leader's behavior. The follower or subordinate observes the behavior of the leader and interprets it as expressions of charisma in the same sense as a leader's behaviors reflect individuals' participation, and is people- and task-oriented. As such, the charismatic leadership evaluates a subordinate's perception of how the specific behavioral attributes of the leader engender such outcomes. The Conger-Kanungo model assesses charismatic leadership in three stages. The first stage involves the environmental assessment where the charismatic leadership of a manager is distinguished from other leadership roles. This step examines the manager's attribute in two dimensions.

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The first is subordinates' perceptions of the manager's greater desire to change the status quo whereby the managers will be perceived as critics to status quo. The second is heightened sensitivity on the leader's part to environmental opportunities, constraints, and subordinates' needs. In this dimension managers will be perceived as reformers or agents of radical change.

In the second stage, subordinates perceive charismatic managers by evaluating the formulation of vision and affective articulation of this vision in an inspirational way. The potential of this shared vision to satisfy subordinates distinguishes managers from other form of leadership. Managers with this invaluable character will be admired, as well as their ability to gain trust and respect from subordinates. In the third stage, charismatic managers implement their vision by engaging in exemplary acts which subordinates perceive as involving great personal risk and self-sacrifice. The managers are seen as able to empower subordinates by building their trust and confidence. The ability to transcend the existing order heightens the leaders' perceived expertise and extraordinary attributes. The field of charismatic leadership research has been augmented by research on the communication perspective, where a charismatic leader is examined for his or her communicative behavioral traits, and how this aspect reflects on charismatic leadership in an organization.

2.2.3.3 Leadership communication

A study on transformational leadership theory has been extended to the theme of charismatic leadership and more recently, with a more specific focus on its communication behavior known as charismatic leadership communication (Levine, 2008). The concept of charismatic leadership communication was derived from two disciplines, leadership and communication. A thorough review on leadership style and crisis communication suggests

that these two areas are inter-connected but are investigated separately. To bridge the gap, researchers (Levine et al., 2010; Johansson, Miller, & Hamrin, 2014) introduced the concept of charismatic leadership communication to explain the communicative behavior of a successful leader.

Like the concept of charismatic leadership, the scholarly definition of leadership communication concept is still debatable (Levine et al., 2010; Johansson, Miller, & Hamrin, 2014). Nevertheless, several attempts to establish the concept have successfully reflected the central ideas which captured both leadership and communication known as communicative leadership. Johansson, Miller, and Hamrin (2014, p. 155) define a communicative leader as 'someone who engages employees in dialogue, actively shares and seeks feedback, practices participative decision making, and is perceived as open and involved'. In essence, this concept depicts a leader's communicative behaviors including communication competence, in achieving organization's objectives. In order to do so, communicative leaders are not just communicating, but communicating it successfully. In other words, communicative leaders are excellent communicators.

2.2.3.4 Charismatic Leadership Communication in a Situational Context

The concept of reputation and charismatic leadership is a closely intertwined phenomenon (Boin & Hart, 2003). Reputation does not occur by chance because it relates to various concepts, among others, credibility, financial performance, job satisfaction and leadership (Watson, 2007). However, there is an unanswered question with regard to the role of leadership communication during a crisis, specifically the communicative responsibility the leaders have in the crisis management plan (Lucero et al., 2009). With regard to the communicative responsibility of the leaders during a crisis, a serious discussion emerged in the early 1990s pertaining to the involvement of senior management in communicating

crisis news (Patterson, 1993). Patterson (1993) argues that Presidents and CEOs should focus on the communicative aspect as much as they think about the strategies to overcome the crisis. Furthermore, the role of charismatic leadership communication in managing crises will then depend on the evaluation of the crisis leadership communicative behavior by the stakeholders and the public. This addresses the concept of communication as a specific key to leaders, constituted as the "make-or-break" skill in educational leadership which is essential (Hickman & Stack, 1992).

While the major concern of most organizations is on profit and productivity, leaders' involvement in communicating the crisis would have been minimal. Holland and Gill (2006) in their survey on crisis management plan found that almost 50% of the respondents stated that the senior management did not consider charismatic communication crisis plan as a priority. While Jacques (2010) notes how leadership communication shapes public perception and opinions, many leaders do not plan, or even consider, having a perception management strategy during crisis. To describe the seriousness of the situation, Friedman (2009) concludes that in managing a particularly difficult situation, leaders are operating in a vacuum and are connected only by crisis while presenting an alienating communication that does not consider the emotions and interests of others. In addition, Jacques (2010) states that nothing can really damage organizational reputation and financial performance more rapidly and more deeply than the impact of a major crisis. Yet, many organizations continue to delegate responsibility for crisis management to operational middle managers, while reputation management remains the executives' responsibility. These findings lead to a conclusion that charismatic leadership communication, to a certain degree, will have an influence on organizational reputation.

Charismatic leadership appeared to be more effective and prevalent under crisis situations than in non-crisis ones (Pillai, 1996). This is supported by Hackman and Johnson (1996), who state that stressful conditions involving an organizational crisis will allow for a more receptive audience for the charismatic leader's new vision. The need for charismatic leadership during a crisis is further investigated by Gibson, Ivancevich, and Donnelly (2000) who find that under certain difficult circumstances, charismatic leadership is likely to emerge. In this scenario, the emergent charismatic leader is given more power and authority to act on what is deemed appropriate to reduce the negative impact the crisis might have.

Empirical studies on crisis leadership and the CEO's role clearly indicate that one of the explicit leadership roles the CEOs should play during a crisis is by assuming the responsibility of the organization's spokesperson (Littlefield & Quennette, 2007). The visibility of the CEO as a person with the most authority would demonstrate the importance the organization places on the crisis. However, the CEO's appearance as the spokesperson is not the determining factor of the crisis management's success. It is his or her charismatic leadership and communicative behaviors that will wield the most significant influence on the outcome. The CEO's appearance will be evaluated by the public and stakeholders from every aspect possible, from the colors he chooses to wear, the content of his messages, his level of confidence, to the way he expresses his ideas and concerns with regard to the crisis.

Evidence on the influence of perceived leadership style on public expectation about an organization's stance in a crisis is documented in one study on the relationship between perceived severity of threat and the organization's expected stance (Hwang & Cameron, 2008). The SCCT posits that perceived severity of a threat will determine the

organization's response style (Coombs & Holladay, 2010). It can be concluded that the response style implemented by the organization clearly indicates its official stance toward the crisis. When an organization faces a crisis or a long-term external threat, the public will perceive the organization as taking a favorable stance and executing a more receptive strategy. This is the case if the organization is practicing transformational/ charismatic leadership compared to transactional leadership, which is less favorable to the public at large. That is, people are likely to expect that organizations managed by transformational /charismatic leadership style would be open to constructive changes and be more easily accommodative in the long-term external strong threat circumstance. 'Threat' in this study refers to "a potentially negative situation involving the public" (Coombs & Holladay, 2010, p. 4). Transformational leadership in their study is closely conceptualized as charismatic leadership and described as such in the present study.

Elsbach (2006) highlights that one of the common issues involving charismatic leadership communication during crisis is inconsistency. Organizational leaders are perceived as charismatic when performing consistent and appropriate communication behaviors by giving the same information at all times. While the manner in which information is shared between the groups can change, a charismatic leader is held responsible for communicating the same messages with the same content throughout the crisis. Any additional update to the new messages must not contradict the earlier messages communicated to the public as this will lead people not to believe in the credibility of the charismatic leader. Consequently the crisis scenario will only worsen.

Further literature on crisis and perception management investigated how perception management can influence the speed and degree to which an organization recovers from a crisis (Hargis & Watt, 2010). Researchers highlight a few cases to demonstrate the inter-

relationship between crisis management and perception management, and concluded that managing crisis events is a critical concern of leaders of the organization. This study supports the previous findings by Chong (2004) and Keefe and Darling (2008) that, to successfully navigate crisis events requires planning and strategic leadership.

Leadership communication is crucial in every step of the perception management during a crisis; to begin with, making statements about the crisis, updating information, taking action and eventually, repairing the damage done once the crisis is over. Even when organizations react after the crisis, one of the primary goals of leadership communication is to rebuild a company's tarnished reputation and regain public trust. As Burns (1978, p. 3) proposes, leadership's role may be viewed as 'attempts at interpersonal influence, directed through the communication process, toward the attainment of some goal or goals'. This may include leadership attempts to influence public perceptions of the organization's reputation. The success of perception management during a crisis largely depends on how successful the charismatic leader communicates the crisis management plan to create positive perceptions of the organization. Furthermore, Ketrow (1991) discovers that specialized communication behaviors dictate an inference about leadership communication, which will give a strong, positive impact on the perception of an organization.

Charismatic leaders obviously have a charismatic leadership style. If an organization is dominated by a poor leadership style, for example, dictatorship or autocratic style, a charismatic leader will not emerge. An autocratic leadership with a closed, downward communication method is one of the major contributions to giant companies' shutdowns (Probst & Raisch, 2005). Autocratic leaders use their position to pursue aggressive and visionary goals resulting in self-centered communication and decision-making. An in-depth analysis of the 100 largest organizational crises of the last five years reveals four major

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factors that contributed to the failure of considerably successful companies. The first is leadership where the companies at a time of crisis have managers who are too powerful, which led to the dramatic reversl of the companies' fortunes. The other three areas are growth, change and organizational culture. This study suggests that the main reason successful companies collapse is due to home-made problems but they are not all inevitable. Probst and Raisch (2005) contend that even in a healthy, growing company, a highly visionary leadership style has a counterproductive effect when an autocratic but destructive type of leadership is practiced.

A recent study on leadership in Malaysian organizations found that communication is the main element in leadership and management literature (Abu Bakar, Mustaffa, & Mohamad, 2009). Positive relationships in communication, openness, and job-relevant communication partially mediated the relationship between leader and followers (Abu Bakar, Dilbeck, & McCroskey, 2010) in achieving organizational success. The findings of these studies impart that charismatic leaders demonstrate positive communication with subordinates, making it easier to achieve organizational goals. These studies also suggest that positive communication leads to a healthy relationship between leaders and those under their supervision, which promotes the desired working environment and ultimately, more favorable organizational reputation. This is in support of Madlock's (2008) findings on the influence of a supervisor's communicative competence and leadership style on employee's job and communication satisfaction. It was concluded that when leaders effectively communicate their vision, they win the confidence of subordinates and gain benefits by means of communication and job satisfaction. Prior research has indicated that employees' satisfaction has been associated with improved performance (Madlock, 2008) and this in turn has been linked to greater reputation (Inglis et al., 2006).

Studies in leadership indicate that, apart from functioning as human relationship, the ability to "communicate and sell" has long been identified as one of the leader's major characteristics (Culbertson, 1968). However, the communicative aspect of leaders has not been empirically tested in previous research until recently (Levine et al., 2010; Levine, 2008). If any, Panagopoulos and Dimitriadis (2009) highlight the mediating role of transformational leadership in the inter-relationship between behavior-based control and an organization's outcomes. One study by Voon, Lo, Ngui and Ayob (2011) did investigate the influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. Their study found that transformational leadership style has a stronger relationship with job satisfaction which implies that transformational leadership is deemed suitable for managing government organizations. Their research helped initiate the mediating effect of charismatic leadership communication in a public organization for this study. Charismatic leadership communication, as hypothesized in this thesis, will have a direct impact on the crisis scenario - either worsen it or improve the organization's reputation if and when it takes proper steps to communicate the crisis communication plan.

2.2.4   Organizational Credibility

Existing credibility research reveals an in-depth study on three perspectives of credibility, namely source credibility, message credibility, and media credibility (Miller & Kurpius, 2010; Metzger, Flanagin, Eyal, Lemus, & McCann, 2003). Credibility, the extent to which a source is perceived as believable, has been studied to understand its effect on persuasion and change in attitude (Hovland & Weiss, 1951; Birnbaum & Stegner, 1979). Hailed as the most potent form of persuasion (Cooper, 1994), source credibility, or ethos, has received considerable scholarly attention in rhetoric, marketing, and advertising (Rieh & Danielson, 2007; Yoon, Kim, & Kim, 1998). Many studies on source credibility and its effect have been conducted thus far, but the majority of these studies have treated source credibility as

an independent variable and focused mainly on the trustworthiness, expertise, or attractiveness of the source (Pompitakpan, 2004). In the early years of research on credibility, the main focus was to evaluate the effectiveness of campaigns and communication channels as the medium. Source credibility is often referred to as an individual who is the spokesperson. In a classroom setting, source credibility represents the teacher's believability and expertise.

Organizational credibility is another aspect of credibility which represents the organization's trust and control (Six, 2013). Organizational credibility is equally as important as organizational reputation since an institution, business, etc., will not be perceived as having a favorable reputation if it is perceived as not being credible and not controlling its information. In credibility literature, organizational credibility is usually referred to as trust and believability (Kazoleas & Teven, 2009). This means, for an organization to be credible it has to be capable of being believed; believable, worthy of belief or confidence; trustworthy This definition suggests that organizations providing accurate decisions depend on high quality information they convey, which determines how well the public evaluates it.

A credible organization is more likely to have a better chance to survive during turbulent times due to the quality of the information it provides, which will be perceived as accurate and precise. A survey in the United States revealed a shocking fact on organization credibility; Wilcox, Cameron, Ault, and Agee (2003) discovered that most Americans do not trust big corporations. The finding clearly implies that the credibility of public organizations, be it a federal government institution or a big corporate business, has declined - a sign of loss of faith where "government is blamed for most of what is wrong in the country" (Houston & Harding, 2013, p. 53). For almost two decades the credibility of

public organizations has been one of the big questions faced by governments worldwide. A dramatic expression of dissatisfaction and crisis of trust with regard to the way a nation is being governed has led to negative attitudes to the state and local governments (Houston & Harding, 2013).Yet not much is known on how to empirically instill, maintain and nurture public perceptions toward public organizations' credibility, despite the urgency of needing to regain trust in public servants.

Therefore, most scholars now agree that a crisis is one of the most challenging threats to an organization's credibility (Coombs, 2012). In times of crisis, the organization's credibility will be tested and re-examined if the crisis response is not favored by the public. Over three decades ago, it was found that biases attributed to information sources affect the way the public judges the sources and the information they present (Eagly, Wood, & Chaiken, 1978). An assessment made by the public regarding an organization's stance on crisis responsibility is based on the reasons and motivation reflected in their information being conveyed. If the assessed organization is giving information as motivated by what it seems the public wants to hear rather than what may actually be perceived as the truth, then it is more likely the organization's stance on crisis responsibility will not gain public's support.

If the public perceives that the information on a crisis is influenced by profit motives rather than being responsible for the problem, the organization's credibility will be viewed as poor (Moore, Mowen, & Reardon, 1994; Sparkman, 1982). Findings have been consistent in showing that the public often questions the motives behind organizational communication efforts, especially in handling crises. Organizations, juggling between admitting the crisis and maintaining monthly sales performance at the same time, will be under close public scrutiny. Thus, the public will be seen as making an in-depth judgement of the organization's messages about the crisis. In addition, some researchers argue that

public perceptions of bias in crisis messages could negatively affect an organization's perceived credibility and integrity (Baksh-Mohammed, Choi, & Callison, 2006; Cornelius, 2004) and reduce believability in its messages (Coombs, 2012).

Thus, the present study proposes that organizational credibility is an important variable that needs considerable attention from public sector organizations especially during tough times. Just like public organizations' reputation, a thorough review indicates that their credibility is understudied. Public organizations are constantly facing threats such as the decline in citizens' trust and less public support due to unstable credibility (Kouzes & Posner, 2012; Waeeras & Byrkjeflot, 2012). However, research is yet to examine the establishment of credibility in an organizational setting where the source of information is the organization. This is because most research in crisis communication indicates a direct impact of crisis on reputation. However, a fairly recent study by Roberts (2009) found that organizational credibility also has an influence on the crisis outcome. The attribution of crisis responsibility becomes stronger when stakeholders perceived the organization as being less credible (Coombs, 2007; Coombs & Holladay, 2002). This is supported by Kouzes and Posner (2012) who argue that the perceptions of an organization play an important role in determining its survival, both in normal and turbulent times. It has been said that, organizations that lack positive credibility perception will suffer more compared to the those receiving public trust and confidence (LaBarbera, 1982). However, to date, little empirical research has been devoted to employees' perceptions of their workplaces' credibility during a crisis (Six, 2013; Kim, Bateman, Gilbreath & Anderson, 2009).

A review of the credibility literature reveals that much research has focused on source credibility, where the source is a spokesperson, celebrity endorser or other popular/famous individuals communicating the message (Newell & Goldsmith, 2001; Ohanian, 1990).

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This is due to the fact that research on credibility was initially dominated by scholars in marketing and advertising, to study the effect these spokespersons have on the organization's brands and products (Newell & Goldsmith, 2001). In contrast, the concept of organizational credibility, that is, the organization that produces or manufactures the products and introduces its brand, has received little attention from researchers. Organizations, as the original sources of communication that initiate the information about their products and subsequently sponsor the advertisement, have been shadowed by their spokesperson promoting them. Most people are familiar with names like Tiger Woods, Michael Jordan, Oprah Winfrey, Roger Federer and other well-known and wealthy spokespersons, than the organizations they represent.

Organizational credibility also plays an important role in consumers' reactions to advertisements and brands. Newell and Goldsmith (2001) state that organizational credibility is another type of source credibility that can influence consumers' reactions to advertisements and shape brand attitudes. This study presents an opportunity to expand on their findings in another setting by adding to the body of knowledge, the combined effect of organizational credibility to the present study of organizational crisis and reputation. In crisis management, credibility can significantly influence stakeholders' perceptions of the crisis messages delivered by the organization. Crisis managers employed the concept of credibility as a persuasion strategy in managing crisis perceptions. In persuasion, credibility is defined as 'the receiver's attitude toward the communicator' where organization is the communicator and the stakeholders are the receivers (Commbs, 2012, p. 120). The question arises as to what attitude does the public demonstrate and to what messages? Also, does the public perceive these crisis messages as genuine and can they be trusted? During a crisis, stakeholders, especially those directly involved with the tragic event, rely on the organization as their main source of information. They keep themselves

updated as frequently as possible on the latest news about the crisis and the best way is to hear from the organization directly. Through the news, they form their opinions on the competence and trustworthiness of public sector organizations. However, none of the crisis literature emphasizes stakeholders' perceptions of the credibility of the organization as the information source of crisis messages.

Organizational entity as a credible source of information is extremely crucial in times of crisis. Credibility is a quality that stakeholders look for and admire in organizations, which determine perceptions of their reputation. For organizations, to earn credibility is an ongoing effort that can take years to build and only seconds to destroy. Just like leadership and reputation, credibility matters the most during an organization's turbulent times. Credibility, among other things, is the foundation of an organization. Organizations that thrive to meet their stakeholders' expectations will gain their most valuable reward: stakeholders' loyalty and commitment over time. Stakeholders, who perceive their organization as credible will look up to and treat the organization with respect. However, low-credibility organizations will significantly negatively impact on stakeholders' morale (Kouzes & Posner, 2012). Likewise, an organization that is perceived as hiding important information or has failed to reveal the truth will create a credibility gap (Hamdallah, 2012) which will affect its reputation.

Even though public sector departments and agencies are protected by the government due to strong political ties and legislation, this does not imply that public organizations will not be affected if their credibility is poor. In fact, a public organization's credibility represents that of the leaders politically appointed by the government (Waeraas & Moar, 2015). Ironically, a low level of public organization credibility will lead to political distrust, a common problem affecting public organizations which has undermined both governments and politicians for centuries (Cheung, 2013). Likewise, leaders' credibility will be reflected

in their organizational credibility. Understandably, organizations led by uncredible leaders will not be perceived as trustworthy. As Kouzes and Posner (2012) stress, credibility is the foundation of excellent leadership, and this has become one of the challenges of organizational credibility in most organizations.

2.3   Underpinning Theory

This section discusses the theoretical background for this study. This study employs the situational crisis communication theory as its basic framework. Nine hypotheses were developed based on the theoretical framework established for this study. These are discussed in more detail below.

2.3.1   The Situational Crisis Communication Theory

As highlighted in the introduction of Chapter One, many theories concerning crisis communication were either inadequate or limited in providing solid interpretation on a specific organizational crisis. As a result not much can be understood on possible crisis outcomes due to insufficient evidence on the response strategies in crisis management (Dean, 2004). This has led to a more serious attention being given to evidence-based research in crisis communication (Rousseau, 2006). Thus, scientific, evidence-based guidelines to deal with crisis management are crucial, and will encourage more research in crisis communication and warrant expansion of the existing theories, including SCCT.

Based on Attribution Theory, SCCT has been frequently tested and subsequently developed to guide crisis leaders while managing problems (Coombs, 2014) and eventually to best preserve an organization's reputation. The evolution of SCCT - from merely being based on attribution of crisis responsibility to match with crisis response strategies - has focused on reputation. Initially, the aim was to articulate a theory-based system in identifying and corresponding response strategies to the situational crisis. In essence, the SCCT explains

the process of determining the selection of crisis response strategies and/or understand the effect of these strategies on organizational reputation (Coombs, 2014, 2006). The SCCT argues that as or when reputational threat increases, crisis managers should use response strategies that demonstrate a higher level of acceptance of responsibility for the crisis and address concerns for the victims involved.

The first element in the SCCT is the crisis type, a framework used to guide interpretations of the situation. SCCT has identified and categorized three different types of crisis, namely, victim crisis, accidental crisis and preventable type of crisis. The situation of the crisis will enable the crisis leader to categorize the crisis under the appropriate type. With regard to identifying the crisis type, Mitroff (1988) recommends collapsing crisis types into clusters or families of similar crises. The idea is that similar crises can be managed in similar ways. Thus, a crisis management team can provide a specific pattern or standard procedure when dealing with the crisis according to its cluster. Once crises are grouped, crisis management teams can prepare plans for each cluster, instead of generating plans for every possible crisis type an organization might face.

The first type of crisis is victim type. Natural disasters, rumors, workplace violence or product tampering are categorized under this category. For victim crisis, the cause is triggered by outside factors which the organization has no control of. Thus, an organization is considered as a victim that will not be held responsible for it. The second type of crisis is the accidental cluster. Technical errors caused by human, product recall (technical error caused by a product) or challenges by stakeholders, fall under this type of crisis. Here, the organization's management is seen as not meaning for the crisis to happen (lack of volition) and/or could do little to prevent it (limited control). Organizations face some form of risks and sometimes accidents/events happen (Perrow, 1999).

The third type of crisis is known as preventable or intentional crisis cluster. Examples of preventable crisis are human error accidents, product harm or organizational misdeed. Human and product error are seen as avoidable should the organization take necessary precaution to prevent them from happening. The risk may vary from small injuries to a tragic death of employees or customers and representatives of the public. Organizational misdeeds involve management knowingly violating laws or regulations and/or knowingly place stakeholders at risk. Violating discrimination laws or allowing a product to be sold with a known defect are examples of intentional acts (Coombs & Holladay, 2001).

The second element of the SCCT is making attribution on the crisis responsibility based on the crisis type. Having identified the crisis type will help a crisis leader make an attribution on the crisis responsibility based on locus control, i.e. whether the organization is responsible for triggering the crisis or not. Crisis types determine the crisis responsibility the stakeholders ascribe to the organization. Knowing the level of crisis responsibility that a crisis type is generated will help a crisis leader to predict the reputational threat posed by the crisis type.

Victim crisis is associated with minimal attribution of crisis responsibility as the crisis is triggered by an external factor. For the accidental crisis, the attribution of responsibility is moderate and the attribution of crisis responsibility is high for the preventable type of crisis because people believe such mistakes could and should have been preventable (Mitroff & Alpaslan, 2003). Weiner (1995) notes that responsibility is not a yes-or-no proposition; instead, it is a matter of degree or magnitude. Specifically, an organization will likely be attributed some level of responsibility simply because it is in a crisis (Coombs & Holladay, 2002).

The third element is the crisis response strategy. At this stage the entity that is held responsible for the crisis has been identified and has subsequently matched it with appropriate crisis response strategies. Based on the crisis cluster, scholars have identified the two most commonly used crisis response strategies; these are known as defensive strategy and accommodative strategies. In defensive strategies, organizations defend their stance by denying or diminishing what caused it. Deny strategies are categorized into two clusters, denial – where an organization claims there is no crisis, and scapegoat – an organization denies responsibility for the crisis. In certain cases, organizations claim that other entities are responsible which is also known as the 'accused others' strategy. Diminish strategy occurs in an effort to deflect public criticism by arguing that the crisis is not as serious as what it seems. This process of shaping people's perceptions of the seriousness of a crisis is called 'justification'. The diminish strategy also uses the 'excuses' tactic which aims at minimizing organizational responsibility.

Accommodative strategies are employed when an organization is proven guilty of causing the crisis. As the crisis actor, the organization will likely assume responsibility for the incident and prepare to take the blame. Among the most commonly used accommodative strategy is corporate apologia where, in the process of rebuilding strategy, organizations publicly apologize or offer compensation to the victims involved. Studies have consistently indicated that a rebuilding strategy resulted in a more effective reputation restoration rather than defensive strategies, especially when the organization has been identified as the crisis owner (Coombs & Holladay, 2004, 2007).

Finally, the fourth element is assessing the impact the crisis has on an organization's reputation. The crisis leader should be able to predict the impact of the crisis on an organization's reputation based on all elements from categorizing the type of the crisis to

deciding on which response strategy to employ. Clearly, victim crisis will be associated with a low level of crisis responsibility which will result in minimal risk of reputation damage. The accidental cluster is moderately linked to attribution of crisis responsibility and represents an average reputational threat. Meanwhile the preventable or intentional cluster produces strong attributions of crisis responsibility and represents a severe reputational threat.

In most research, SCCT has successfully addressed the impact of crisis on an organization's reputation. However, since crises have the potential to evolve from simple to complex situations, crisis communication strategies need to appropriately deal with them. In order to do so, crisis communication theories, especially SCCT, cannot solely investigate organizational crisis only from the aspect of attribution of responsibility to predict the outcomes. The possibility of other organizational elements, which have not been examined such as leadership and credibility, should be given more attention because they wield their own influence in shaping organizations' reputations. Therefore, based on the SCCT, models of crisis communication were developed and tested, aimed at managing crises and securing organizational reputation (Coombs, 2007; Coombs & Holladay, 2006). However, Kahn, Barton and Fellows (2013) claimed that these models were short-term oriented because they focus solely on crisis response styles according to the crisis type. Thus, the present study suggests that the traditional model of crisis management requires an expansion from merely identifying and rectifying the problem to building and strengthening organizational assets, namely charismatic leadership communication and organizational credibility. In this way they can combat threats to reputation. Proposing the two new variables to expand the SCCT, Figure 2.1 depicts the theoretical framework for the present study.
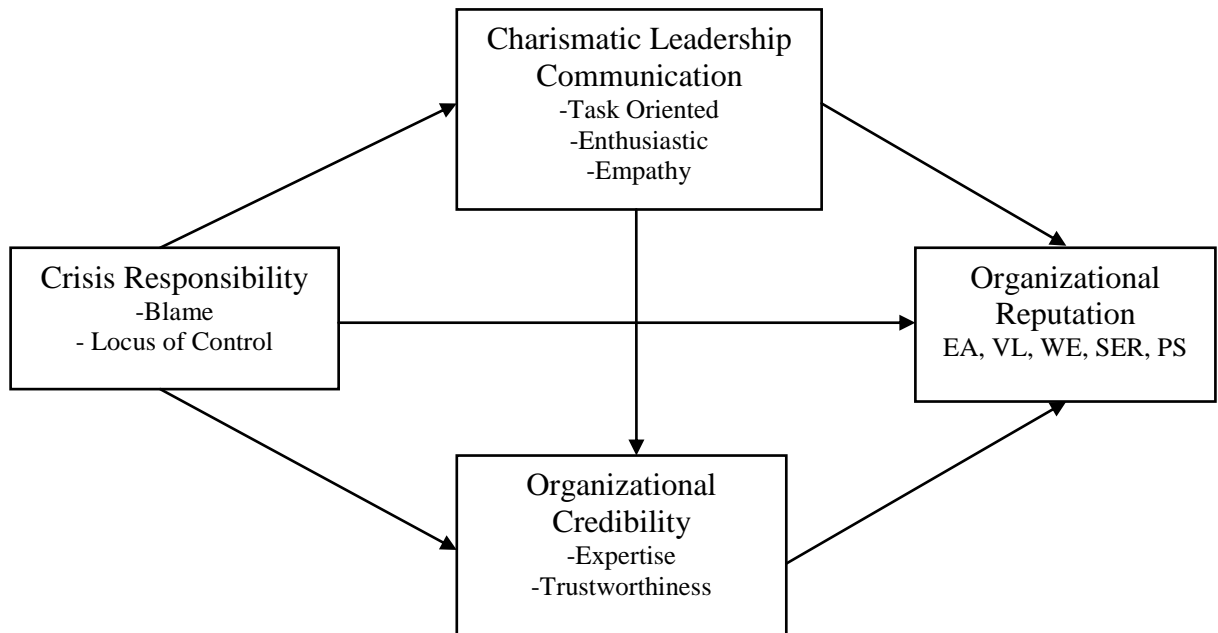
Figure 2.1 The Theoretical Framework

This study focuses on expanding certain aspects of SCCT. Specifically, the present investigation examines the viability of crisis responsibility and/or reputational threat across the entire range of crisis clusters (from accidental to preventable crisis type). This study explores the mediating role of organizational credibility as the interpretation of crisis history and charismatic leadership communication as the interpretation of relationship history. Organizational credibility is formed in the minds of stakeholders and the public at large by evaluating the organization's performance over time, which is partly derived from its crisis history. If the organization has no crisis history in the past, the credibility of the organization is more likely to be positive compared to organizations that have had one or more crises. According to Coombs and Holladay (2010, 2006, 2004) past crises are a potential indicator of stability because they suggest a particular pattern of behavior. Therefore, a history of past crises could lead to stronger attributions of organizational responsibility; while charismatic leadership communication is interpreted as the effort made by leaders to build and maintain good relationship with stakeholders in the past and during the crisis.

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The SCCT focuses on the use of communication to save and protect an organization's valuable reputation (Coombs, 2004). This is where leadership communication fits in the SCCT framework; to charismatically deliver the crisis messages. Likewise, excessive use of communication will only meet its objective when the messages that are sent out not only is received and understood, but also accepted and be trusted. To ascertain that the public perceive the crisis communication messages as genuine, the credibility of the source of the information must first be determined. Thus, building a credible organization is equally important as building an organization's reputation because it helps to strengthen an institution's reputation when needed.

The incorporation of the situational crisis in the present study is an attempt to extend SCCT in a public organization setting as opposed to the private sector, which most previous research has examined. In the framing of crisis type, where the case had been identified as victim crisis, the agency was seen as implementing a defensive strategy. This is obviously due to the fact that the cause of the crisis had not been confirmed. Thus, the organization is of the opinion that both the ill-fated employee and the organization itself were considered "victims". According to Coombs, Hazleton, Holladay, and Chandler (1995), organizations are viewed as victims of the crisis because the crises are seen as driven by external or unknown forces that are beyond the management's control. However, as the crisis unfolded and the organization felt it could have been avoided if they have acted differently, the type of crisis had shifted from merely accidental to a preventable type. As Perrow (1999) suggests, perceptions of accidents do include some element of organizational fault even though the crisis was not exactly caused by the organization. Basing on this argument, the MACC was seen as taking a more approachable strategy ranging from defensive to accommodative strategies, which emphasized rebuilding its reputation.

2.3.2 Development of the Research Conceptual Model

Positively, the drawbacks in most previous crisis communication models have led to the need to develop the situational crisis communication theory (SCCT) (Cooley & Cooley, 2011). Thus, based on the SCCT model as illustrated by Coombs and Holladay (2002) and supported by an extensive literature review discussed earlier, the present study attempts to extend the theory further by developing a conceptual model incorporating charismatic leadership communication and organizational credibility (see Figure 2.2).
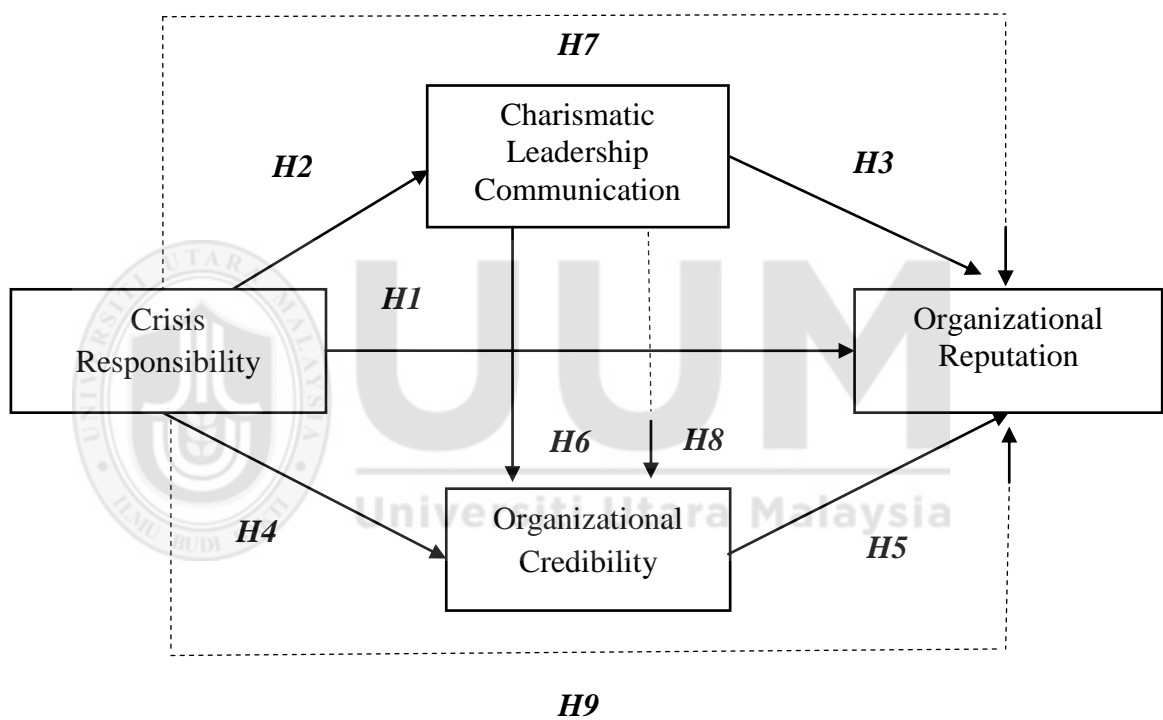
Figure 2.2 The Conceptual Model of the Study

The theoretical and empirical considerations, on which the model representing the hypothesized relationships is based, are discussed thereafter. The independent variable for this study is crisis responsibility, which is attributed to organizations based on the framing of crisis type by stakeholders. The dependent variable is a perceived organizational reputation, while charismatic leadership communication and organizational credibility

serve as mediators in the model. The direct relationships between each variable are presented and labeled as H1, H2, H3, H4, H5, and H6.

The present study proposes that the relationship between crisis responsibility and perceived organizational reputation is mediated by the stakeholders' perceptions of charismatic leadership communication and organizational credibility. These interactions are represented by H7, H8 and H9. The model therefore offers a new, relatively unexplored mechanism for organizational crisis on perceived organizational reputation. The development of research hypotheses in this study is derived from the conceptual model presented above.

2.4   Development of Research Hypothesis

2.4.1 Direct Hypothesis

The development of hypotheses for this study originated from the conceptual model presented earlier in this chapter. It is appropriate to highlight that efforts to empirically examine perception in public sector have been rare (Van Der Wal et al., 2008) resulting in not enough literature on this area of research in public sector organizations. Most of the arguments presented in building the research hypotheses are based on findings in the private sector. Furthermore, Van Der Wal and Huberts (2008) suggest that some similarities exist between the public and private sector which permit the findings in the latter to a certain extent to be applied to the former. The similarities between the public and private sectors appear to result in a set of common core organizational values. This contradicts the expectations in the literature which suggest that public-private values are intermixing (Van Der Wal & Huberts, 2008). Furthermore, in view of the reform of the public sector under market-oriented plans that have been in place since the 1980s worldwide, (Schachter, 2014) including Asian countries (Aoki, 2015), the public sector is

heading into the so-called post-NPM era (De Vries & Nemec, 2013). Privatization of public services has now been introduced and widely implemented in many countries.

2.4.1.1 Crisis Responsibility and Perceived Organizational Reputation

The crisis management literature suggests that crisis responsibility directly impacts on organizational reputation (Coombs, 2007, 2012). As stakeholders make attribution to crisis responsibility according to crisis types, the impact on reputation will vary based on the attributions made (Coombs, 2007). A crisis becomes a greater threat to an organization's reputation as attributions of crisis responsibility intensify. As the SCCT posits, there is a direct link between crisis types, attributions of crisis responsibility and crisis response strategy. Crisis types will shape the public attribution of crisis responsibility which in turn will determine the organization's attitude to the crisis, i.e. either defensive or accommodative. The less responsibility attributed to the organization, the more defensive it can be. Likewise, the higher the perception of responsibility that the organization has, the more severe the threat to its reputation.

Stakeholders make attributions of crisis responsibility based on the cause triggering the crisis (Wester, 2009). In addition, initial crisis responsibility reflects the degree to which stakeholders believe organizational actions have triggered the crisis (Weber, Erickson, & Stone, 2011), which determine their perceptions of the organization. Previous studies on crisis management have demonstrated that attribution of crisis responsibility is related negatively to favorable organizational reputation (Coombs, 2002, 2004, 2007). Furthermore, the more the organization is perceived as responsible for the crisis, the more severe the damage is to its reputation (Sisco, 2012). Likewise, the more respected an organization is, the more sensational a crisis will be and the more scrutiny it has to face (Haywood, 2002; Liu, 2010; Tucker & Melewar, 2005). However Helm and Tolsdorf's

(2013, 2009) recent findings suggest that organizational reputation has the potential to reduce the negative effects posed by a crisis threat. They further conclude that the impact of the crisis is weak when the reputation is good, and strong when the reputation is bad.

Even though Helm and Tudolf's (2013, 2009) findings are in favor of organizations with strong reputations, the level of crisis responsibility attributable to the organization determines the extent of the communication efforts the organization must undertake (Wester, 2009). The greater the attribution of crisis responsibility to the organization, the more extensive the communication efforts are needed to rebuild its reputation. Sisco (2012) suggests that an organization crafts communication to build confidence and trust in its organizational reputation. Thus, stakeholders making attributions for crisis responsibility can create high expectations for clear and exhaustive communications to explain the crisis in order to ease the situation (Fortunato, 2008; Weber, 2011).

Research on the concept of reputation also suggests that a crisis has the potential to influence the way in which stakeholders perceive an organization's reputation. Coombs (2007) suggests that the framing of the crisis type shapes stakeholders' perceptions, which in turn influences their interpretation of the crisis situation. The SCCT posits that crisis history and an organization's prior reputation have direct and indirect effects on the reputation during a crisis (Coombs, 2004). However, the potential threat posed by the attribution of crisis responsibility on reputation has not been studied empirically. Wester (2009) suggests that stakeholders' reactions to a crisis are aligned with their interpretation of the consequences by which the situation would either directly or indirectly affect them.

Reputation literature has also indicated that an organization's actions, either to assume or to reject crisis responsibility, are crucial in rebuilding a reputation damaged by a crisis threat (Coombs, 2007; Coombs & Holladay, 2006). Crisis scholars have suggested that a direct

link exists between an organization's acceptance of crisis responsibility and its reputation (Pace, Fediuk, & Botero, 2010). In the event the organization is perceived as responsible for a crisis, the acceptance of crisis responsibility will result in a positive reputation. In line with this, Coombs (2007) and Coombs and Holladay (2006) suggested that more evidence-based research is needed to validate an organization's decision in either accepting or denying responsibility assigned by stakeholders. However, an organization needs to identify the cause of the crisis by framing the crisis type and make the attribution of crisis responsibility before any decision to employ crisis response strategies can be made. Therefore, the following hypothesis is advanced for testing:

Hypothesis 1: Attribution of crisis responsibility is related to perceived organizational reputation.

2.4.1.2 Crisis Responsibility and Charismatic Leadership Communication

Drawing upon charismatic leadership communication in a situational context, previous studies have indicated that crisis situations affect leaders' behavioral charisma significantly (Madlock, 2008; Pillai, 1996; Ramirez, 2010). For example, Walter and Bruch (2009) identify a crisis situation as one significant contextual antecedent of charismatic leadership behavior. Empirical research has also demonstrated that a crisis situation leads to negative leadership behavior when the crisis is mismanaged, thus burdening the leaders with bad perceptions about their charismatic behavior by the stakeholders (Coombs, 2007; Pillai & Meindl, 1998).

Organizational crisis may create opportunity for the emergence of charismatic leadership (Bligh et al., 2004; Halverson et al., 2004a; Halverson et al., 2004b). Empirical research has suggested that the role of crisis communication is one influential factor in the attribution of charismatic leadership (Levine et al., 2010; Halverson et al., 2004a). In

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addition, a previous study demonstrated a positive link between leaders' charismatic communications and perceptions of leadership effectiveness after the crisis has emerged. In a study of the 2003 California recall election, crisis responsibility attribution was found to be related to expected leadership effectiveness while higher charismatic delivery in communication was linked positively to higher ratings of charisma and effectiveness (Bligh et al., 2005).

While a crisis will very likely create an opportunity for a leader to emerge (Pillai, 1996; Kakavogianni, 2009), it may also force an existing leader to step down. This situation is known as the leadership succession process, which is related to organizational reputation (Flatt et al., 2013). The emergence of leaders during a crisis involves CEO succession through either resignation or re-election of an existing leader and/or major restructuring of departments, agencies or organizations (Coombs & Holladay, 2010). Researchers have discovered that leadership succession has a direct influence on reputations and for this reason, companies with higher initial reputations were found to be linked significantly with favorable organizational reputations (Flatt et al., 2013). In addition, a CEO's leadership reputation has been found to have positive effects on organizational effectiveness and corporate reputation under uncertain environments like a crisis scenario (Choi, 2006; Pollach & Kerbler, 2011).

Charismatic leadership communication was most likely to emerge when the crises involved national or political issues (Bligh et al., 2005). The terrorist attack on the World Trade Center on September 11, 2001 raised questions about national security, and in fact the government's responsibility. Bligh et al. (2005) find that 9/11 crisis directly affected President George W. Bush's charismatic leadership communications, and reflected a great sense of responsibility for his country's vulnerability on national security. Charismatic

leadership communication was found to mediate the relationship between the media's portrayal of the crisis event and American receptivity to a more charismatically-based leadership communication following the 9/11 crisis.

Charismatic leadership communication has also been shown to be related directly to economic crises (Bligh et al., 2005). Increased perception of charismatic leadership communication is associated with higher ratings of charisma and effectiveness in overcoming crises. Subsequently, Davis (2012) investigates the influence of a crisis on a leader's use of charismatic rhetoric and found a strong, positive relationship between a leader's charismatic rhetoric and perceptions of that person's effectiveness in managing the crisis. More recently, empirical research has suggested that the role of crisis communication is one influential factor in the attribution of charismatic leadership (Halverson et al., 2004b; Meng, Berger, Gower, & Heyman, 2012; Stephens, Malone & Bailey, 2005). In addition, crisis responsibility perceptions were found to be related to expected leadership effectiveness while higher charismatic delivery in communication was linked positively with higher ratings of charisma and effectiveness (Bligh et al., 2005).

Charismatic leadership communication is most likely to emerge when the crises involved national or political issues, including national security, which placed great responsibility on the government's side. Bligh et al. (2005) find that the context of a national crisis directly affected the leader's charismatic leadership communications, reflecting a great sense of responsibility for the country's vulnerability in terms of national security. Increased perception of charismatic leadership communication is associated with higher ratings of charisma and effectiveness in overcoming crises. The researcher argues that the more the attribution of crisis responsibility is associated with the organization, the higher the

charismatic leadership communication is demonstrated by the organization. Therefore the following hypothesis is advanced for testing:

Hypothesis 2: Attribution of crisis responsibility is related to the demonstration of the leader's charismatic leadership communication.

2.4.1.3 Charismatic Leadership Communication and Perceived Organizational Reputation

Jin and Yeo (2011) contend there is a relationship between reputation and leadership communication, which gives leaders the advantages to responsibly control the desired outcomes. By demonstrating charismatic leadership communication, leaders gain employees support and positively influence employees' perceptions of organizational reputation (Men & Stacks, 2013). Meng and Berger (2013) suggested that charismatic leaders who engaged in transformational leadership communication behavior, specifically with respect to internal communication issues were able consolidate and maintain organizational reputation.. Recent research in public relations has demonstrated strong support for a higher-order measurement model, consisting of six major dimensions of charismatic leadership communication such as self-dynamics, team collaboration, ethical orientation, relationship building, strategic decision-making capability, and communication knowledge management capability. Furthermore the relationships of the six dimensions with leaders help to generate the desired communication outcomes (Meng & Berger, 2013). They argued that leaders who wanted to engage in transformational leadership should adopt these six dimensions of charismatic leadership communication so that stakeholders' perceptions of organizational reputation are dealt with.

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Research has been consistent in relating performance management to leadership commitment (Dooren, Bouckaert, & Halligans, 2010; Fryer, Antony & Ogden, 2009) in public organizations. In addition, managing reputation is an important aspect of leadership commitment (Van der Jagt, 2005), which helps determine organizational reputation (Babarinsa, 2013). A lack of communication and the ability to immediately respond to change are critical factors affecting organizational change initiatives (Babarinsa, 2013). This study argues that a leader's inability to employ charismatic leadership communication will eventually compromise a leader's efforts to change crisis outcomes and re-build tarnished reputations. Thus, the following hypothesis is advanced:

Hypothesis 3: The leader's demonstration of charismatic leadership communication is related to perceived organizational reputation.

The hypothesis suggests that the leader's inability to employ charismatic leadership communication will eventually affect a leader's efforts to change crisis outcomes and rebuild tarnished reputations. A leader should assume the role of being the organization's spokesperson during a crisis (Littlefield & Quennette, 2007; Lucero et al., 2009) so that unfavorable impacts are overcome.Subsequently, a leader must not only be visible during a crisis but also demonstrate these leadership communication qualities while assuming the spokesperson role.

2.4.1.4 Crisis Responsibility and Organizational Credibility

An organization's credibility is threatened during a crisis. Credibility literature indicates that strong organizational credibility can protect the organization from a catastrophe (Coombs, 2012). Research on credibility also indicates that communication (crisis messages) affects how stakeholders perceive the organization during a crisis (Hearit, 2001). Stakeholders believe the organization's side of the story when they deem it to be credible.

Researchers have found that organizations held responsible for a serious problem are viewed as more credible when they report the crisis before other sources (Arpan & Roskon-Ewoldsen, 2005). As such, the attribution of an organization's crisis responsibility is weak when the organizational credibility is strong.

Further studies on organizational credibility have shown that meeting the needs and expectation of customers and stakeholders is one of the primary forces in maintaining the organization's credibility (Crosby & Johnson, 2006). Delivering what it says it will is important in retaining public trust and loyalty. However, satisfying needs and expectations will be among the major challenges organizations might face in times of crisis. Considering that customers and stakeholders come from diverse backgrounds and have different needs, fulfilling their expectations will prove to be increasingly difficult. Athiyaman (2002) argues that sophisticated consumers review organizations' overall performance at all times and seldom taking into account whatever crises they are experiencing. Failure to maintain business performance due to a crisis affects an organization's credibility, as stakeholders would associate this with tarnished reputation. As such, organizations are under increasing pressure to take responsibility for their bottom lines and products or services as well as their environmental impacts (Macleod, 2001). Thus, the following hypothesis is advanced:

Hypothesis 4: Attribution of crisis responsibility is related to organizational credibility.

2.4.1.5 Organizational Credibility and Perceived Organizational Reputation

This study on organizational credibility began with an in-depth investigation on source credibility, a continuous effort to validate and recognize source of information. In the field of communication, source credibility has attracted particular attention from both academic researchers and industry practitioners alike due to its strong influence on individuals'

perceptions. Referring to persuasion efforts, credible sources will be perceived as more persuasive in their communication strategies than those with low credibility.

Previous research has shown that perceptions of high source credibility are related to organizational reputation (Herbig & Milewicz, 1995), influences positive message evaluations, favourable attitude changes and behavioural attentions (Erdogan, 1999; Kim & Choi, 2004). Walker and Kent (2013) and Hamdallah (2012) stress the importance of firm credibility as part of the culture of corporate reputation. They also suggest that perceptions of organizational credibility influence the stakeholders' attitudes regarding the organization.

Ivanov, Parker, and Sims' (2009) investigation into the moderating roles of organizational image and credibility in influencing the effectiveness of advertising and public relations message sequencing in new product introductions, found that organizational credibility does attenuate the effectiveness of the PR strategy. Their findings suggest that when a corporation has a more positive image and high credibility, the message sequencing strategy used may be less important. Likewise, Haigh and Brubaker (2010) concluded that source credibility is related to image restoration strategy as perceived by stakeholders. Their findings spur further research into examining the role of organizational credibility in the organization setting, specifically by looking at the potential it has to influence public organizational reputation.

In marketing and advertising, researchers (e.g., Sen & Bhattacharya, 2001) have found that perceived credibility can influence consumers' attitudes. Other examples include Winters (1988) who has asserted that purchase intentions are positively influenced by credibility, and Lafferty and Goldsmith (1999) who reported that sales have as a result of perceived credibility. Additional academic research has stressed the importance of a business's

credibility, usually as part of the need for good organizational image or reputation (e.g., Cooper, 1994; Lafferty, 2007; Lafferty and Goldsmith, 1999). When stakeholders are familiar with an organization, they have already developed perceptions about its credibility (Goldsmith et al., 2000; Mahon & Wartick, 2003). Simply put, if the stakeholders feel the organization is indeed credible, they will be more inclined to pay higher prices for what it offers and support it in ways they may not have thought of previously.

Hypothesis 5: Oganizational credibility is related to perceived organizational reputation.

2.4.1.6 Charismatic Leadership Communication and Organizational Credibility

Previous research (Battaglio & Condrey, 2009; Choudhury, 2008; Park, 2012) has acknowledged a direct link between employees' perceptions of organizational trust and leadership characteristics which led to institutional stability. These studies proposed that leadership is one of the main sources of trust in an organization. When employees trust their leaders they will perceive their organization as being credible. (see Wang & Hsieh, 2013). In a public sector body the distance between superiors and subordinates is bridged by leaders' "close-up communication" for building a mutual understanding before trust can be established between both parties. Literature on trust indicates that building employees' trust is crucial if the organization wishes workers to perceive them as credible (Fairhurst, 2007; Johansson et al., 2014) or otherwise their messages will go unheard. Johansson et al. (2014) suggest that leaders' charismatic leadership includes sense-making processes, which create employees' understanding and buy-in. Thus, employees trusting their organization do not just happen; it takes good leadership communication to build their trust and to perceive that their organization is credible.

People, including stakeholders and employees specifically, have to believe in their leaders before taking a stance on their organization's credibility (Kouzes & Posner, 2012).

Research on charismatic leadership, communication skills and organizational credibility has found a significant relationship between these constructs which suggested that to gain stakeholders' trust begins with leadership credibility. In addition, studies on trust also indicate that lack of confidence and trust have widened the gap between organizations and the public due to instances of collapsed credibility (Coombs, 2012; Roberts, 2009). Based on these arguments, the following hypothesis is put forward for testing:

Hypothesis 6: The leader's demonstration of charismatic leadership communication is related to organizational credibility.

2.4.2 Indirect Hypothesis

2.4.2.1 The Mediating Role of Charismatic Leadership Communication in the Relationship between Crisis Responsibility and Perceived Organizational Reputation

The mediating role of charismatic leadership communication between organizational crisis responsibility and its reputation is premised on the notion that crisis leadership with outstanding traits will exhibit charismatic attributes which will create a positive impact for an organization, compared to non-charismatic leaders. A thorough review on leadership and crisis communication literature suggests that the leadership character has, to a certain extent, impacted on the crisis outcome. Previous studies in organizational and crisis communication highlighted that organizational researchers have successfully linked charismatic leadership with crisis management (King, 2002). In one study on crisis management and team effectiveness, King (2002) proposes that a crisis management team whose leader demonstrates a charismatic style of leadership may be more effective in controlling and eliminating an crisis. King (2002) further suggests that organizational leaders should have formal guidelines and procedure in communicating to the general public, both internal and external. Leaders who are members of a crisis team must possess

effective communication and crisis management skills, besides possessing other necessary traits, such as delegation and decision-making skills. This will enable them to manage a crisis effectively.

According to Podsakoff, MacKenzie, Moorman, and Fetter (1990), a charismatic leader demonstrates three qualities that significantly contribute to the followers or stakeholders' trust, which will help directly secure n organization's reputation during a crisis: 1. Identifying and articulating a vision; 2. Setting an example that is consistent with the values the leader espouses; and 3. Promoting group cooperation and the acceptance of a group's goals. In addition, Conger, Kanungo, and Menon (2000) suggest that a charismatic leader exhibits concerns for the organization's needs by taking risks and sacrificing their own time and effort to build reputation. Managers' unconventional expertise is also seen as having the potential to offset the impact a crisis has on the organization's reputation. This supports Friedland's (1964) findings that charismatic leaders build trust in themselves by engaging in exemplary acts that are perceived by followers as involving great personal risk, cost and energy, which include the possible loss of personal finances and the possibility of being fired or demoted should the crisis worsen by their actions. In times of crisis, leaders are expected to make the right decision within a short period of time. Charismatic leaders demonstrate concerns for their organization rather than self-interest by making risky decisions and facing the potential loss of formal or informal status, power, authority, and credibility. This is especially true when the organization is seen as being at fault. These attributions are communicated throughout their actions, both verbally and nonverbally, which will be heard, seen and acknowledged by the organization. When an organization is perceived as responsible for a dangerous situation, a strong attribution of crisis responsibility will result in a fragile reputation. Thus, it is posited that leadership

communication can mitigate the threat by managing stakeholders' perceptions through their charismatic traits.

Related to crisis responsibility and organizational reputation and, aligned with the role of communication as posited in the SCCT, the present study argues that charismatic leadership communication performs a substantial function with respect to a crisis threat. The SCCT posits that, as the crisis team adjusts to the initial reputational threat, leaders are held responsible for changing the perceptions of their stakeholders about the potential impact of the crisis. We argue that perceived positive charismatic leaders' communication, indicating that the leaders are competent, confident, enthusiastic, and skilled, will influence an employee's perceptions of organizational reputation positively.

Hale, Dulek, and Hale (2005) suggest that charismatic leadership communication is more crucial during the response stage of the crisis compared to the prevention and recovery stages. Based on the attribution of crisis responsibility, an organization in a crisis and experiencing communication challenges decides upon the response, and in what manner the communication should be employed to mitigate the problem. Appropriate responses taken by responsible leadership after the crisis reduce the outcomes of reputation instabilities (Coldwell, Joosub, & Papageorgiou, 2012). In addition, Coldwell et al. (2012) suggest that inappropriate leader responses might affect an organization's reputation adversely.

In times of crisis, a leader's responsibility is to ensure that the organization communicates promptly, responsibly and effectively. More precisely, we argue that, when stakeholders attribute crisis responsibility to the organization, a successful leader will (and should) appropriately and charismatically manage that crisis and lead through communication. Recently, research has also confirmed that a leader's visibility and immediate response to a crisis influence stakeholders' perceptions of the organization's reputation after the crisis

(Turk, Jin, Stewart, Kim, & Hipple, 2012). The conclusion might vary according to the degree of demonstration of a leader's charismatic communication in his/her response throughout the crisis period. Therefore, the following hypothesis is advanced for testing:

Hypothesis 7: The leader's demonstration of charismatic leadership communication mediates the relationship between crisis responsibility and perceived organizational reputation.

2.4.2.2 The Mediating Role of Charismatic Leadership Communication in the Relationship between Crisis Responsibility and Organizational Credibility

Many studies on the topic of source credibility stress the importance of information credibility. It is linked with the sender as the message conveyer, which has an impact on the effectiveness of the message. Khodarahmi (2009) also identifies a credible source of information as one of the important factors to be considered in managing crises. Credible source derives from a credible organization led by trustworthy leaders. A credible source is not concerned about the trustworthiness of the information, but also the person(s) who originated the information and the person who delivered it to the public. This is where the role of charismatic leadership communication as the mediating function takes place. An organization builds strong credibility through its people, especially those who lead and determine its directions.

Previous research has also indicated a direct link between credibility and the performance of public organizations' leaders through the delegation of administrative authority (Marlowe & Carter, 2004). Credible public organizations will more likely obtain cooperation, especially when the leaders are perceived as possessing charismatic communicative behavior in communicating compliance with regard to laws and regulations (Marien & Hooghe, 2011). The level of trust also has been found to be a strong predictor of

the organization's change while employees who perceive their leaders as trustworthy are more likely to be receptive to organizational information (Michaelis, Stegmaier & Sonntag, 2009).

Avery and Kim (2008) found a link between lack of organizational credibility and leadership assuming role as crisis spokesperson which plagues the perception of a government organization. Likewise, poor management of crisis has resulted in a drastic decline in a public organization's credibility when leaders are perceived to be non-charismatic in communicating their crisis messages. Factual information furnished with recommendations with some consistency increases organizational credibility while inconsistent messages increase anxiety and disbelief. Previous studies demonstrate that false information from leaders will severely compromise organization credibility (Houston & Harding, 2013; Marlowe & Carter, 2004). Leaders being perceived as emphatic and caring stand a better chance of gaining support and trust. Thus, the following hypothesis is advanced:

Hypothesis 8: The leader's demonstration of charismatic leadership communication mediates the relationship between crisis responsibility and organizational credibility.

2.4.2.3 The Mediating Role of Organizational Credibility in the Relationship between Crisis Responsibility and Perceived Organizational Reputation

Scholars examining crisis management agree that credibility is an underlying theme in much of the relevant literature (Coombs, 2012). Crisis literature implicitly indicates that credibility and reputation to a certain extent, affect a crisis outcome due to the fact that during a crisis, an organization must establish control and show compassion (Adams, 2000). Coombs (2012) argues that, by controlling a crisis situation, an organization is demonstrating its expertise, which includes having accurate and complete information.

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Compassion reflects that the organization shows concern and sensitivity for victims, which is consistent with trustworthiness (Higbee, 1992). By showing expertise and trustworthiness during a crisis, the organization portrays itself as credible to the public. Research indicates that organizational perception differs depending on organizational credibility. In crisis communication, most source-credibility studies are implemented using a crisis news situation backdrop (Callison & Zillmann, 2002). How the organization conveys its crisis messages influences public perceptions of its credibility (Park & Cameron, 2014) which could worsen their overall reputation if it is handled badly. Scholars also agree that one of the basic elements to determine the organization's survival during a crisis is its perceived credibility (Baksh-Mohammed et al., 2006; Coombs, 2012; Roberts, 2009).

The consideration of organizational credibility as the mediating variable in this study is based on Coombs' (2004) findings that the assessment of crisis severity and crisis history modifies responsibility attribution as postulated in the SCCT. Findings suggest that there are probably more variables crucial for such a perception that the stakeholders have of the organization. Observations of specific variables may influence this perception, and this includes the organization's credibility. Past history of organizational crises may imply that the credibility of the organization is questionable, thus requiring further attention to what the public demands.

Organizational credibility in this study is associated with performance history as posited in the SCCT. Performance history consists of two dimensions; crisis history and relationship history. While both dimensions have a direct impact on the organizational reputational threat, the crisis outcome will very much depend on either the consistency of the crisis history or the distinctiveness of the relationship history, having more impact on reputation.

As Coombs (2012) suggests, to enhance their credibility, organizations should facilitate the development of a favorable reputation. It can be concluded that reputation is closely linked to organizational credibility, which can influence the crisis outcomes. Therefore, the following hypothesis is suggested for analysis:

Hypothesis 9: Organizational credibility mediates the relationship between crisis responsibility and perceived organizational reputation.

2.5   Chapter Summary

This chapter presents a thorough and in-depth review of the literature on the main variables in this study. The review covers a discussion of the key concepts up to their latest development to depict how each concept is relevant to each variable. Then the chapter develops a research framework which is derived from the major themes in the literature review. Nine hypotheses are advanced from the research framework. The next chapter discusses the research design and methodology employed in this study.
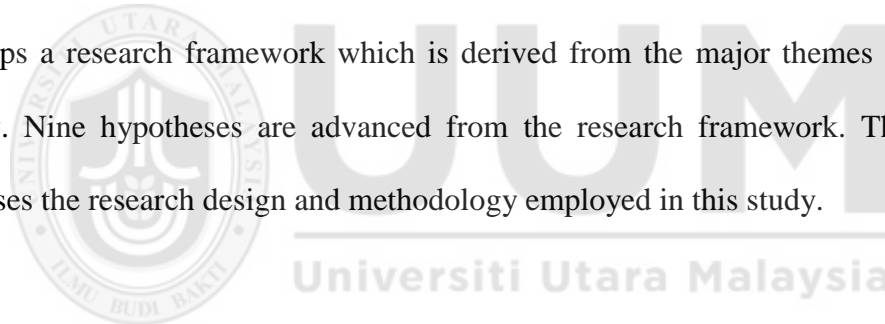
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the research methodology developed for the present study. In the field of social sciences, the research method derives from the philosophical foundation in which the research design and procedures in data analysis are determined. To begin this chapter, a brief introduction to the philosophical idea underlying the research methods is discussed. Based on the four constructs that will be empirically examined here, SEM analysis is the most appropriate technique for examining the data. This research supports the positive epistemological approach where the process and procedures originated from the positivist objectivism paradigm (Kerlinger, 1986). Furthermore the post-positivism perspective is a common approach utilized in communication studies. This research consequently reflects the objectivist's viewpoint where the knowledge has already existed. To recap the previous chapter, this research sought to extend and re-evaluate existing theories on crisis responsibility and organizations' reputation. In doing so, nine research hypotheses were developed, explored and tested based on previous research findings. Given the fact that this study focused on expanding an established theory, consequently the results can serve to compare whether there were similarities, differences, strengths and limitations as with existing studies.

This chapter is organized into nine sections. The first section presents the chapter's introduction on the philosophical approach, followed by the second section that discusses the research design. The third section covers the procedure for the data collection. The fourth section explains the procedure of the statistical analysis. The fifth section details the goodness of the measurement instrument using confirmatory factor analysis (CFA)

followed by the assessment of the measurement model deliberated in section six. Section seven describes the testing of the reseach hypothesis using the Structural Equation Model (SEM) while section eight looks at the pre-test and pilot study conducted prior to the actual study. This chapter ends in section nine, a summary of the main themes covered here.

3.2 Research design

The research design depends on making a strategic plan that includes specific methods and procedures for collecting and analyzing the required data about the studied population so that resolving the problem statement can be expedited (Zikmund, Babin, Car, & Griffin, 2013). Research design is determined based on the research philosophy which is post-positive, constructs of the study (which have been measured with established instruments) and the purpose of a research analysis. Recalling the purpose of this study, it aims to explain the causal relationship between crisis responsibility, organizational reputation, charismatic leadership communication, and organizational credibility. Thus, the research design for this study combines descriptive study and hypothesis testing (Sekaran & Bougie, 2010). To be more specific, three research questions and research objectives are posed and put forward respectively for investigation in the study. To meet this purpose, this study employs the quantitative research approach using a survey research. Survey research is used for descriptive, explanatory, exploratory and hypotheses testing purposes (Babbie, 2015). For this reason the quantitative approach is appropriate as a formal and systematic process because it will confirm the expected causal relationship among variables in this study. Specifically, it is able to compute interaction effects among variables in a form of numeric statistical values with a high degree of confidence (Zikmund et al., 2010). The following sections discuss the details of research design including unit of analysis, target population, measurement, and instrumentation.

3.2.1 Unit of Analysis

In survey research, unit of analysis refers to the level of aggregation of the data to be collected and analyzed. The unit of analysis may be at the individual, group, community unit, or organizational entity where data concerning individuals will be aggregated in the analysis. The present study uses the organizational unit as the unit of analysis in order to solve the problem statement discussed in the earlier chapter. To assess perceptions of internal stakeholders on their organization's reputation, this study examines public sector employees at the managerial level as the unit of analysis. Selecting organizational entity is suitable because it allows participation from both middle and senior managerial levels to be involved in the survey. In addition, formal organizational structure allows random sampling across all structural level in an organization. As Janczak (2004) suggests, mid-level managers act as evaluators of the organizational activities and therefore measuring their perception is appropriate and consistent with the research objectives of the present study.

3.2.2 Identifying Population and Sample

Once the unit of analysis for the present study has been determined, the next step is to identify the population for the study. The population of a study refers to the specific target group of respondents who share similar characteristics (Sekaran & Bougie, 2010). The target population represents the intended group of respondents where perceptions will be measured in order to achieve the research objectives of a study. The present study intends to draw a conclusion and make generalizations on Malaysian public employees' perceptions of their respective organization's reputation.

For the purpose of measuring how public organizations are perceived in this study, two organizations have been identified and approached. They represented different types of

organizational nature: authority-functions/regulatory body, and a government department. They are the Malaysian Anti-Corruption Commission (MACC) and Department of Information. The rationale behind their selection is rather straight forward. MACC is chosen because the organization is directly involved with the crisis examined in this thesis. Referring to the SCCT, MACC is the 'crisis actor' or organization that owns the crisis. Thus the attribution of crisis responsibility and perceived organizational reputation will be assessed where the MACC is the crisis originator. Likewise, as the crisis owner, MACC is the sole organization that implemented the crisis response strategies which include charismatic leadership communication and maximizing the use of its organizational credibility.

The Department of Information is a government body serving as the 'voice of the government', and it is indirectly involved with the crisis. The two organizations have similar characteristics with only slight differences among them. They are perceived to be more homogenous in character due to the fact that they share a similar working culture, compared to other public sector organizations. The criteria for selecting these organizations are as follows. Firstly, these organizations are under one umbrella, which is the government of Malaysia. Secondly, demographically, they are situated in a neighboring area of Wilayah Persekutuan Putrajaya, where most of the government offices are located and/or headquartered. Thirdly, these organizations have branches throughout Malaysia. Fourthly, when compared to other government offices, these two organizations are most affected by the crisis selected for the study. In an attempt to minimize bias in perception, the employees of the Department of Information, although functioning as the voice of the government, do not report to the MACC leaders, which are the subjects of this study. Likewise, their achievements or evaluations (key performance index) are not appraised by these leaders.

3.2.3 Target Population

The target population in this study consists of public employees in the MACC and Department of Information throughout Malaysia. Specifically, this study measures the perceptions of public servants and those above them, who possess at least a Bachelor degree as a minimum requirement for employment. These employees are also considered to be internal stakeholders, who are the most valuable asset of an organization, and thus they play an important role in building and strengthening their organizational reputation. Table 3.1 summarizes the target population chosen for the present study.

Table 3.1

Summary of Target Population of the Participating Organizations

Public Organization	Number of top level managers / directors	Number of mid-level managers / Executive	Total number of executive and above	Total Number of Employees
MACC	41	460	501	1826
Department of Information	28	220	248	410
Target Population	69	700	769	-

Source: Annual Report 2012, and http://direktori.penerangan.gov.my

Table 3.1 above documents the population for the participating organizations in this study. These figures represent various departments and across job functions in the organizations. Up to December 2012, the number of people working at MACC was 1826, with 501 officers, while the Department of Information had a total of 410 with 248 employees as officers. Based on the table above, the entire workforce of public employees in the present study is 769. Thus, the target population of public servants in the two organizations is 700 only.

3.2.4 Sample Frame

The sample frame is defined as a set of elements from which a researcher can select a sample of the target population. In the research process, it is virtually impossible to get the

entire population for data collection purposes. Therefore, the use of a sample frame is implemented to represent all of the elements of the population of interest. In other words, a sample frame is constructed from decisions about the population elements to be selected. In the sample frame process, a researcher determines the appropriate sample size and also the sampling technique (Sekaran & Bougies, 2010).

3.2.4.1 Sample Size

The sample size can be defined as the subset of a population required to ensure significant results (Sekaran & Bougie, 2010). Research in the social sciences requires generalization of the findings to the whole population, while approaching each and everyone in the target population is not possible due to the constraints faced by the researchers. This includes inherent difficulties in collecting and analyzing data gathered within the constraints (Zikmund et al., 2010). Therefore, an appropriate percentage of the sample size is essential to enable a precise conclusion being made on the entire population. In order to determine the appropriate sample size, this study considers both procedures: firstly, by referring to the table for determining the sample size proposed by Krejcie and Morgan's (1970); and secondly, by adhering to the minimum sample size required for data analysis technique using structural equation modeling (SEM) as suggested by Hair, Black, Babin, Anderson, and Tatham (2010).

Based on the target population for this study as presented in Table 3.1, the appropriate sample size of 700-800 respondents according to Krejcie and Morgan's (1970) table is between 341-363 respondents with a confidence level of 99% and margin error of 5%.

In the present study, data is analyzed using structural equation modeling (SEM) to confirm its validity and to test the hypothesis. Therefore, the sample size is also determined in accordance with SEM requirements. As scholars differ in their views, it is widely accepted

that the minimum sample size for SEM analysis is 200 (Byrne, 2010; Hair et al., 2010). It is argued that any sample size smaller than 200 led to unstable parameter estimates and a lack of significance tests (Kline, 2011). However, if the sample size is greater than 500 then the SEM analysis becomes too sensitive and the goodness-of-fit measures become a poor fit. Hence, an appropriate sample size for SEM would range from no fewer than 200 and no more than 500 (i.e $200 < N < 500$). Both considerations are in line with Roscoe's (1975) suggestion that a sample size larger than 30 but fewer than 500 is appropriate for most research. Based on Table 3.1 above, a sample size of more than 350 would be required to provide significant results in the present study. In order to meet the critical sample size for the present study, only 600 questionnaires were delivered personally to respondents, which were spread between the two government bodies.

3.2.4.2 Sampling Technique

For the purpose of reaching the proportionate audience of the target population according to the sample size, the present study employs proportionate stratified random sampling method. In a survey research where the target population is huge, applying random probability sampling is crucial because it reduces sampling errors, assuring the data is accurate (Sekaran & Bougie, 2010; Zikmund et al., 2010) and that statistically significant results are attained (Pallant, 2007). Furthermore it enhances generalisability (Sekaran & Bougie, 2010). The Department of Information and MACC differ slightly in terms of the total number of officers in their head office. To proceed, the present study employs stratified random sampling to attract the maximum number of participants from both organizations, with equal chance for all respondents to be selected randomly. In this case the random probability sample size of the entire target population must be divided into strata according to the number of public organizations. The random probability sample size

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was subsequently drawn from each stratum according to the proportion of the stratum's size in the entire target population (Zikmund et al., 2010).

Thus in the present study, the participants were middle and senior managers and from various departments and across job functions who were selected based on the random sampling method. To ensure participants have sufficient knowledge and understanding about crisis, leadership, and organization reputation, the requirements were that they: (a) must be familiar with the organization (a minimum of 6 to 9 months' working experience); and (b) must have had at least indirect experience in assisting the implementation of crisis management even though they were not on the crisis management team. In addition, all participants possessed a Bachelor's degree as a minimum education qualification to qualify for this survey.

Consistent with the minimum time period typically needed to develop a mature workplace relationship (Graen & Uhl-Bien, 1995), the sample excluded employees who had been in their organization for less than 3 months (Bakar, Dilbeck, & McCroskey, 2010; Bakar & Sheer, 2013; Graen & Uhl-Bien, 1995). Hence, it was ensured that the participants were sufficiently familiar with their leaders so that this study could obtain a more accurate evaluation of their leaders' charismatic leadership communication. Table 3.2 provides the proportionate stratified random sampling of the two public organizations.

Table 3.2

Proportionate Stratified Random Sampling in the Selected Public Organizations

Public Organization	Population Stratum	Percentage of population stratum	Proportionate stratified random sampling
MACC	501	67	334
Dept of Information	248	33	166
Total	749	100	500

Based on Table 3.2, the total number of target respondents is 749. According to Krejcie and Morgan's table, the minimum requirement for this study is between 341 to 363 participants. Thus, 600 sets of questionnaire were distributed to both public sector organizations. Details of the data collection process are discussed in the following section.

3.2.4 Framing of the Contextual Crisis

For the purpose of measuring crisis responsibility and organizational reputation, an actual crisis scenario was chosen to frame the contextual situation for this study. A government agency was investigating an allegation of corruption involving a member of the state executive. This investigation led to the death of the state executive's political secretary while under the custody of the agency (*The New Strait Times*, 18 July 2009; *The Star*, 22 July 2009). This incident had triggered the media's close scrutiny of the crisis, including mainstream and alternative media, and bloggers questioning the reputation of the government bodies involved in managing the inquest (Hector, 2011; Reduan, 2014). The investigation of this case is still ongoing, resulting in a prolonged political controversy involving a regulatory body (Tan, 2014). This incident is categorized under preventable crisis, which led to it having a maximum impact on reputation (Coombs, 2010; Coombs & Holladay, 2006), especially if the government is proven responsible for the crisis.

The criteria for selecting the crises were: (1) generalizability – all government organizations are likely to experience the same impact, or to a certain degree, be affected by the crises; (2) recent – all crises are either recent and/or, ongoing; (3) familiar crises - which the public is aware of, involved with, or directly affected by them; and (4) all the three crises are inter-related and have the same criteria, which fall under the category of preventable crisis. These criteria are: (1) organization's investigation/action that resulted in the death of a non-employee; which led to; (2) intense scrutiny from news media as a

result; and (3) government organizations are caught / put / being at the center of a political controversy. In this study, participants made the attribution of crisis responsibility based on the selected crises framing given and evaluated the MACC's charismatic leadership communication demonstrated while managing the crises.

The leaders in this study worked in the federal government departments and were among the highest-level leaders not politically appointed. They work directly under the ministries and are government appointed. These leaders are part of the civil service system and experience significant pressures from powerful outside forces such as public interest groups and legislators.

3.3 Data Collection Procedures

Data collection procedures in a qualitative survey involve essential yet systematic steps in collecting information needed for analysis. A common instrument used in a quantitative approach is the questionnaire survey as a primary tool of data collection. A questionnaire permits collection of data to be completed in a relatively short period of time, especially when delivered and collected personally by the researcher. Apart from minimizing bias in responses, the advantages of personal distribution of questionnaire are, it is inexpensive, faster and has a better chance for obtaining a high response rate of up to 85% (Sekaran & Bougie, 2010; Webster, 1998).

Based on an application of proportionate stratified random sampling technique, questionnaires were randomly distributed among the 600 mid-level managers of the two public organizations via personal delivery and collection of questionnaires from January to April 2013. Prior to the distribution of the questionnaire, approvals were obtained from the human resources (HR) department of each participating organization. Survey packs were then personally sent to respondents. Prior to the survey, participants were identified based

on a complete list of employees as listed by the HR section of each organization. The survey pack contained questionnaires and pre-addressed envelopes for participants to return as completed in a week's time.

3.3.1 Procedure

Participants were advised to read through the cover letter which was placed on the front page of the questionnaire. This cover letter outlined the research process, solicited voluntary participation, and assured confidentiality. Participants of this study responded to survey questions regarding crisis responsibility, charismatic leadership communication, organizational credibility and perceived organizational reputation. In measuring crisis responsibility, participants were given the scenario of the crisis to enable them to recall what had happened. Then, respondents were asked to make attribution of the crisis responsibility based on the given crisis scenario. The questionnaire assessed participants' perceptions of the: (a) cause of the crisis, whether it is caused by the organization or circumstances, (b) organization's ability to control or to avoid the crisis, and (c) organization's ability to manage the crisis.

In the second section of the survey, the respondents were asked to answer questions regarding their perceptions of organizational reputation. Participants' perceptions of their organization were assessed based on the reputation quotient's five attributions, namely, vision and leadership, social and environmental responsibility, emotional appeal, products and services, and workplace environment. As for charismatic leadership communication, participants were asked to recall and evaluate their leaders' charismatic leadership communication aspects while managing the crisis. The aspects measured in the survey were the leaders' task-oriented communication, emphatic traits, and enthusiastic traits. Finally, participants were asked to evaluate their organization's credibility based on two criteria, expertise and trustworthiness.

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3.3.2 Measurement and Instrumentation

3.3.2.1 Measurement Items and Measurement Reliability

This section elaborates the measurement items and measurement scales for every variable measured in the present study. Specifically, the present study employs existing and established measurement items adopted from previous studies. Details of the instruments used in this study are as follows.

Organizational crisis responsibility. The perception of organizational crisis responsibility was measured with a scale developed by Coombs and Holladay (2002). In the present study, the 6-item Likert-type scale generated a Cronbach's alpha of .76.

Organizational reputation. Participants' perceived organizational reputation was measured with a 20-item Likert-type scale developed by Fombrun and Van Riel (2004) with adjustment made to suit a public organization. In the present study the revised 16-item Likert-type scale generated a Cronbach's alpha of .95.

Charismatic leadership communication. The charismatic leadership communication was measured with a scale developed by Levine et al. (2010). In this study, the 23-item scale generated a Cronbach's alpha of .97. Because a previous study produced mixed results on this measurement scale, confirmatory factor analysis (CFA) was done to determine the factors. The result shows that 23 items loaded significantly in three dimensions, namely, task-oriented communication (TOC), enthusiasm (ENT) and empathy (EMP). The CFA result produces an acceptable fit for this model with $\chi^2 = 720.325$, $p > .01$ df = 227; comparative fit index (CFI) = .94; normed fit index (NFI) = .91; standardized root mean square residual (SRMSR) = .027; and root mean square of approximation (RMSEA) = .07. Average variance extracted for the three dimensions was $\beta = .70$, .61, and .70, respectively.

The composite reliability for ENT was .94, TOC was .95, and EMP was .92. Thus, it can be concluded that the Charismatic Leadership Communication Scale is a valid and reliable instrument for measuring the construct of charismatic leadership communication.

Organizational credibility. This study employs a scale to measure perceived organizational credibility developed by Newell and Goldsmith (2001). This established measurement is an eight-item containing two dimensions: expertise and trustworthiness with a steady reliability (α = range from 0.85 for corporate trustworthiness and 0.92 for corporate expertise). The scale is designed to measure the amount of expertise and trustworthiness by evaluating the organization as the source of information.

As such, all 53 measurement items in the present study show strong and consistent reliability as in the previous studies. The original Cronbach's alpha value of all items is equal to .70 or higher. Table 3.3 summarizes the items number and Cronbach's alpha values for the measurement instruments from the original study.

Table 3.3

The Items' Number and Cronbach's Alpha Value of Measurement Instruments according to the Previous Study and Present Study

Variable	Original number of Items	Present number of Items	Previous Cronbach's alpha Value	Present Cronbach's alpha Value	Source
Crisis Responsibility	8	6	.81	.76	Coombs & Holladay (2002)
Charismatic Leadership Communication	23	23	.93	.95	Levine (2008)
Organizational Reputation	20	16	.87	.97	Fombrun & van Riel (2004)
Organizational Credibility	8	8	.85	.92	Newell & Goldsmith (2001)

3.3.2.2 Measurement Scale

All measurement items in this present study used the Likert scale to measure response; this scale is a common format for business research (Garland, 1991). The Likert scale is a psychometric scale used in questionnaire surveys to get respondents' opinions regarding a special level of agreement to a measurement statement (Sudha & Baboo, 2011). As indicated by Wolfer (2007), the Likert scale is regularly used to measure respondents' opinions on a five-point rating system for each specific question or statement. A typical five-point Likert scale is as follows: strongly disagree (1), disagree (2), somewhat disagree (3), agree (4) and strongly agree (5). However, a Likert scale with four to nine points has been used in various research fields. In relation to the number of scale points, no clear rules have been established concerning how many points should be used in business research. To record the response choice in the present study, each of the measurement items was measured on a five-point Likert scale, which provides sufficient discrimination and is easily understood by survey respondents (Sekaran & Bogie, 2010). In addition, a five-point Likert scale has been employed in most original studies of crisis responsibility, reputation management, charismatic leadership communication and organizational credibility. Researchers have indicated that a five-point Likert scale is just as good as any other scale and that moving from five to seven or nine points in the scoring scale does not increase the reliability of the score (Elmore & Beggs, 1975). Finally, a five-point Likert scale is considered appropriate for the multivariate analysis techniques used in the present study, including the factor analysis and SEM (Chen, 2007). Given the above considerations, this analysis seeks to measure all variables by using a 5-point Likert scale where survey question is referred to agreement degree (i.e 1 = strongly disagree, and 5 = strongly agree).

3.3.3 Design and Structure of the Questionnaire

The present study uses a survey questionnaire to collect the data needed for the study. The following sections explain the design and structure of the questionnaire used for data collection in this study. As recommended and practiced by many researchers, the printed questionnaire was designed in a booklet format. Using a booklet format questionnaire is user-friendly and straight forward as the pages and sections have been pre-arranged accordingly, thus making it easier for the respondents to read and complete. Properly binding the booklet can prevent missing pages and give a more professional look to the questionnaires (Sudman & Bradburn, 1982).

A highly structured questionnaire places a cover letter on the first page to guide participants in responding to it. The cover letter explains the importance and objectives of the research being conducted. It also gives the participants a quick idea about the research, thus minimizing misintepretation or misunderstanding while answering the questionnaire. Therefore, a booklet form questionnaire here begins with an invitation to participate in the study, explains the research objectives and the importance of the study as well as provide contact details of the researcher for further enquiry, if any. For this thesis the questionnaire was structured into five main sections as follows: Part I: Crisis Responsibility, Part II: Organizational Reputation, Part III: Charismatic Leadership Communication, Part IV: Organizational Credibility; and Part V: Personal Information (please refer to Appendix 3.1 for the questionnaire).

An English-language version of organizational crisis, perceived reputation, and charismatic leadership communication questions was used in the instrument developed for this study. This was in accordance with other researchers' use of language preference when studying

Malaysian subjects (Bakar et al., 2010) because working-class Malaysians are considered sufficiently proficient in the English language.

3.4 Statistical Analysis Procedures

This section explains the process of data preparation and procedures needed before the data could be analyzed. The procedure will be conducted in two different software packages, namely Statistical Package for Social Sciences (SPSS) and Analysis of Moment Structure (AMOS). In the SPSS program the data preparation stage involves a few important steps, such as data coding, tracing and treating missing data (if any), test of normality, reliability and validity. This process is essential for descriptive analysis to be carried out. Should the data be normally distributed, then the researcher will proceed with the structural equation model in AMOS. A measurement model will be developed to test the model's fit. Once the model achieves its fitness indices, another test will be examined to determine the reliability and validity in SEM. The next step is to convert the model into a structural model for hypothesis testing. Details of the procedures are elaborated in the next section.

Depending on the research objectives and statistical requirements for the quantitative approach, data gathered in the present study will be coded and analyzed using SPSS v19 and AMOS v21 software. In the present study, the first stage of data analysis such as preparation of data for analysis (data entry and missing data), descriptive statistics, underlying statistical assumptions and factor analysis will be analyzed using SPSS software v19. Data gathered through the survey will be coded and tested for data entry errors. Statistical and graphical tests for normality were conducted for each of the survey items as well as the constructs that are created by computing individual items, which include kurtosis measures, skewness measures, and visual inspection of histograms. A principal

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component factor analysis will also be performed to ensure that each of the variables represents separate constructs.

3.4.1 Preparation for Data Analysis

3.4.1.1 Coding and Data Entry

Coding is a process used to clarify the translation of respondent information and question responses to specific categories for the analysis procedures (Kerlinger & Lee, 2000). As recommended by Sekaran and Bougie (2010), the collected sample data needs to be coded to transcribe them from the questionnaire surveys before they are entered into the data set. Furthermore, each item in the questionnaire survey must have a unique name, some of which clearly identify important information like gender, age, education, etc. (Schleicher & Saito, 2005).

3.4.1.2 Missing Data

Missing data refers to an incompletely answered questionnaire because a respondent does not respond to any question or some parts of the sections (Hair et al., 2010). Missing data is a familiar problem in surveys. However, missing data needs to be treated before employing the AMOS program because statistical analysis techniques of the data will not run if there is any missing data (Schumacker & Lomax, 2004). Table 3.4 below provides an outline of all the procedures for missing data status.

Table 3.4

Procedures of Missing Data Status

Missing Data Status	Procedures
$\leq$ 10%	Ignored
<15%	Candidates for deletion
20% to 30%	Replace missing values with mean or median by SPSS
$\geq$ 50%	Delete

Source: Adapted from Hair et al.(2010)

3.4.1.3 Response Rate

Response refers to the number of respondents who answered the survey divided into the number of respondents in the sample size (Hamilton, 2009). The response rate in the present study will be assessed by comparing the number of questionnaires returned with the total number of questionnaires distributed to respondents in percentage format. A high response rate (> 80%) will enable the researcher to proceed with the next step in the data analysis procedure. Conversely, a low response rate will compromise the findings in terms of the generalizability issue (Byrne, 2010; Kline, 2011).

3.4.1.4 Non-Response Bias

Non-response bias refers to the prejudice that occurs when respondents' answers to the survey are different from those who did not respond due to diverse demographic factors such as gender, age and level of education (Sax et al., 2003). In this case, Armstrong and Overton (1982) have argued that the respondents who respond late have similar characteristics to non-respondents. If the two groups do not differ in their responses, it is assumed that the non-response bias exists. Then, to determine whether a non-response bias exists, Pallant (2007) states that the independent samples t-test can be used to test whether it is a non-response by comparing the early and late responses.

3.4.2 Underlying Statistical Assumptions

Before embarking on any inferential statistics for the data analysis, it is necessary to examine the underlying statistical assumptions for multivariate analysis, which include normality, multicollinearity, linearity and homoscedasticity. Thus, the present study examined the underlying statistical assumptions using 384 usable responses.

3.4.2.1 Normality assumption for multivariate analysis

Normality assumption in multivariate analysis refers to the shape of data distribution, and how it corresponds to the normal distribution which is a symmetrical bell-shaped curve characterized by the mean (average) and variance (variability) of data. A symmetrical bell-shaped curve of the normality distribution of sample data has the highest range of frequency in the middle with a smaller range of frequencies towards the extremes. Normality is very critical in many statistical methods because it significantly influences the data results. Performing a   normality test is a prerequisite in multivariate analyses and they include factor analysis, multiple regressions, and SEM. Non-normality distribution is one of the major factors of distorted relationships among variables. According to Hair et al. (2010), if the variation from the normal distribution is sufficiently large, it will cause invalid statistical tests, which will in turn cause interpretation and inference to not be reliable.

The test of normality can be conducted in several ways, for example graphical or numerical methods. Graphical methods represent the visualization of the distribution of random variables which can be assessed empirically through the test of Stem and Leave Plot, Box Plot and Histogram. Meanwhile the theoretical distribution of graphical methods can be examined through P-P Plot and Q-Q Plot. Most statisticians recommend employing both graphical plots and statistical tests to evaluate the accurate degree of normality distribution (Hair et al., 2010; Tabachnick & Fidell, 2007). The numerical representation of summary statistics used in this study is based on the test of skewness and kurtosis (Hair et al., 2010). Skewness and kurtosis are the main tests to validate normality assumption. The skewness refers to the symmetry of the distribution where a normal shape graph is perfectly in symmetrical distribution. Positively skewed distribution has scores clustered to the left, with the tail extending to the right whilst negatively skewed distribution has scores that are

clustered to the right. Kurtosis refers to the degree of the peakedness or flatness of the distribution of data (Hair et al., 2010).

3.4.2.2 Multicollinearity Assumptions

Multicolinearity implies that a setback in the correlation matrix arises when one independent variable is too highly correlated with another independent variable. The problem leads to a complexity within to determine the specific contribution of each independent variable that predicts the dependent variable (Hair et al., 2010; Sekaran & Bougie, 2010). As strongly recommended by Hair et al. (2010), multicollinearity assumptions among independent and dependent variables are necessary before performing the hypotheses testing of the model.

The multicollinearity assumptions can be accomplished through testing the Tolerance Value and Variance Inflation Factor (VIF) value (Pallant, 2007). Hair et al. (2010) define the tolerance value as the amount of variability of a selected independent variable not explained by the other independent variables whilst VIF is tolerance's inverse. Tolerance value is the indicator of determining the dependent prediction by other independent variables in the regression variate, while VIF is an indicator of the other independent variables that have an impact on the standard error of a regression coefficient (Hair et al., 2010). The cut-off points for tolerance value and VIF are 0.10 and 10, respectively, suggesting the VIF value to be close to 1.00 which implies little or no multicollinearity. Furthermore cut-off value of 10.00 is regarded as an acceptable VIF.

3.4.2.3 Linearity Assumptions

Linearity shows the degree of change in the dependent variable related with the predictor variable being constant across the values range for the dependent variable (Hair et al., 2010). However, it is considered to be an implicit assumption of all multivariate analysis,

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such as multiple regression, logistic regression, factor analysis, and SEM, based on the correlation of the relationship. Since correlations represent only the linear relationships among variables, nonlinear effects will not be represented in the correlation value (Stamatis & Raton, 2003). Because a linear assumption is appropriate for multivariate analysis, the researchers must assess the linearity of the relationship between the independent variable and dependent variable by identifying residuals and examining residuals plots (Hair et al., 2010; Sheather, 2009). A residual plot is a graph showing the residuals on the vertical axis and the independent variable on the horizontal axis. If the residual plot indicates a random scatter of the points around the horizontal axis, the linear assumption is present in the sample data (Hsu & Poole, 2011).

3.4.2.4 Homoscedasticity Assumptions

Homoscedasticity refers to the assumption that the predicted dependent variable exhibits similar amounts variance across the range of values for an independent variable (Huang, 2007). It is essential in multivariate analysis to avoid the opposite effects of heteroscedasticity, which leads to a decrease in the correlation between variables (Hair et al., 2010). It can be checked by looking at the scatter-plot between dependent variables and independent variables. If the residual scatter-plot is captured approximately equal in width for all values of the predicted dependent variable, then the sample data is homoscedastic (Tabachnick & Fidell, 2007).

3.5 Goodness of the Measurement Instrument

All of the items that are used to measure the variables in the present study have been adapted from prior studies. Even though the borrowed measurement instrument has been confirmed of its stability and consistency, it is necessary to re-examine the exactness of the measurement instruments because previous studies have been undertaken in different

business environments and organizational cultures. In fact, this first study seeks to define empirical evidence of the current measurement instrument in the public sector organizations in Malaysian context, where the management environment and organizational culture are entirely different from international organizations. According to Sekaran and Bougie (2010) the goodness of measurement instrument is used to ensure that there are stability, consistency, and accuracy between items of each variable. Any researcher can examine the goodness of measurement instrument through the exploratory factor analysis (EFA) to assess the reliability and construct validity.

3.5.1 Dimensionality of the Measurement Instrument Using Exploratory Factor Analysis (EFA)

Exploratory factor analysis (EFA) is used to look at the dimensionality of a measurement instrument by finding the minimum number of interpretable factors required to explain the correlations among overall variables (Colton & Covert, 2007). Then, EFA is a useful tool for understanding the factor structure of a measure instrument and to confirm that the items are suitable for each variable. It is extremely helpful for the primary purpose in the development of a set of measurement items as all factors loadings are free to vary across groups (Hair et al., 2010).

In the present study, the individual EFA is not performed because all of the constructs and dimensionalities involved in this study have already been confirmed or validated. As recommended by Hurley et al. (1997) and Conway and Huffcutt (2003), the validated instruments do not require exploratory factor analysis, as confirmatory factor analysis (CFA) is sufficient on its own. However, in order to define the underlying structure among variables in the analysis (Hair et al., 2010), this study performed an overall EFA for all 53 items together using the varimax rotation method with orthogonal rotation. The purpose is

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to view the composition factor since the factors in the variables were not related to each other (Field, 2009). As the cut-off value of an accepted item, factor loadings of +- .30 or +-.40 are considered as meeting the minimum level for interpretation of structure, while factor loadings of +- .50 or greater are considered more significant (Hair et al., 2010). Further, each item should load >- .50 on a specific factor and a loading <- .35 on other factors (Igbaria, Iivari, & Maragahh, 1995; Tucker, 1973). The results of the EFA are discussed in more detail in Chapter Four.

3.5.2 Confirmatory Factor Analysis (CFA) and Hypothesized Structural Equation Model (SEM)

SEM is a multivariate analysis used to test the causal direct and indirect relationships among variables by estimating a series of separate, still interdependent, multiple regression equation simultaneously (Ellis & Webster, 1998). The main objective of SEM analysis is to determine the extent to which the proposed model for observed and latent variable is supported by sample data collection (Schumacker & Lomax, 2004). Specifically, SEM is used to examine the co-variation structure among the observed variables. The observed variables are a set of variables that researchers use for defining or inferring the latent variables or construct (Shumacker & Lomax, 2004). The latent variables are known as constructs or unobserved variables, which require two or more measured indicators, also known as items (Ullman, 2006). SEM analysis was evaluated by using maximum likehood estimates, which is the most common estimation method for generating estimates of the overall SEM analysis (Shumacker & Lomax, 2004).

According to Tarling (2008), there are two main steps in SEM analysis. The first step combines Confirmatory Factor Analysis (CFA) with the measurement model where the evaluation of the measurement instruments will be assessed through confirmatory factor

analysis (CFA); and the second step is structural equation model which specifies the structural relationships among latent variables in the measurement model using a path diagram for the testing of the hypotheses.

In the present study, nine hypotheses were tested using structure equation modeling. Multiple regression and structure equation modeling is a stringent, appropriate, and efficient procedure for testing the measurement and structural model (Preacher & Hayes, 2008) and it allows: (1) simultaneous analyses of variables, which minimizes possible biases (e.g., employees' one-sided rating); (2) supports mediation tests; and (3) identifies sources of variance, thus reducing measurement error (Bauer, Preacher, & Gil, 2006).

The measurement model for the present study was developed based on the theoretical framework proposed in Chapter Two. As each construct has two to five dimensions, the measurement model in the study is developed in second order construct. Table 3.5 below indicates number of construct, sub-construct and items for each sub-construct.

Table 3.5

Latent Construct, Sub-construct and Number of Item in the Measurement Model

Latent Construct	Sub-construct	Number of Items
Crisis Responsibility		6
Organizational reputation	Emotional Appeal	3
	Product and Services	4
	Vision and Leadership	3
	Workplace Environment	3
	Social and Environmental Responsibility	3
Charismatic Leadership	Enthusiasm	10
Communication	Empathy	5
	Task Oriented Communication	8
Organizational Credibility	Expertise	4
	Trustworthiness	4

Based on the items of each construct, a second order measurement model was developed to test for the confirmatory factor analysis. The second order measurement model for CFA is presented in Figure 3.1.

Figure 3.1. The Measurement Model for Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility Constructs

The measurement model in the current study comprises four latent variables, namely crisis responsibility (CRISIS), charismatic leadership communication (CHARISMA), organizational reputation (REPUTATION) and organizational credibility (CREDIBILITY). From the measurement model, CRISIS consists of two sub-constructs with six items; CHARISMA consists of three sub-constructs with a total of 23 items while REPUTATION consists of 5 sub-constructs and 16 items. CREDIBILITY consists of two sub-construct

and 8 items. As recommended by Kline (2011), the minimum number of items for SEM analysis should not be less than three; thus the model meets the minimum requirement as each variable has the appropriate number of items ranging from six to 23.

3.6 Assessing the Fitness of the Measurement Model

The fitness of the measurement model is assessed through unidimensionality, reliability and constructs validity. Validity is the ability of the instrument to measure what is supposed to be measured for a construct (Hair et al., 2010). Validity determines the accuracy of measurement instruments of the variables. Specifically, construct validity makes certain the degree of measurement instruments represent the theoretical variables that they are designed to measure. Construct validity is divided into two types, convergent validity and discriminant validity (Hair et al., 2010).

3.6.1 Convergent Validity

Convergent validity is the extent to which indicators of a specific 'converge' or share a high proportion of variance in common. It refers to the degree to which an item is related with other items of one construct (Allson & Baskin, 2009). Convergent validity is measured through unidimensionality of the items (factor loadings), average variance extracted (AVE) and composite reliability (CR).
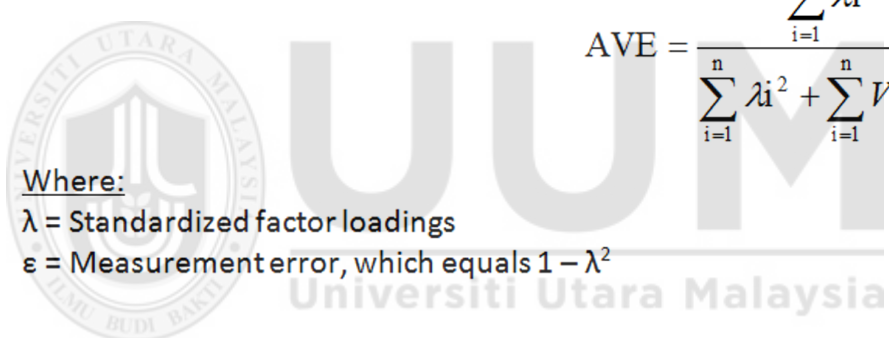
(a) Unidimensionality

By performing CFA, unidimensionality is achieved when the measuring items have acceptable factor loadings for each latent construct. Any items with a low factor loading should be removed from the model. Researchers have agreed that for a newly developed item, the factor loading for the item should be .5 or higher; while for established items, the factor loading for an item should be .60 or higher (Hair et al., 2010). Factor loadings of +-.30 or +-.40 are considered to meet the minimum level for interpretation of structure while

factor loadings of +- .50 or greater are considered more significant (Byrne, 2010; Hair et al., 2010). Ideally, each item should load >- .50 on a specific factor and a loading <- .35 on other factors (Hair et al., 2010; Igbaria, Iivari, & Maragahh, 1995).

(b) Average Variance Extracted (AVE)

The convergent validity could also be verified by computing the average variance extracted (AVE) for every construct. AVE is the percentage of variation as explained by the measuring items for a construct. Convergent validity is achieved when all items in a measurement model are statistically significant. The value of AVE should be .5 or higher. AVE is calculated using this formula:

$$AVE = \frac{\sum_{i=1}^{n} \lambda i^2}{\sum_{i=1}^{n} \lambda i^2 + \sum_{i=1}^{n} Var(\varepsilon)}$$

Where:
λ = Standardized factor loadings
ε = Measurement error, which equals $1 - \lambda^2$

(c) Reliability

Reliability is the extent of the said measurement model's reliability in measuring the intended latent construct. Cavana, Delahaye, and Sekaran (2001) and Hair et al. (2010) signify the importance of reliability test of a measure where the test reflects the measurement's stability and consistency in measuring a particular concept, and were error-free with consistent measurement across time and across items in the instrument. Most researchers concurred on the necessity of performing reliability analysis in any scientific research and the analysis should be simultaneously performed with validity analysis (Cavana et al., 2001; Hair et al., 2010; Gliem & Gliem, 2003). Gliem and Gliem (2003) also suggest verifying the importance of measuring and reporting internal reliability

(Cronbach's alpha coefficient) for any scales in any research especially when utilizing Likert-type formatted scales. Otherwise, it would deliver flawed statistical data. The reliability of a measurement model is evaluated through the following criteria:

i. Internal reliability

Internal reliability refers to the stability and consistency of the measurement instrument. The most common and widely accepted internal consistency reliability was Cronbach's alpha (Cavana et al., 2001). The test of reliability is considered good when the alpha coefficient is .80, acceptable when it is .70, and poor when it is .60 (Sekaran & Bougies, 2010).

ii. Composite Reliability

Composite reliability (CR) refers to the measure of reliability and internal consistency for a latent construct. A value of CR $\geq$.7 or higher suggests good reliability, which means that internal consistency exists. However, a value between .6 to .7 may be acceptable provided that other indicators of a model's construct validity are good. CR is calculated using this formula:

$$CR = \frac{(\sum_{i=1}^{n} \lambda_i)^2}{(\sum_{i=1}^{n} \lambda_i)^2 + (\sum_{i=1}^{n} \delta_i)}$$

3.6.2 Construct Validity

Within the context of SEM, there are several indicators of goodness-of-fit indices which are categorized under three main fitness indices, namely absolute fit, incremental fit and parsimonious fit. As rule of thumb, the fitness of a model is assessed from each category of the indices. The construct validity is achieved when the fitness indices for a construct have achieved the required level as summarized in Table 3.6.

Table 3.6

Category of Fitness Indices and the literature support for the respective index

Name of category	Name of index	Index full name	Literature
Absolute fit	Chisq	Discrepancy Chi Square	Wheaton, Mutten, Alwin, &Summers, (1977)
	RMSEA	Root Mean Square of Error Approximation	Browne and Cudeck (1993); Hair et al. (2010); Schumacker & Lomax (2010);
	GFI	Goodness of Fit Index	Joreskog and Sorbom (1984)
Incremental fit	AGFI	Adjusted Goodness of Fit	Tanaka and Huba (1984);
	CFI	Comparative Fit Index	Bentler (1990); Byrne (2001);
	TLI	Tucker Lewis Index	Bentler and Bonett (1980); Kline (2005)
	PNFI	Parsimony Normed Fit Index	Garson (2009)
Parsimonious fit	Chisq/df	Chi Square/Degrees of Freedom	Marsh and Hocevar (1985); Tabachnick and Fiedell (2007); Hair et al. (2010)

The acceptable cut-off values reported by researchers may vary depending on the literature support they are referring to. Most scholars recommend evaluating the SEM by observing more than one indicator (Byrne, 2010; Hair et al., 2010; Kline, 2011). Table 3.7 below presents the index category and the level of acceptance for fitness indices.

Table 3.7

Index category and the level of acceptance for every index

Name of category	Name of index	Level of acceptance	Comments
1. Absolute fit	Chisq	p > .05	Sensitive to sample size > 200
	RMSEA	< .08	Range from .05 to .1 is acceptable
	GFI	> .90	.95 is a good fit
2. Incremental fit	AGFI	> .90	.95 is a good fit
	CFI	> .90	.95 is a good fit
	TLI	> .90	.95 is a good fit
	NFI	> .90	.95 is a good fit
3. Parsimonious fit	Chisq/df	< 5.0	The value should be less than 5.0
	PNFI	>.60	.70 is a good fit

3.6.3 Discriminant Validity

Discriminant validity examines the extent to which an exogenous latent variable is really different from other exogenous variables in predicting the endogenous variable (Hair et al., 2010). Performing the discriminate validity test is important because it provides evidence for the goodness of fit of the measurement model as well as the final structural model in SEM (Fornell & Larcker, 1981). Discriminant validity is achieved when the measurement model is free from redundant items in the measurement model which can be traced using AMOS through the high value of Modification Indices.

3.6.4 Nomological Validity

The nomological validity is examined to theoretically confirm the measurement model by looking at the significance level, direction and strength of the relationship between constructs (Cohen & Cohen, 1983). The nomological validity ensures the measurement model corresponds with the framework as well as the theory used in the study. Specifically, a CFA approach builds structural models of exogenous and endogenous latent variables (Kline, 2011). Exogenous latent variables in AMOS are synonymous with the independent variables in SPSS. It is the main source of causes and effects of the fluctuations in the values of other latent variables in the measurement model. While an endogenous latent variable is synonymous with the dependent variable, it is influenced by the exogenous variables in the measurement model, both directly and indirectly (Byrne, 2010). After building a structural model of exogenous and endogenous latent variables, it can use the path diagrams to show how those variables are related (Hair et al., 2010).

3.7 Hypothesis Testing using Structural Equation Model

3.7.1 Test of Direct Relationship (Correlation)

Once the measurement model has achieved its goodness of fit, it is considered that the model is appropriate for hypothesis testing. The next step is to convert the measurement model into a structural equation model to test the relationship between the endogenous and exogenous models. The hypothesized structural equation model is developed in first order construct since the intention is to test the relationship between latent constructs in this study. The relationship between constructs is determined through the path coefficient which will be used to make decisions on hypotheses tested in this thesis. The hypothesized structural equation model for the present study is presented in Figure 3.2.

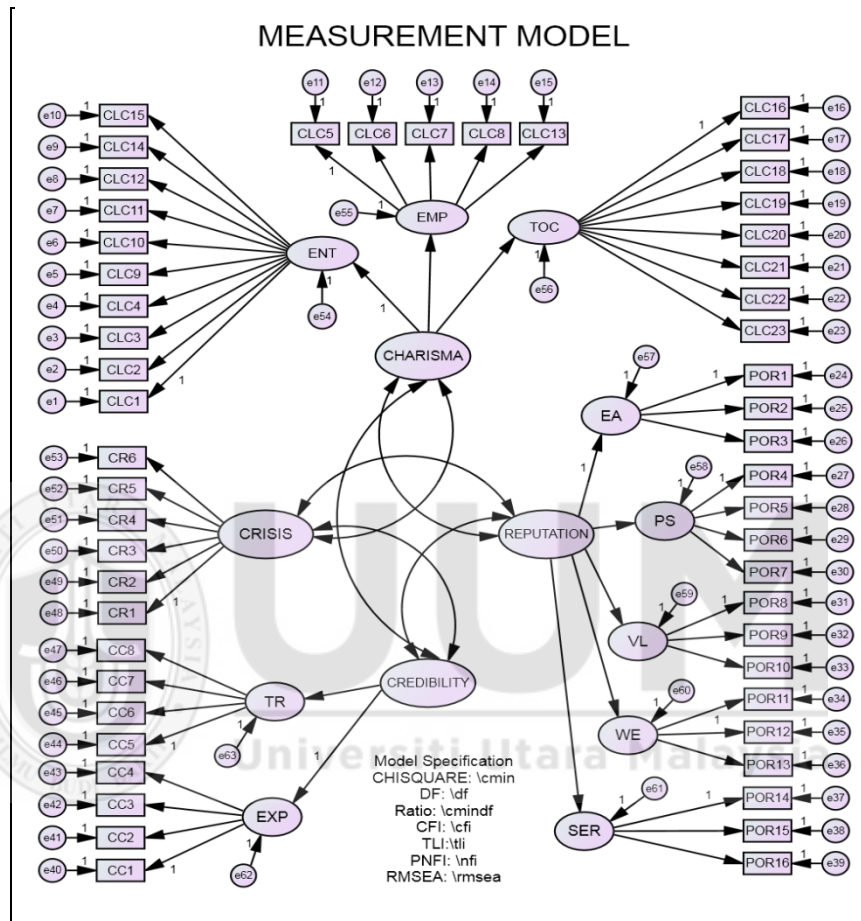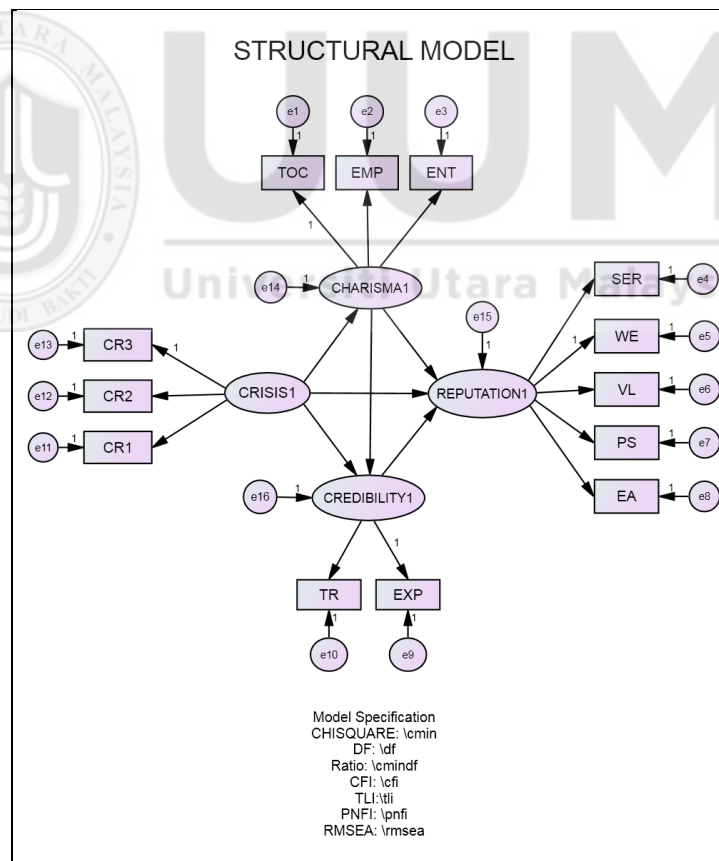*Figure 3.2.* The Hypothesized Structural Equation Model for Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility

3.7.2 Test of Indirect Relationship (Mediation)

Latent composite structural equation modeling (SEM) will be used to test the hypothesized mediation model. This approach is preferred over a regression as suggested by Baron and Kenny (1986) because the SEM approach allows for the estimation of measurement error (Hu & Bentler, 1999). Both measurement and structural models will be tested with AMOSv21. Model fit will also be assessed with fitness indices recommended by Hu and Bentler (1999). The assessment of the mediation model is done by using SEM application of Baron and Kenny's (1986) causal steps approach and bootstrap procedure in mediation variables analysis proposed by Shrout and Bolger (2002). This helps to complement Baron and Kenney's (1986) procedure by estimating the direct and in-direct effects of mediation variables on the link between independent and dependent variables. The magnitude of mediation effects will be assessed with the direct effect procedure while a bootstrap procedure will be conducted to estimate the indirect effect of mediation variables.

3.8 Pre-Test and Pilot Study

This section presents a thorough discussion on the pre-test and pilot study of a measurement instrument as used in the present study.

3.8.1 Pre-test

A pre-test refers to a preliminary evaluation of the variable's instrument to be measured in a survey. By definition, pretesting entails validating the content of the measurement (Tojib & Sugianto, 2006). Its purpose is to assess the suitability and appropriateness of the measurement instrument before the actual survey can be conducted. Content validity focuses on the structure of the sentences, grammar and appropriate terminology used to measure a construct. Using a proper sentence and choice of words are essential in order to avoid misunderstanding and incorrect interpretation on a question asked, because it will

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lead to inaccurate responses from respondents. Content validity is done by obtaining the expert feedback from five senior lecturers ranging from professors and associate professors from the School of Multimedia, Technology and Communication, Universiti Utara Malaysia. The major concern of the instrument was the measurement for organizational reputation. Experts agreed that the dimension of financial performance may not be appropriate for measuring public sector organizations. Comments, amendments and revisions were then incorporated into the actual questionnaire based on their recommendations and evaluations.

3.8.2 Pilot Study

The next step in assessing the appropriateness of the measurement instruments is the pilot study. The pilot study is a primary test that assesses the reliability of the measurement instruments before the actual data can be collected (Sekaran & Bougie, 2010; Zikmund et al., 2010). The purpose of a pilot study is to ensure that the measurement instruments indicate high consistency when tested with respondents from different backgrounds at a different time and different location. The common statistical test of reliability estimate is Cronbach's alpha (Hair et al., 2010).

According to Cooper and Schindler (2008), the appropriate sample size of a pilot study is between 25-100 respondents. For this purpose, a pilot study has been conducted among 100 mid-level managers working in two public sector organizations in Alor Star and Cyberjaya, respectively. 100 sets of pilot questionnaires were randomly distributed personally to each organization with 73 respondents responding, a 73% response rate. The reliability test was performed using SPSS v21. The Cronbach's alpha for each variable is presented in Table 3.8.

Table 3.8

Reliability Test Results of the Measurement Instrument in the Pilot Study

Variable	Number of Items	Cronbach's alpha Value in previous study	Cronbach's alpha Value in pilot test
Crisis Responsibility (CR)	6	.81	.76
Charismatic Leadership Communication (CLC)	23	.93	.97
Organizational Reputation (OR)	16	.87	.95
Organizational credibility (CC)	8	.85	.85

In Table 3.8 the Cronbach's alpha coefficients indicate that the instruments are reliable, with a range from .76 to .97. It is important to note that the items for organizational reputation in this study have been reduced to 16, which yielded a better Cronbach's alpha value for the instrument to be used. Comparing the reliability result of the pilot test with the original Cronbach's alpha value indicated consistent reliability of the measurement instruments. Therefore a survey questionnaire was finalized for the present study consisting of 53 items from four latent constructs.

3.9 Chapter Summary

Research methodology is essential as it determines the accuracy of the research findings. This chapter discusses in detail the research methodology to be employed in the present study. This chapter also explains the research design including the purpose of research, study approach, unit of analysis, target population and sample, measurement of variables/instrumentation, and questionnaire instrument. In the second part, this chapter discusses the method of data analysis which includes description of statistical analysis procedures, followed by the results of the pre-test and pilot study in the last part.

CHAPTER FOUR

DATA ANALYSIS AND RESULTS

4.1 Introduction

This study examined the mediating effect of charismatic leadership communication and organizational credibility in the relationship between crisis responsibility and organizational reputation. Using the situational crisis communication perspective, this study examined the role of charismatic leadership communication and organizational credibility in a contextual crisis situation in public organizations in Malaysia. Previous chapters have stated that the relationship among these variables is still uncertain with inconclusive results. This chapter provides an analysis of data gathered for this study and subsequently presents the results. As stated in the previous chapter, the participants were public sector officers from two selected bureaucracies in Malaysia. These organizations were chosen because they were directly affected by the crisis and also involved in managing it. Through the stratified random sampling technique, 600 participants from both organizations were identified and approached with 420 questionnaires were returned.

This chapter consists of eight sections. The first presents the introduction. The second section presents the preparation of the data for analysis followed by the preliminary analysis in the third section. The fourth section presents the goodness of the measurement instrument. Descriptive analysis is described in the fifth section while assessment of the measurement model is then explained in section six. Section seven presents the hypothesis testing and results using SEM. Finally, the eighth section provides the chapter's summary.

4.2 Preparation for Data Analysis

The main purpose of this preparation stage is to prepare sample data for further analysis. Data obtained from respondents were coded and went through the data entry process before screening and cleaning of the sample data could be conducted. As recommended by Tabachnick and Fidel (2007) the purpose of data cleaning is to ensure the end result is enhanced through a process involving the following: examining the accuracy of data input, identifying and treating of missing values, ensuring normality and multivariate outliers are checked, and finally ensuring that the statistical assumptions for multivariate analysis are met. Details of the procedures used to ensure the sample data are ready for analysis are explained in the following sections: coding and data entry, missing data, and response rate and non-response bias.

4.2.1. Coding and Data Entry

The data was coded by assigning numerical values and the items were coded by assigning character symbols (ID). The ID was assigned for each participant by labeling the questionnaires with numerical numbers starting from 001 to 420. Raw data that had been coded were entered into Statistical Package for Social Sciences (SPSS) v21. From the SPSS program, descriptive and inferential statistical results were obtained for initial data screening and cleaning, which included tracing and treating of missing data.

4.2.2 Missing Data

Upon tracing the missing values using SPSS v21, 36 (9%) respondents appeared to not have answered more that 50% of the 63 questions in the questionnaires. In line with Hair et al.'s (2010) recommendation, these responses were not valid for inclusion in the analysis. The percentages of the respondent's answers are presented in Table 4.1.

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Table 4.1

Missing data

	No.	%
Total questionnaires received	420	100
> 50% Missing data	36	9
< 10% Missing data	17	4.4
Total Usable data	384	91.4

Out of 420 questionnaires received, 36 (9%) sets were incomplete with more than 50% missing values. These questionnaires were subsequently removed from the survey. Using 384 (91.4%) questionnaires left, the procedure to trace minimal missing data was done using SPSS v21. Based on the descriptive statistics, a total of 17 (4.4%) missing data were found with the average of one question unanswered for each data. As suggested by Hair et al. (2010), these missing values were treated by replacing them with the median in SPSS v21. Overall, the problem of missing values was not serious which enabled the researcher to proceed with further data analysis. Further analysis of the 420 questionnaires that were collected from mid-level managers working in the public organizations was conducted. In order to determine the suitability of sample data, further analysis was discovered in the analysis of response rate and non-response bias.

4.2.3 Response rate

Based on the application of the proportionate stratified random sampling technique, 300 questionnaires were distributed to each public organization and 420 were returned within two months of the data collection period. Table 4.2 presents the response rate for data collection from the two public organizations.

Table 4.2

Summary of the Response Rate

Questionnaires Status	Count	Percentage (%)
Distributed	600	100
Not Returned	180	30
Returned	420	70
Unusable	36	(9)
Total Usable Questionnaires	384	100

Of the 600 questionnaires distributed among mid-level managers in the two public organizations, only 420 questionnaires were returned for a response rate of 70%. Out of these, 36 (9%) were unusable with more than 50% of questions unanswered. Thus, the remaining 384 (91% of the 420 returned questionnaires) were used in the analysis. The total number of usable questionnaires is considered sufficient to run all the statistical analysis techniques, particularly SEM analysis (Byrne, 2010; Kline, 2011).

4.2.4 Non-Response Bias

To determine non-response bias, the independent samples t-test provided two parts of the output. The first part, group statistics that consisted of the mean, Standard Deviation (SD) and Standard Error (SE) scores of responses were received before and after the reminders were sent. The second part was Levene's test which is defined as a statistical indicator used to evaluate the equality of variances in different samples (Landau & Everitt, 2004; Pallant, 2007). As stated above, data for the demographic factors in the present study were divided into two groups based on early response (i.e those returned within one month of distribution: n = 78, 20.3%) and late response (i.e those returned between one to two months of distribution: n=306, 79.7%. Tables 4.3 and 4.4 provide the results of the independent sample t-test.

Table 4.3

Group Statistics of Independent Sample T-test

Variable	Mean		Standard Deviation	
	Early Response	Late Response	Early Response	Late Response
Position	1.10	.95	.636	.673
Tenure	7.10	7.44	6.693	7.767
Crisis Experience	.35	.42	.479	.502
Member of CMT	.27	.28	.501	.485
Qualification	1.15	1.16	.536	.595
Ethnic	1.23	1.27	.867	1.889
Age	32.89	33.88	7.538	7.647
Gender	1.58	1.54	.497	.500

N = 368

Table 4.3 shows that there were only limited differences in the mean scores between the two groups (early response and late response) regarding each demographic factor. This indicated that respondents from the early and late responses were free from data bias, which was also confirmed by Levene's test for equality of variances in Table 4.4.

Table 4.4

Levene's Test of Independent Samples t-test

		Levene's Test for Equality of Variances	
		F	Sig
Position	Equal variances assumed	.021	.884
	Equal variances not assumed		
Tenure	Equal variances assumed	.042	.837
	Equal variances not assumed		
Crisis Exp	Equal variances assumed	7.900	.005
	Equal variances not assumed		
CMT	Equal variances assumed	.033	.856
	Equal variances not assumed		
Qualification	Equal variances assumed	.117	.733
	Equal variances not assumed		
Ethnic	Equal variances assumed	.147	.702
	Equal variances not assumed		
Age	Equal variances assumed	.251	.617
	Equal variances not assumed		
Gender	Equal variances assumed	2.407	.122
	Equal variances not assumed		

According to Pallant (2007), when the significant level of the Levene's test is greater than .05, (p> .05), the equal variances assumption between the early and late response has not been violated. In this case, the results in Table 4.4 above were obtained by comparing the p-value to a significance level at .05, and there were no significant differences between the perceptions of the early and late response of all demographic factors. Hence, the test results confirm that the sample size is free from response bias since late responses were similar to those of the early response.

4.3 Preliminary Analysis

This section presents the preliminary analysis of the data which covers a discussion on the underlying statistical assumptions of the present study. Before embarking on any inferential statistics for the data analysis, it is necessary to examine the underlying statistical assumptions for multivariate analysis which include normality (skewness and kurtosis), multicollinearity, linearity and homoscedasticity. Thus the present study examined the underlying statistical assumptions using 384 usable responses.

4.3.1 Normality assumption for multivariate analysis in SPSS

A normality test was performed on 384 pieces of data through both graphical and numerical methods as suggested by most statisticians (Hair et al., 2010; Tabachnick & Fidell, 2007). Visual inspection was done for Box Plot, Histogram and Q-Q Plot. Through the test using Box Plot, 16 outliers had been identified and they were subsequently deleted from the data set. The remaining 368 questionnaires were used to assess the data normality through numerical methods. Further, as a conservative rule of thumb, Hair et al. (2010) have argued that sample data is considered normal if the test of skewness values and test of kurtosis values are between +- 1.96 at the significance level .05, and +- 2.58, at the significance level .01. Tabachnick and Fiedell (2007) argue that the rule of thumb for

checking normality can be based on a test if skewness values are within +-2.00 and a test to see if the kurtosis values are within +- 7.00. Kline (2011) states that the skewness values should be within +-3.00 and kurtosis values should be within +-10.00. Using 368 usable questionnaires, skewness and kurtosis for the present data were assessed to ensure their normality distribution. Table 4.5 presents the skewness and kurtosis results of this study.

Table 4.5

Result of Skewness and Kurtosis for all constructs (n = 368)

	N	Mean	Skewness	Std. Error	Kurtosis	Std. Error
CRISIS	368	3.416	-.341	.127	1.587	.254
REPUTATION	368	4.137	-.539	.127	.210	.254
CHARISMA	368	3.924	-.564	.127	.963	.254
CREDIBILITY	368	4.129	-.342	.127	-.483	.254

By examining the skewness and kurtosis in the SPSS v21, the analysis found that none of the variable items had skewness values greater than .564 and kurtosis values greater than 1.587. Subsequently, the results in Table 4.5 showed that the data for these variables were normally distributed with skewness and kurtosis values falling within the acceptable range as recommended by Hair et al. (2010) and Tabachnick and Fidell (2007). These results also indicated that the sample data was consistent with a normality assumption required for further use in multivariate analysis.

4.3.2 Multicollinearity Assumptions

Multicollinearity exists when the results show tolerance values below or equal 0.10 and VIF values higher or equal to 10 (Hair et al., 2010; Sekaran & Bougie, 2010). Table 4.6 below presented the results of the multicollinearity test using SPSS v21.

Table 4.6

Result for Test of Multicollinearity for All Constructs

Variables	Collinearity Statistics	
	Tolerance	VIF
CRISIS	.965	1.037
CHARISMA	.790	1.266
CREDIBILITY	.815	1.226

* Dependent variable: Reputation

Table 4.6 shows that the results of tolerance values were in the range between .790 to .965, and VIF values were in the range from 1.037 to 1.266. Hence, the results confirmed that the multicollinearity issue was absent in the interaction among the variables.

4.3.3 Linearity Assumptions

The linearity of the relationship between the independent variables and dependent variables is assessed by identifying residuals and examining residuals plots (Hair et al., 2010; Sheather, 2009). The linear assumption is present in the sample data when the residual plot shows a random scatter of the points around the horizontal axis (Hsu & Poole, 2011). As can be seen from Figure 4.1, the residual scatter-plot using SPSS v21 reveals that the pattern was generally random in distribution and evenly dispersed throughout the residual scatter-plot, which further indicated that the linearity assumptions of all the relationships among the variables were present.
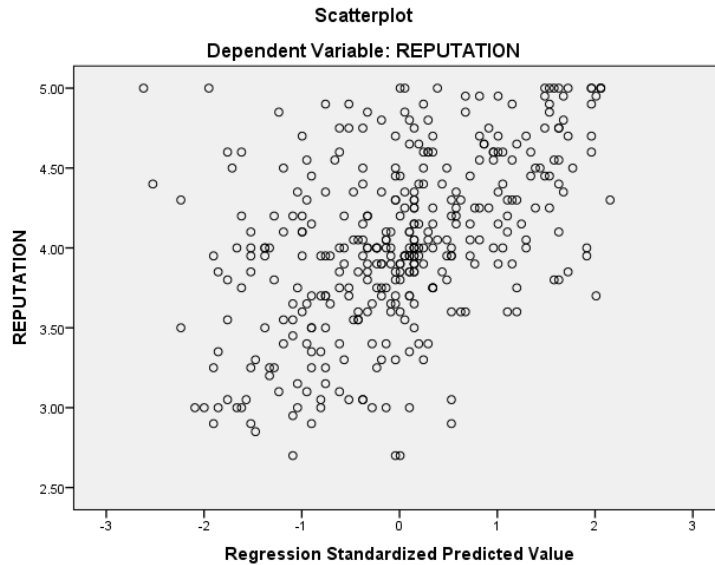
Figure 4.1. The Residual Scatter plot of Residuals against Predicted Values

The test of linearity was made via a scatter plot of residuals against predicted values of each independent variable on dependent variable. All scatter plots revealed absolutely no relationship between residuals and predicted values, thus indicating a positive assumption of linearity. Then the normal P-P plot of regression standardized residual plot was also assessed. In addition, the normal probability plot of regression standardized residuals for dependent variables also showed that normal distribution was met. The P-P plot is illustrated in Figure 4.2.
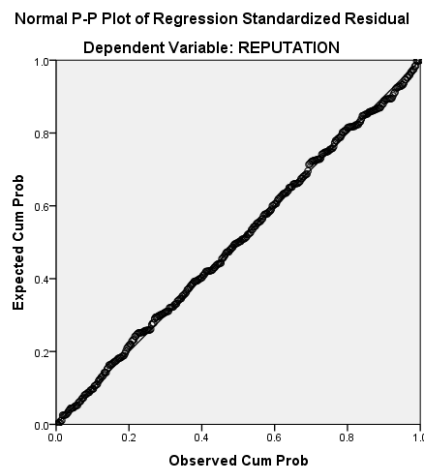
Figure 4.2. Normal Probability Plot of Regression Standardized Residual

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4.3.4 Homoscedasticity Assumptions

Homoscedasticity assumption in this thesis is checked by examining the scatter-plot between dependent variables and independent variables. The sample data is homoscedastic when the residual scatter-plot is captured approximately equal in width for all values of the predicted dependent variable (Tabachnick & Fidell, 2007). Figure 4.3 presented the homoscedasticity results.
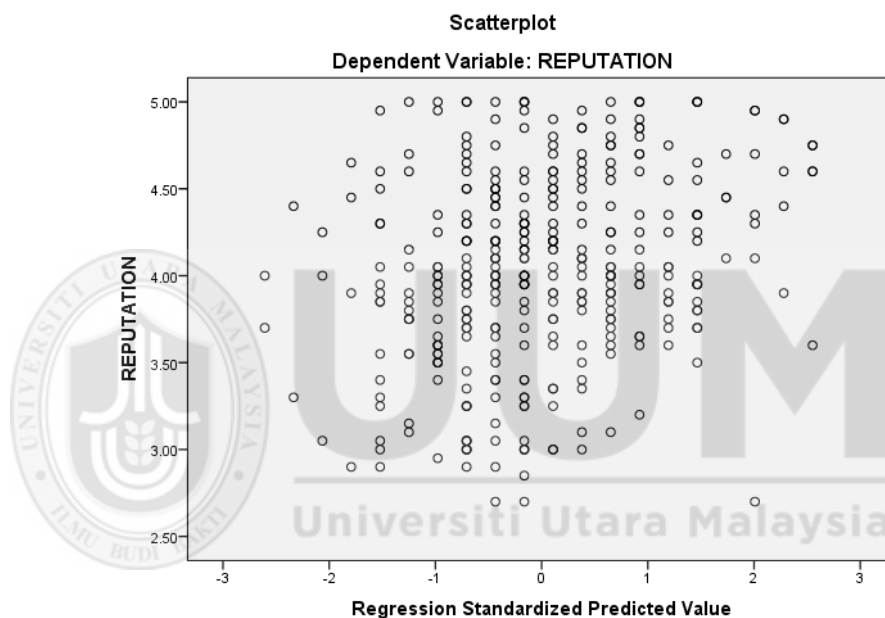
Figure 4.3. The Scatter Plot of Homoscedastic Assumptions

Based on the results derived from SPSS v21, Figure 4.3 above confirms that the sample data for this study was assumed to be homoscedastic. This is evident by the residual scatter plot which showed the approximately equal width for all values of the predicted dependent variable. Thus, it is safe to conclude that the variance is homogenous and that the sample data for this analysis meets the assumptions of normality and linearity.

4.4 Goodness of Fit of the Measurement Instrument

As mentioned in Chapter Three, all of the items that are used to measure the variables have been adapted from prior studies. According to Sekaran and Bougie (2010) the goodness of measurement instrument is used to ensure that there are stability, consistency, and accuracy between items of each variable. Thus, the present study performed overall EFA to ensure distinctions between each construct exist.

4.4.1 Dimensionality of the Measurement Instrument Using Exploratory Factor Analysis (EFA)

The overall EFA is conducted for four constructs, namely crisis responsibility, charismatic leadership communication, organizational reputation and organizational credibility with a total number of 53 items. Table 4.7 below presents the factor loadings for all constructs using SPSS v21.

Table 4.7

Factor Loadings of all items

Dimension	Item	Factor Loading 1	Factor Loading 2	Factor Loading 3	Factor Loading 4
	CLC1	0.70			
	CLC2	0.71			
	CLC3	0.80			
	CLC4	0.80			
	CLC5	0.79			
	CLC6	0.77			
	CLC7	0.76			
	CLC8	0.78			
	CLC9	0.56			
CHARISMA	CLC10	0.80			
	CLC11	0.83			
	CLC12	0.83			
	CLC13	0.70			
	CLC14	0.74			
	CLC15	0.70			
	CLC16	0.78			
	CLC17	0.79			
	CLC18	0.80			

	CLC19	0.80		
	CLC20	0.75		
	CLC21	0.80		
	CLC22	0.77		
	CLC23	0.78		
	POR1		0.74	
	POR2		0.74	
	POR3		0.78	
	POR4		0.76	
	POR5		0.75	
	POR6		0.80	
	POR7		0.63	
REPUTATION	POR8		0.77	
	POR9		0.74	
	POR10		0.63	
	POR11		0.79	
	POR12		0.79	
	POR13		0.75	
	POR14		0.72	
	POR15		0.71	
	POR16		0.22	
	CC1			0.58
	CC2			0.66
	CC3			0.61
CREDIBILITY	CC4			0.59
	CC5			0.56
	CC6			0.57
	CC7			0.55
	CC8			0.56
	CR1			0.76
	CR2			0.78
	CR3			0.72
CRISIS	CR4			0.67
	CR5			0.30
	CR6			0.63
Eigen Value		21.947	5.997	3.086	1.849
% of Variance		41.409	11.315	5.823	3.489
Total Variance Explained					62.036
Kaiser-Meyer-Olkin Measurement					.960
Bartlett's Test of Sphericity					16877.528
df					1378
Sig					.000

N = 368

The results highlight that six items out of 53 measure variables were loaded on crisis responsibility, 16 items out of 53 items were loaded significantly on reputation, 23 items were loaded significantly on charismatic leadership communication and eight items were

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loaded significantly on organizational credibility. Based on Table 4.7 above, all 53 items were known constituted an accurate tool to measure the construct, respectively. The factor analysis in the present study revealed that the correlation of all items' range exceeded the cut-off point of .30, which suggested that the correlation matrix had provided a sensible basis for factor analysis as initiated by Nunnally and Berstein (1994), Nunnally (1978) and Hair et al. (2010).

Eigenvalue refers to the variance of the new factors that will successively be extracted by principal component analysis. It must be greater than 1 (Tabachnick & Fiedell, 2007; Hair et al., 2010). In this study, all four factor loadings had an eigenvalue greater than one, and the percentage of total variance of factor explained by measured variables was 62.036%. To determine the sampling adequacy (Field, 2000), the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy indicated a value of .960, which is very satisfactory for our analysis. Bartlett test of Sphericity is a statistical test to determine the significant of all correlations within correlation matrix (Hair et al., 2010). Following Pallant's (2007) rules of thumb, the value of this test should be significant at (p<.05). In this analysis, Bartlett's test of Sphericity was very large, significant at χ^2 = 16877.528, with a ρ = .000, indicating that the correlation matrix was not an identity matrix (Hair et al., 2010).

4.4.2 The Scree Plot

The Scree plot was also assessed for the present study. As presented in Figure 4.4, the scree plot indicates that factor loading of each item was loaded significantly in the four dimensions as the curve began to flatten after the fourth factor. Therefore, all items were statistically confirmed as appropriate measures for this study.

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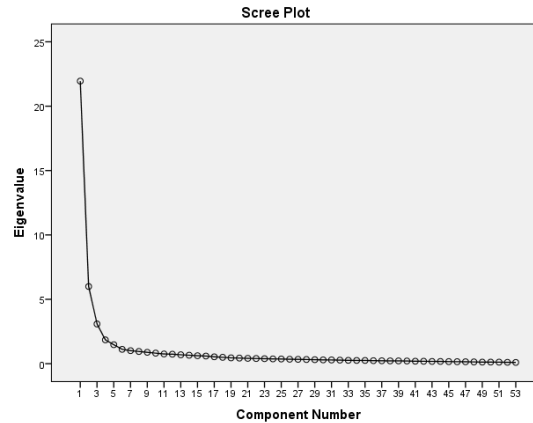
Figure 4.4. The Scree Plot of the four constructs

4.5 Descriptive Analysis

Descriptive analysis seeks to transform the raw data into usable information. Its primary function is to describe a set of variables in a situation that will make them simple to understand and interpret (Zikmund et al., 2010). The main purpose of this analysis is to give the data meaning through frequency distribution, mean, SE, SD, and variance, which enable the researcher to identify differences among variables (Sekaran & Bougie, 2010). Then, full details of this analysis can be given regarding participants' demographic factors and the study's variables using 368 usable questionnaires.

4.5.1 Participants' Demographic Factors

The respondents' demographic factors were collected to obtain information about each respondent who participated in the survey. Respondents were asked to provide information concerning their gender, age, workplace, level of education, experience, and position. The questions were designed for the respondents to provide specific information as opposed to choosing their answers based on categories. Table 4.8 shows the profiles of all respondents' demographic factors using SPSS v21.

Table 4.8

Respondents' Demographic Profiles

Organization	Frequency	Percentage (%)
Malaysian Anti-Corruption Commission (MACC)	247	67
Department of Information	121	33
Position		
Executive level	304	82.6
Middle managerial level	58	15.8
Director and above	6	1.6
Working Tenure		
1 – 5 years	166	45.1
6-10 years	123	33.4
11-15 years	28	7.6
16-20 years	21	5.7
25 years and above	30	8.2
Experience in handling crisis		
No	225	61.1
Yes	143	38.9
Member of the crisis management team		
No	270	73.4
Yes	98	26.6
Highest qualification		
Bachelor Degree	334	91
Masters Degree	19	5
Doctor of Philosophy	3	1
Professional Certificate	12	3
Gender		
Female	165	44.8
Male	203	55.2
Ethnic background		
Malay / Bumiputra	335	91
Chinese /Indian / Other	33	9
Age		
20 – 25 years	15	4.0
26 – 30 years	110	29.9
31 – 35 years	114	31.0
36 – 40 years	57	15.5
41 – 45 years	22	6.0
50 years and above	39	10.6
Missing data	11	3.0

N =368

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A total of 368 participants from two public organizations took part in the survey. 247 (67%) were from the Malaysian Anti-Corruption Commission (MACC) and 121 (33%) worked at the Department of Information. These percentages are proportionate to the total number of employees each organization has. A total of 304 (83%) are officers (Pegawai), 58 (15.8%) are Assistant Directors (Timbalan Pengarah), while six (1.6%) are Directors (Pengarah and Ketua Pengarah). The majority of participants (45%) have been working less than five years, 33% have served the organization for at least 10 years and 21.5% have worked there for more than 11 years. This indicates that most participants in this survey have had considerable working experience and can be considered to be familiar with the crises involving their workplace.

A large number of participants (225, 61.1%) indicated that they had never been involved in crisis management previously, while the remaining 143 (38.9%) have had experience in handling a crisis directly or indirectly. At the time of the survey, 98 (26.6%) respondents were members of the crisis management team and 270 (73.4%) participants were non-members. 334 (91%) participants are Bachelor degree holders, 19 (5%) hold a Masters degree, three (1%) possess a PhD while 12 participants (3%) possess professional certificates.

Most participants are of Malay ethnic background and Bumiputra (335, 91%), while 33 (9%) comprise Chinese and Indians; 203 (55.2%) are male and 165 (44.8%) are female aged between 23 and 50 years old. However, participants aged between 26 to 35 years had the highest percentage (61%) of participation in the survey. The youngest participant is 23 years old while the oldest is 58. Table 4.9 below presents the mean, SD and variance for respondents' demographic factors according to age and working tenure with their organizations.

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Table 4.9

Mean, Standard Deviation, and Variance for Age and Working Tenure of Respondents

Variable	N	Mean (x)	Std dev (s)	Var (S²)	Mode	Med
Tenure	368	8.03	8.0	64.01	4	6
Age	357	34.62	7.6	58.35	30	33

As can be seen in Table 4.9, the mean for respondents' age was 34.62 with participants who were 30 years old (30%) having the highest percentage of all age groups. The demographic profile indicated that the majority of the participants have had considerable working experience (4 years) with the organization, possess a minimum qualification and are eligible to evaluate their organization. Even though some of the data and information presented here were not further utilized in other parts of this study, they contribute to the richness of the demographic profiling. For example, data gathered for age, gender, and experience in crisis management were not tested for any relationship or differences in this study. Nonetheless they may help to justify the findings of the hypotheses in this study. More importantly, based on the profiling information, it can be concluded that participants in this study have some characteristics that may help to achieve the overall objectives of this research.

4.5.2 Descriptive Statistics of the Variables

The purpose of the descriptive statistics is to describe the quantitative descriptions of the basic features of the data in a study by summarizing a simple analysis on the sample and the measures. The descriptive statistics of the variables through mean, SE, SD, and variance provide detailed information of how the participants in the survey have responded to the items in the questionnaire (Sekaran & Bougie, 2010). Using SPSS v21, the results of each variable are displayed in Table 4.10.

Table 4.10

Means, Standard Deviations and Inter-correlations among the Variables

Variable	Mean	SE	SD	Variance	1	2	3	4
1. Crisis responsibility	3.42	0.03	0.65	0.42	-			
2. Perceived organizational reputation	4.14	0.03	0.58	0.34	.233**			
3. Charismatic leadership communication	3.92	0.03	0.62	0.38	.246**	.537**		
4. Organizational credibility	4.13	0.03	0.61	0.37	.019	.624**	.421**	-

Note: p<.01, n = 368

Table 4.10 above indicates the mean, standard deviations (SD), standard error (SE) and inter-correlation among the variables. To interpret the results, Monavvarian and Khamda (2010) have claimed that the perception of any organization is under the acceptable amount if the mean value of all the variable items is under the average value of the measurement scale on the basis of respondents' opinions. As depicted in Table 4.10, the mean score for crisis responsibility, perceived organizational reputation, charismatic leadership communication and organizational credibility had mean values of 3.42, 4.14, 3.92, 4.13, respectively. They were above the average five-point Likert scale of 3. These results suggested that participants' opinions about their organizations were above the average which indicated favorable perceptions of their department. Alternatively, all the SE, SD and variances scores of the variables were on a satisfactory level. Particularly, if the SD of the sample data is less than the mean values, the sample data is more uniform while less dispersed and spread. It is then easier to analyze and control (Saliu, 2004). As a result, the sample data is meaningful for achieving the present study's objectives.

Based on the inter-correlation among variables, crisis responsibility was significantly related to perceived organizational reputation (.233) and charismatic leadership

communication (.246), and insignificantly related to organizational credibility of the organization (.019). In the meantime organizational credibility was linked to perceived organizational reputation (.628) and charismatic leadership communication (.421). All correlations were significant at the .01 level. This study now proceeds with an analysis of more complex relationships between all variables using structural equation modeling (SEM).

4.6 Assessment of Measurement Model and Structural Equation Model

Briefly, SEM was used to test the hypotheses developed for this study because it presented several advantages compared to other commonly used techniques. In addition, SEM seeks to get the most accurate result estimations from the measurement model by decreasing the measurement error of the observed variables. Prior to testing the hypotheses, confirmatory factor analysis (CFA) will be executed to ensure the goodness of fit of the measurement instrument. The CFA of the overall measurement model is discussed in detail in the following section.

4.6.1 Confirmatory Factor Analysis (CFA) of the Measurement Model

This section presents an analysis of the measurement and structural model of the study using SEM. SEM is a confirmatory method for assessing the unidimensionality, validity and reliability of a construct. The CFA using AMOS v21 was used to see if the number of factors and loadings of observed latent variables conform to what is expected on the basis of pre-established theory on the proposed model. In CFA, certain items or factors were removed for substantive and statistical reasons. The measurement model of this study consists of one exogenous and three endogenous latent variables, specifically crisis responsibility (exogenous variable), perceived organizational reputation, charismatic leadership communication and organizational credibility (endogenous variables).

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For this study, CFA procedure was conducted simultaneously for all constructs through a second order measurement model also known as pool measurement model where all constructs were combined into one model for CFA assessment. The advantage of using the pool measurement model is to qualify any construct with less than four items that remain in the model (Hair et al., 2010). Hair et al. (2010) recommend that a test for discriminant validity and potential item cross-loadings of a measurement model should be performed with the full set of items collectively. The measurement model for all constructs is presented in Figure 4.5.

Figure 4.5. The CFA of the Measurement Model for Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility

4.6.2 Normality assumptions for multivariate analysis in SEM

Before assessing the fitness indices for the model, the researcher needs to examine the normality assessment for the data to ensure that normality assumption has been met. In this stage, normality assumption was examined in AMOS for normality distribution of data set and treatment of multivariate outliers. Through CFA, the researcher assessed the measurement model by looking at the normality distribution of the data set and examined the validity and reliability of the latent construct. As recommended by Hair et al. (2010), the assumptions of SEM must be met prior to hypotheses testing through the final structural model. Thus the normality assumption for the present study was examined for multivariate outliers and the distribution of data using AMOS ver21 based on the measurement model in Figure 4.5. Furthermore the results of the skewness and kurtosis for the data set of the present study are presented in Table 4.11.

Table 4.11

Assessment of Normality Distribution for Items in the Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility Constructs

Variable	Min	max	skew	c.r.	kurtosis	c.r.
CC1	2	5	-0.866	-6.785	0.237	0.929
CC2	2	5	-0.744	-5.823	0.139	0.545
CC3	2	5	-0.654	-5.125	-0.146	-0.57
CC4	1	5	-0.641	-5.022	-0.691	-2.707
CC5	2	5	-0.799	-6.259	0.111	0.434
CC6	2	5	-0.387	-3.031	-0.247	-0.966
CC7	2	5	-0.505	-3.953	-0.171	-0.671
CC8	1	5	-0.993	-7.777	-0.124	-0.484
CLC1	1	5	-0.654	-5.121	0.559	2.188
CLC2	1	5	-0.492	-3.851	0.484	1.897
CLC3	1	5	-0.457	-3.582	-0.223	-0.874
CLC4	1	5	-0.407	-3.19	0.162	0.633
CLC5	1	5	-0.498	-3.899	0.256	1.004
CLC6	1	5	-0.514	-4.026	0.653	2.557
CLC7	1	5	-0.468	-3.665	0.125	0.49
CLC8	1	5	-0.544	-4.26	0.413	1.616
CLC9	1	5	-0.588	-4.603	0.531	2.078
CLC10	1	5	-0.498	-3.903	0.471	1.844

CLC11	1	5	-0.554	-4.34	0.338	1.325
CLC12	1	5	-0.694	-5.434	0.837	3.279
CLC13	1	5	-0.528	-4.132	0.541	2.12
CLC14	1	5	-0.411	-3.216	0.435	1.704
CLC15	1	5	-0.444	-3.478	0.345	1.352
CLC16	1	5	-0.305	-2.391	-0.065	-0.256
CLC17	1	5	-0.659	-5.161	0.722	2.828
CLC18	1	5	-0.672	-5.261	0.392	1.535
CLC19	1	5	-0.591	-4.629	0.647	2.533
CLC20	1	5	-0.481	-3.769	0.349	1.367
CLC21	1	5	-0.464	-3.633	0.434	1.701
CLC22	1	5	-0.726	-5.683	1.623	6.354
CLC23	1	5	-0.454	-3.553	0.341	1.333
CR1	1	5	-0.533	-4.174	0.11	0.432
CR2	1	5	-0.508	-3.976	0.284	1.11
CR3	1	5	-0.456	-3.572	0.483	1.892
CR4	1	5	-0.363	-2.846	0.081	0.318
CR5	1	5	-0.118	-0.921	-0.281	-1.1
CR6	1	5	0.063	0.495	-0.392	-1.536
POR1	2	5	-0.533	-4.171	0.016	0.061
POR2	2	5	-0.595	-4.66	-0.036	-0.14
POR3	2	5	-0.584	-4.572	-0.316	-1.238
POR4	2	5	-0.673	-5.271	0.164	0.642
POR5	2	5	-0.567	-4.439	-0.165	-0.645
POR6	2	5	-0.45	-3.521	-0.328	-1.284
POR7	1	5	-1.055	-8.26	1.21	4.74
POR8	2	5	-0.623	-4.878	-0.06	-0.236
POR9	2	5	-0.749	-5.865	0.017	0.065
POR10	1	5	-0.945	-7.401	1.255	4.915
POR11	2	5	-0.448	-3.505	-0.114	-0.448
POR12	2	5	-0.632	-4.952	-0.095	-0.374
POR13	2	5	-0.433	-3.394	-0.198	-0.777
POR14	2	5	-0.351	-2.746	-0.309	-1.209
POR15	1	5	-0.703	-5.505	0.944	3.696
POR16	1	5	-0.535	-4.188	0.358	1.402
Multivariate					392.983	49.367

As evident from Table 4.11 above, no trace of outliers was found in the data set. The results showed that the data for crisis responsibility, perceived organizational reputation, charismatic leadership communication and organizational credibility variables in this study were normally and symmetrically distributed with all value falling within ±1.00 at 95% confidence level. The skewness of data ranged from -0.945 to -0.305. Although it was slightly skewed (positive or negative) these scores were still between the range of normal

distribution at +2 and -2 (Tabachnick & Fidell, 2007). This indicated that all scores were within the range of normal distribution and appropriate for parametric analysis.

4.6.3 Multicollinearity Assumptions

Multicollinearity occurs when two or more exogenous variables are too correlated and this is as high as .85 or more. It will result in an increase in the size of standard error and lead to a weakened analysis (Tabachnich & Fidell, 2007). In SEM analysis, the multicollinearity issue is determined through the standardized correlations. Table 4.12 shows the SEM results of the multicollinearity assessment for all latent constructs, which were derived from the measurement model in Figure 4.5.

Table 4.12

Multicollinearity of the Latent Constructs in the Measurement Model

	Causal Path		Correlation
CRISIS	←→	REPUTATION	.280
REPUTATION	←→	CREDIBILITY	.797
CHARISMA	←→	CREDIBILITY	.583
CRISIS	←→	CREDIBILITY	.219
CRISIS	←→	CHARISMA	.252
CHARISMA	←→	REPUTATION	.570

Based on the results in Table 4.12 above, all correlations among the exogenous variables were less than .85 with the correlation between CRISIS and REPUTATION =.28, REPUTATION and CREDIBILITY = .80, CHARISMA and CREDIBILITY = .58, CRISIS and CREDIBILITY = .22, CRISIS and CHARISMA = .25 and, CHARISMA and REPUTATION =.57. This indicated that the variables' interactions do not have the multicollinearity problem.

4.7 Assessing the Fitness of the Measurement Model

In the present study, the fitness of the measurement model was assessed through unidimensionality, reliability and construct validity. To recap, construct validity makes certain the degree of measurement instruments represent the theoretical variables that they are designed to measure. Construct validity is assessed for convergent validity, discriminant validity and nomological validity (Hair et al., 2010).

4.7.1 Convergent Validity

Convergent validity is the extent to which indicators of a specific construct 'converge' or share a high proportion of variance in common (Allson & Baskin, 2009). Convergent validity is measured through unidimensionality of the items (factor loadings), reliability and average variance extracted (AVE).

(a) Unidimensionality

In the present study, all constructs were measured using established instruments. According to Hair et al. (2010), an acceptable cut-off value for the factor loading should be .6 and above. Based on the overall measurement model in Figure 4.5, the fitness indices had achieved their minimum required level. However, the literature suggests that any item having a factor loading less than .60 and a multiple squared correlation (R^2) less than .40 should be deleted from the measurement model (Zainudin, 2014). Therefore, factor loading for items CLC9, CR4, CR5, CR6, CC4, CC8, POR7 were .56, .55, .25, .47, .22 and .22, .60, respectively with R^2 less than .40. Thus the researcher needed to modify the model by deleting these items from the model one at a time. The process of deleting each item and re-running the measurement model was repeated seven times until all seven items were removed and the fitness indices achieved their minimum required level.

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After the items were deleted, the factor loadings for all items were above .60 with item POR10 having the lowest factor loading and squared multiple correlation (.52, .27). However, the researcher did not remove the item since the model had achieved the desired goodness of fit and validity test. The model had achieved its minimum requirement with adequate values of overall constructs for internal reliability, composite reliability and average variance extracted (Hair et al., 2010). Additionally, the loading exceeded .50 and this is considered significant for the interpretation of the construct. It was consequently decided to not delete any more items from the measurement instrument at this point so that three items for each sub-dimension could be retained. The dimensions in the final measurement model were measured with at least three items, which is in line with Kline's (2011) recommendation to retain a minimum of two items. The modified measurement model, also known as the respecified model is presented in Figure 4.6.
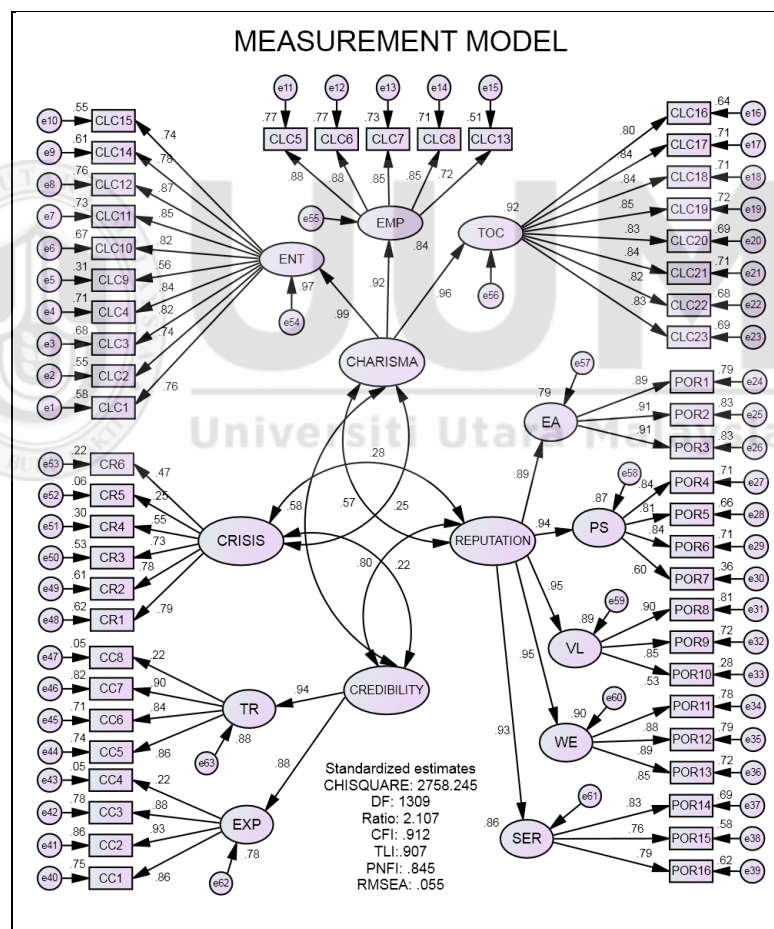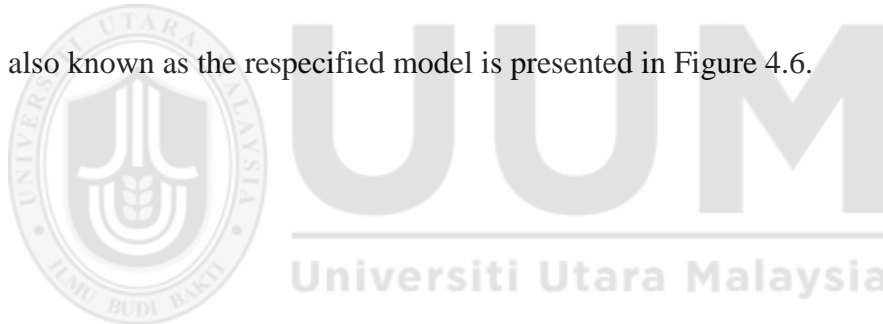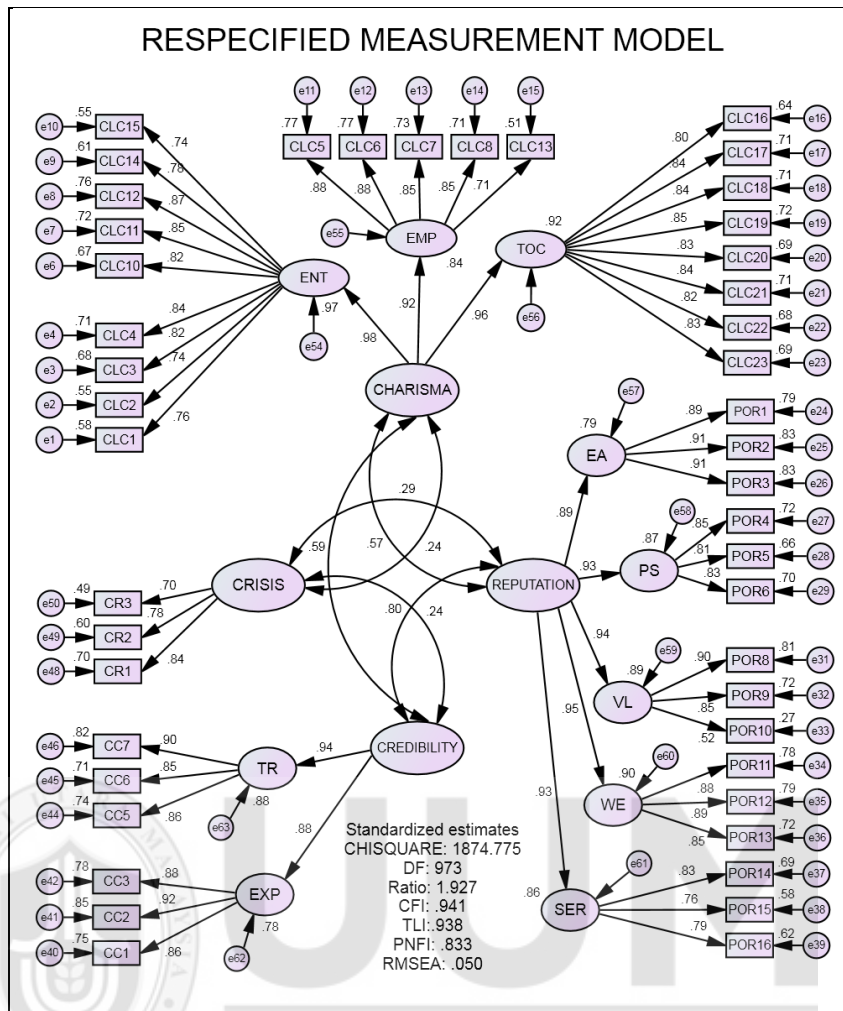
Figure 4.6. The CFA of the Respecified Measurement Model for Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility

The Respecified Measurement Model in Figure 4.6 shows the modified measurement model. In this model, seven items have been deleted from the measurement model due to low factor loading and squared multiple correlations value. Three items were deleted from the CRISIS constructs (CR4, CR5 and CR6) and two items from CREDIBILITY (CC4 and CC8), respectively. One item each was deleted from the REPUTATION and CHARISMA constructs (POR7 and CLC9). Table 4.13 below summarizes the items for every construct remaining in the model.

Table 4.13

The Summary of Constructs' Items for the Measurement Instrument

Construct	Measurement Model		
	Original Item	Deleted Item	Final Item
CRISIS	6	3	3
REPUTATION	16	1	15
CHARISMA	23	1	22
CREDIBILITY	8	2	6
Total Item	53 (100%)	7 (13%)	46 (87%)

Thus, the final measurement model comprised four latent constructs with three (CRISIS), 15 (REPUTATION), 22 (CHARISMA) and six (CREDIBILITY) items, respectively. This indicates that a total of 46 (87%) items remained which meant that the items of the measurement model were valid. Accordingly, seven items (13%) were not included in the structural model for this study; the 46 items remained for running the final SEM model. Table 4.14 below presents the estimates for every item of the construct, standardized regression weight (SRW) and squared multiple correlations for every item.

Table 4.14

CFA Estimates of the Respecified Measurement Model

Path		Construct/Item	SRW	Estimate	S.E.	C.R.	P	Status
EMP	<---	CHARISMA	0.915	1.151	0.07	16.465	***	Sig
ENT	<---	CHARISMA	0.985	1				Sig
TOC	<---	CHARISMA	0.958	1.034	0.066	15.573	***	Sig
TR	<---	CREDIBILITY	0.937	1.081	0.071	15.18	***	Sig
EXP	<---	CREDIBILITY	0.884	1				Sig
EA	<---	REPUTATION	0.889	1				Sig
PS	<---	REPUTATION	0.935	1.033	0.06	17.343	***	Sig
VL	<---	REPUTATION	0.943	1.152	0.061	18.876	***	Sig
WE	<---	REPUTATION	0.948	1.095	0.059	18.546	***	Sig
SER	<---	REPUTATION	0.926	1.004	0.061	16.57	***	Sig
CLC5	<---	EMP	0.875	1				Sig
CLC6	<---	EMP	0.855	0.934	0.04	23.558	***	Sig
CLC7	<---	EMP	0.878	0.92	0.041	22.449	***	Sig
CLC8	<---	EMP	0.845	0.882	0.04	21.967	***	Sig
CLC13	<---	EMP	0.715	0.777	0.047	16.505	***	Sig
CLC1	<---	ENT	0.764	1				Sig

CLC2	<---	ENT	0.742	1.002	0.066	15.15	***	Sig
CLC3	<---	ENT	0.823	1.127	0.066	17.172	***	Sig
CLC4	<---	ENT	0.841	1.07	0.061	17.622	***	Sig
CLC10	<---	ENT	0.817	1.031	0.061	17.005	***	Sig
CLC11	<---	ENT	0.851	1.155	0.065	17.908	***	Sig
CLC12	<---	ENT	0.874	1.141	0.062	18.512	***	Sig
CLC14	<---	ENT	0.782	1.003	0.062	16.135	***	Sig
CLC15	<---	ENT	0.744	1.044	0.069	15.194	***	Sig
CLC16	<---	TOC	0.801	1				Sig
CLC17	<---	TOC	0.842	0.99	0.052	18.988	***	Sig
CLC18	<---	TOC	0.841	1.063	0.056	18.961	***	Sig
CLC19	<---	TOC	0.85	1.048	0.054	19.241	***	Sig
CLC20	<---	TOC	0.83	0.978	0.053	18.597	***	Sig
CLC21	<---	TOC	0.843	1.032	0.054	19.017	***	Sig
CLC22	<---	TOC	0.824	0.956	0.052	18.404	***	Sig
CLC23	<---	TOC	0.832	0.976	0.052	18.658	***	Sig
POR1	<---	EA	0.886	1				Sig
POR2	<---	EA	0.909	1.042	0.04	25.958	***	Sig
POR3	<---	EA	0.913	1.066	0.041	26.203	***	Sig
POR4	<---	PS	0.851	1				Sig
POR5	<---	PS	0.814	1.036	0.055	18.975	***	Sig
POR6	<---	PS	0.834	1.038	0.053	19.734	***	Sig
POR8	<---	VL	0.901	1				Sig
POR9	<---	VL	0.85	0.913	0.041	22.385	***	Sig
POR10	<---	VL	0.522	0.736	0.069	10.711	***	Sig
POR11	<---	WE	0.883	1				Sig
POR12	<---	WE	0.89	1.032	0.042	24.377	***	Sig
POR13	<---	WE	0.847	0.97	0.044	22.082	***	Sig
POR14	<---	SER	0.831	1				Sig
POR15	<---	SER	0.762	1.053	0.064	16.352	***	Sig
POR16	<---	SER	0.789	1.004	0.059	17.15	***	Sig
CR1	<---	CRISIS	0.835	1				Sig
CR2	<---	CRISIS	0.776	0.852	0.065	13.101	***	Sig
CR3	<---	CRISIS	0.698	0.736	0.059	12.369	***	Sig
CC1	<---	EXP	0.865	1				Sig
CC2	<---	EXP	0.923	1.08	0.044	24.745	***	Sig
CC3	<---	EXP	0.884	1.061	0.046	22.952	***	Sig
CC5	<---	TR	0.86	1				Sig
CC6	<---	TR	0.846	0.968	0.047	20.673	***	Sig
CC7	<---	TR	0.904	1.042	0.045	23.073	***	Sig

Table 4.14 above presents the results for the CFA estimations of the latent constructs and their items. The research concluded that all 46 items were valid, indicated by standardized regression weight (SRW) values greater than .50 and squared multiple correlations revealing each item made a good contribution to the latent construct. The CR values were also greater than the cut-off point of 1.96 which suggested that the sample data fits the measurement model perfectly.

(b) Average Variance Extracted (AVE), Internal Reliability and Composite Reliability (CR)

The test of convergent validity for the measurement model was also performed through internal reliability, AVE and CR. The results for the respective tests are discussed in the next sub-section.

Internal reliability

According to Sekaran and Bougie (2010), the value of Cronbach's alpha is considered good when it is .80, acceptable when it is .70 and poor when it is .60. This study adopted a Cronbach's alpha value of .70 as the cut-off value since it is statistically recommended as being adequate (Hair et al., 2010). Consistent with the aforementioned statements, all construct variables for this present study were tested on their internal consistency to indicate that individual items of the scale measured the same construct and therefore would be highly correlated (Churchill, 1979; Nunnally, 1978). Table 4.15 below displays the reliability test results of the measurement using SPSS v21.

Table 4.15

Reliability Test Results of the Measurement Instruments

Variable	No of Item	Cronbach's alpha ≥ .7	
		Previous study	Present study
Crisis responsibility	6	.81	.76
Perceived organizational reputation	16	.87	.96
Charismatic leadership communication	23	.93	.97
Organizational credibility	8	.85	.83

N = 368

As shown in Table 4.15, the results of the Cronbach's alpha values exceeded the required level of .70, suggesting that the theoretical variables displayed a good internal stability and consistency. Even though the Cronbach's alpha value for crisis responsibility (.76) and organizational credibility (.83) were slightly lower than in the previous study, they were still above the acceptable cut-off point of .70. The Cronbach's alpha for perceived organizational reputation (.96) and charismatic leadership communication (.97) exhibited a better reliability compared to the previous studies. Thus, these reliability results are considered consistent with the measures used in prior analyses. Table 4.16 below presents the factor loadings (standardized regression weight), Cronbach's alpha, CR and AVE for the respecified measurement model.

Table 4.16

The Convergent Validity Results for the Re-specified Measurement Model

Construct	Item	Factor Loading	Cronbach's alpha	CR (Above .7)	AVE (Above .5)
Crisis Responsibility	CR1	0.84	.76	.81	.51
	CR2	0.78			
	CR3	0.70			
Perceived Organizational reputation	POR1	0.89	.96	.97	.86
	POR2	0.91			
	POR3	0.91			

	POR4	0.85			
	POR5	0.81			
	POR6	0.83			
	POR8	0.90			
	POR9	0.85			
	POR10	0.52			
	POR11	0.88			
	POR12	0.89			
	POR13	0.85			
	POR14	0.83			
	POR15	0.76			
	POR16	0.79			
	CLC1	0.76	.97	.97	.91
	CLC2	0.74			
	CLC3	0.82			
	CLC4	0.84			
	CLC5	0.88			
	CLC6	0.88			
	CLC7	0.86			
	CLC8	0.85			
	CLC10	0.82			
	CLC11	0.85			
Charismatic	CLC12	0.87			
Leadership	CLC13	0.72			
Communication	CLC14	0.78			
	CLC15	0.74			
	CLC16	0.80			
	CLC17	0.84			
	CLC18	0.84			
	CLC19	0.85			
	CLC20	0.83			
	CLC21	0.84			
	CLC22	0.82			
	CLC23	0.83			
	CC1	0.87	.83	.91	.83
	CC2	0.92			
Organizational	CC3	0.88			
Credibility	CC5	0.86			
	CC6	0.85			
	CC7	0.90			

Table 4.16 above indicates that all variables in the measurement model have generally exhibited an acceptable level of CR (.81, .97, .97, .91), respectively, which exceeded the recommended cut-off value .70 (Hair et al., 2010). The AVE values for all constructs (.51,

.86, .91, .83) also exceeded the recommended minimum level of .50. Overall, these tests suggested adequate convergent validity of the final measurement model.

4.6.4.2 Construct Validity

As explained earlier, construct validity is achieved when the fitness indices for a construct has achieved the required level. Within the context of SEM, there are several indicators of goodness-of-fit, for example χ^2, χ^2 to df ratio, p-value, Goodness of Fix Index (GFI), Comparative Fix Index (CFI), Tucker Lewis Index (TLI) and Root Mean Square Error of approximation (RMSEA).   As indicated in the re-specified model in Figure 4.6, the goodness of fit test indicated that the measurement model fits the data well (χ^2=1874.775, ρ>.01, df = 973, CFI =.94, TLI .938, PNFI .833 and RMSEA = .05). Moreover, the χ^2/ df is 1.927 which was an acceptable fit for the model. Table 4.17 below summarizes the fitness indices for the overall measurement model and modified measurement model.

Table 4.17

The Summary of Fitness Indices for the Respecified Measurement Model

Fitness Indices	Level of acceptance	Before	After
Chisq	$\rho > .05$	2758.245	1874.775
RMSEA	$< .08$	.055	.050
CFI	$> .90$	.912	.941
TLI	$> .90$	.907	.938
PNFI	$> .90$	.845	.833
Chisq/df	< 5.0	2.107	1.927

4.6.4.3 Discriminant Validity

The test for discriminant validity was computed in the final (re-specified) measurement model in SEM analysis. Discriminant validity is met when the correlation between exogenous constructs is less than .85. In the measurement model, discriminant validity can also be confirmed when the square root of the AVE for each variable is larger than all SMC

between the one variable and other variables (Wixom & Todd, 2005). Table 4.18 indicates that all variance extracted (AVE) estimates were larger than the corresponding squared inter-construct correlations estimates (SIC).

Table 4.18

The Discriminant Validity Index Summary

	CHARISMA	CRISIS	REPUTATION	CREDIBILITY
CHARISMA	**0.953**			
CRISIS	0.240	**0.772**		
REPUTATION	0.570	0.290	**0.928**	
CREDIBILITY	0.586	0.236	0.798	**0.911**

$\rho > .01$

The diagonal values (in bold) constitute the square root of AVE while other values are the squared correlations between the respective constructs. The discriminant validity for all constructs is achieved when a diagonal value for charismatic leadership communication (.95), crisis (.72), perceived organizational reputation (.93) and organizational credibility (.91) is higher than the values in its row and column. This means the indicators have more in common with the construct they are associated with than they do with other constructs. Therefore the four constructs of the measurement model demonstrated discriminant validity.

4.6.4.4 Nomological Validity

Nomological validity was tested by examining whether the correlations between the constructs in the measurement model made sense. The construct correlations are used to assess this and Table 4.19 below presents the path coefficient of all constructs.

Table 4.19

The Path Coefficient of the Measurement Model

Path coefficient			β	S.E.	C.R.	P	Status
CRISIS	←→	REPUTATION	.129	.028	4.662	.000	Sig
REPUTATION	←→	CREDIBILITY	.235	.025	9.435	.000	Sig
CHARISMA	←→	CREDIBILITY	.185	.024	7.882	.000	Sig
CRISIS	←→	CREDIBILITY	.107	.029	3.722	.000	Sig
CRISIS	←→	CHARISMA	.114	.029	3.896	.000	Sig
CHARISMA	←→	REPUTATION	.177	.022	8.021	.000	Sig

Based on Table 4.19 the correlations between all constructs were significant with unstandardized regression weight ranging from .107 to .235, ρ < .01. These correlations implied there was significant relationship between all constructs. Table 4.20 below summarizes the strength of the correlations between these constructs; it is indicated by the standardized regression weight for each correlation.

Table 4.20

The Correlation between Constructs in the Measurement Model

Causal Path			β
CRISIS	←→	REPUTATION	.293
REPUTATION	←→	CREDIBILITY	.798
CHARISMA	←→	CREDIBILITY	.586
CRISIS	←→	CREDIBILITY	.239
CRISIS	←→	CHARISMA	.240
CHARISMA	←→	REPUTATION	.570

ρ< .01.

The standardized regression weight for all correlations ranged from .239 to .798, indicating a moderate to strong relationship between them. Based on Table 4.20, crisis responsibility was slightly moderately related to perceived organizational reputation (.293), organizational credibility (.239) and charismatic leadership communication (.240). Perceived organizational reputation was strongly related to organizational credibility (.80) and charismatic leadership communication (.57), while charismatic leadership

communication and organizational credibility were strongly significantly related at .586, all correlations were significant at $\rho < .01$. It was therefore evident that the measurement model corresponded with the theory as indicated by a strong significance level, direction and strength of the relationship between constructs (Cohen & Cohen, 1983). It can be concluded that the nomological validity was met and the establishment of theory used in this study was confirmed.

After the measurement model achieved goodness of fit, it was converted into a structural model to test the hypotheses. Based on the results of the convergent validity and discriminant validity, there was no concern about the goodness of the final structural model used for hypotheses testing. Further, the CFA results of the modified measurement model using AMOS v21 confirmed the number of factors. The loadings of observed latent variables conformed to what was expected on the basis of pre-established theory for the proposed model.

4.6.5 Goodness of Fit of the Structural Model

When the measurement model has achieved its goodness of fit the ultimate objective this analysis to test the goodness of fit of the structural model. In this model it was hypothesized that all four variables, namely crisis responsibility, charismatic leadership communication, organizational credibility and perceived organizational reputation are significantly related. Charismatic leadership communication and organizational credibility mediate the relationship between crisis responsibility and perceived organizational reputation. It was also hypothesized that charismatic leadership communication mediates the relationship between crisis responsibility and organizational credibility. Testing the structural model sought to fulfill the research objectives of this thesis. Nine hypotheses were developed to answer the research questions that were posed in Chapter One.

The structural model of the study was then developed based on the re-specified measurement model. To test the substantive hypotheses, the final structural model was developed through first order latent constructs. In order to convert the second order construct in the measurement model to the first order construct in the structural model, the researcher needs to impute the data of all items into their second order construct, respectively. This is done through data imputation in the re-specified measurement model before converting the measurement model to the structural model. In the AMOS program, data imputation was enacted to create composite variables in SPSS. Then the composite variables were employed to establish the path diagram in the structural model. For this study, the structural model consisted of one exogenous and three endogenous latent constructs as shown in Figure 4.8 below.
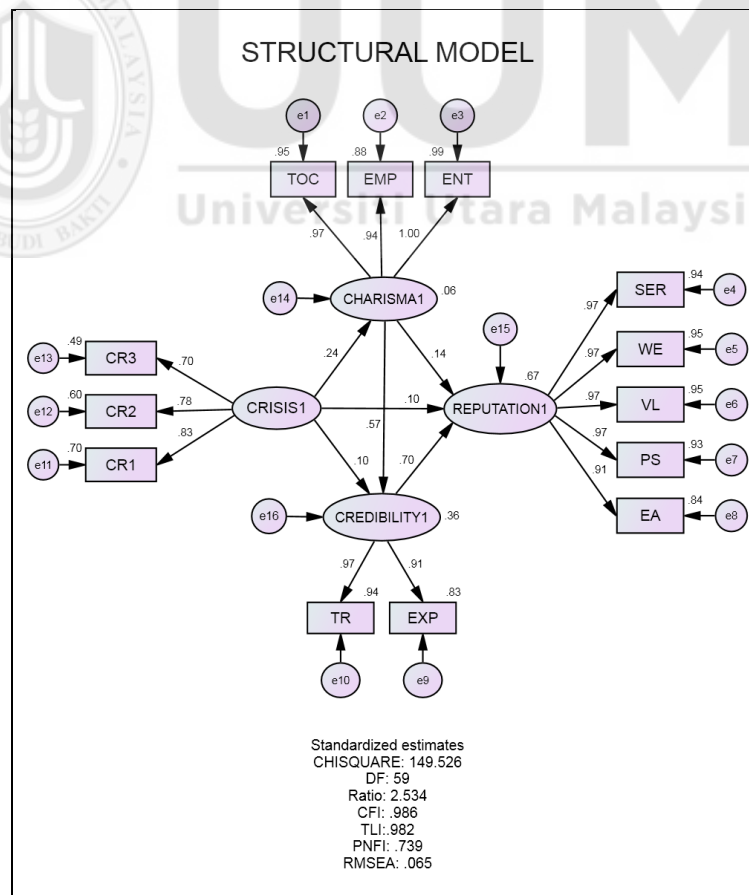
Figure 4.7. The CFA of the Structural Model for Crisis Responsibility, Organizational Reputation, Charismatic Leadership Communication and Organizational Credibility

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As shown in Figure 4.7, CRISIS1 is a first order construct consisting of three items. CHARISMA1 consists of three sub-constructs, namely TOC, EMP and ENT, while REPUTATION1 and CREDIBILITY1 consist of five (SER, WE, VL, PS, and EA) and two sub-constructs (TR and EXP), also respectively. The R² for any endogenous variables in the structural model should be equal to or greater than .10 in order to be at the satisfactory level. Likewise, Chin (1998) argued that the R² values of .67, .33, and .19 for any endogenous latent variable in any structural model can be defined as "substantial", "moderate" and "weak". As depicted in the structural model above, the values of R² for the endogenous variables, namely REPUTATION and CREDIBILITY are .67 and .36, respectively, which are greater than the suggested cut-off criterion of .10. The R² for CHARISMATIC is slightly below the cut-off value (.06), however, the main and important consideration is the acceptable cut-off value for factor loading and fitness indices which were above the satisfactory level. It can be concluded that these conditions meet the requirements of an acceptable model. Figure 4.8 indicates that the goodness of fit of the structural model fits the data well (χ^2=149.526, ρ>.01, df = 59, CFI =.99, TLI .98, NFI = .98 and RMSEA = .06). Moreover, the χ^2/ df is 2.534 which is an acceptable fit for the model. Table 4.21 summarizes the fitness indices for the measurement model and the structural model.

Table 4.21

The Summary of Fitness Indices for the Measurement Model and the Structural Model

Fitness Indices	Level of acceptance	Measurement Model	Structural Model
Chisq	$\rho > .05$	1874.775	149.526
RMSEA	< .08	.05	.06
RMR	< .08	.024	.01
CFI	> .90	.941	.986
TLI	> .90	.938	.982
NFI	> .90	.886	.978
Chisq/df	< 5.0	1.927	2.534

Table 4.21 indicates that the measurement model had achieved its minimum requirement and the fitness indices increased when the measurement model was converted to the structural model. The CFI, TLI and NFI in the structural model indicated a better fit when the second order latent variables were converted to the first order so that the path diagram among the latent variables could be tested. It was confirmed that the structural model can examine the correlation and mediation among the variables described in this study.

4.8 Hypotheses Testing

SEM analysis was used to test the nine hypotheses proposed in this thesis. The analysis results are used to either accept or reject the hypotheses based on the significance level of the standardized path coefficient of the relationships and C.R values. The results of these hypotheses are presented in the next sub-section.

4.8.1. Direct Relationships

The direct relationships in SEM are those that go directly from an exogenous latent variable to an endogenous latent variable. Subsequently, five hypotheses were proposed which were consistent with the research questions as follows:

H1: Attribution of crisis responsibility is related to perceived organizational reputation

H2: Attribution of crisis responsibility is related to the leader's demonstration of charismatic leadership communication

H3: The leader's demonstration of charismatic leadership communication is related to perceived organizational reputation

H4: Attribution of crisis responsibility is related to organizational credibility

H5: Organizational credibility is related to perceived organizational reputation

H6: The leader's demonstration of charismatic leadership communication is related to organizational credibility

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The path coefficient was used to test Hypotheses 1 to 6. Table 4.22 below depicts the direct relationships between all exogenous and endogenous variables. The strength of these relationships is represented by the estimated value of the unstandardized regression weight and the significance level for each correlation, respectively. All correlations were significant at $\rho < .05$ significance level.

Table 4.22

Relationship between Crisis Responsibility (CRISIS), Charismatic Leadership Communication (CHARISMA) Organizational Credibility (CREDIBILITY) and Organizational Reputation (REPUTATION)

Causal Path			β	S.E	t	ρ	Status
CRISIS	←→	REPUTATION	.094	.036	2.638	.008	Significantly positively related
CRISIS	←→	CHARISMA	.239	.057	4.176	***	Significantly positively related
CHARISMA	←→	REPUTATION	.137	.040	3.402	***	Significantly positively related
CRISIS	←→	CREDIBILITY	.091	.045	2.003	.045	Significantly positively related
CREDIBILITY	←→	REPUTATION	.755	.048	15.683	***	Significantly positively related
CHARISMA	←→	CREDIBILITY	.516	.044	11.761	***	Significantly positively related

The results in Table 4.22 above reveal there is a significant relationship between crisis responsibility and perceived organizational reputation (β = .094, t= 2.638, ρ < .01). Also, the results contend that while it was statistically significant, the strength of the association between the two constructs was moderate to slight, almost negligible (Hair, Money, Samuel, & Page, 2007). It is suggested then that the attribution of crisis responsibility was directly associated with perceived organizational reputation. Thus hypothesis 1 was supported.

The findings also highlighted that the attribution of crisis responsibility was positively and significantly related to the demonstration of the leader's charismatic leadership

communication (β = .239, t = 4.176, ρ < .01). These results implied that the greater the attribution of crisis responsibility, the stronger the demonstration of charismatic leadership communication by public organization leaders. The strength of the relationship was moderate to minimal. Therefore hypothesis 2 was supported.

The demonstration of the leader's charismatic leadership communication was found to be positively and significantly related to perceived organizational reputation (β = .137, t = 3.402, ρ < .01). This finding could mean that the stronger the demonstration of charismatic leadership communication shown by the leaders, the better the perception of a public organization's reputation. Therefore hypothesis 3 was supported.

There exists a significant relationship between crisis responsibility and organizational credibility (β = .091, t= 2.003, ρ < .05). This finding suggested that the attribution of crisis responsibility was directly associated with the organization's organizational credibility at a moderate to slight, almost negligible association. Thus hypothesis 4 was supported.

Another emerging result was that organizational credibility was positively and significantly related to perceived organizational reputation (β = .755, t = 15.683, ρ < .01). In the meantime charismatic leadership communication and organization credibility were significantly related (β = .516, t = 11.761, ρ < .01). These findings suggested that the stronger that employees perceived organizational credibility, the higher their perception of public organizational reputation. In other words employees who perceive their organization as credible will have a favorable perception of their organization's reputation. Likewise, a positive perception of charismatic leadership communication influences favorable organizational credibility. Therefore hypotheses 5 and 6 were supported.

Overall the construct of crisis responsibility demonstrated a slight, almost negligible relationship with other constructs such as perceived organizational reputation (.094) and

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organizational credibility (.091). A slightly stronger relationship with charismatic leadership communication (.239) was also revealed. Charismatic leadership communication indicated a weak relationship with perceived organizational reputation (.137). Based on this outcome, only organizational credibility was strongly related to charismatic leadership communication (.516) and perceived organizational reputation (.755). The results of hypotheses testing for the direct relationship are summarized in Table 4.23 below.

Table 4.23

The Results of Hypotheses Testing

No.	Hypothesis Statement	β	P	Status
H1	Crisis responsibility is related to organizational reputation	.094	.008	Supported
H2	Crisis responsibility is related to charismatic leadership communication	.239	.000	Supported
H3	Charismatic leadership communication is related to organizational reputation	.137	.000	Supported
H4	Crisis responsibility is related to organizational credibility	.091	.045	Supported
H5	Organizational credibility is related to organizational reputation	.755	.000	Supported
H6	Charismatic leadership communication is related to organizational credibility	.516	.000	Supported

Within three alternatives of significance level that are available for ρ value, the present study used the .05 level of significance as the critical level for deciding the acceptability or rejection of all hypotheses. Furthermore the statistical results of a hypothesis test can be accepted or rejected based on CR values. In this study the CR values for all findings are above the cut-off point of 1.96 which corresponded with the .05 significance level.

4.8.2 Indirect Relationship

An indirect relationship or mediating relationship is formed when a third variable mediates between exogenous and endogenous latent variables. This section examines the mediating effect of two latent constructs of this study, namely charismatic leadership communication

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and organizational credibility. Three hypotheses were proposed for the mediating variables as follows:

H7: Charismatic leadership communication significantly mediates the relationship between crisis responsibility and perceived organizational reputation

H8: Charismatic leadership communication significantly mediates the relationship between crisis responsibility and organizational credibility.

H9: Organizational credibility significantly mediates the relationship between crisis responsibility and perceived organizational reputation.

To verify hypotheses 7, 8 and 9, Structure Equation Modeling (SEM) was employed. Baron and Kenny's (1986) causal steps approach to test mediation based on the charismatic leadership communication construct and organizational credibility were applied in this study. Additionally, Hayes (2009) suggests that performing mediation with the bootstrapping technique will determine the mediating variable's effect in a structural model. As Bauer, Preacher, and Gil (2006) note, such bootstrapping techniques allow researchers to capture partial mediation approaches used in non-experimental studies. The mediation results are discussed in the following sub-section.

4.8.2.1 Crisis Responsibility and Organizational Reputation: Testing Charismatic Leadership Communication as Mediator

In order to test for the mediation effect in this study, a mediation model was developed. This model consists of three composite variables, namely CRISIS1, CHARISMA1 and REPUTATION1. Figure 4.8 below depicts the mediating model using composite variables to illustrate the relationship between the constructs.

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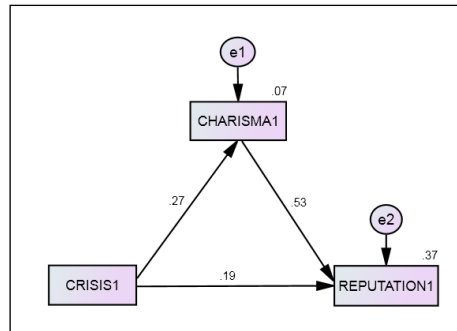
Figure 4.8. Mediation Model for Crisis Responsibility, Organizational Reputation and Charismatic Leadership Communication

Figure 4.8 presents the standardized regression weight for the mediating effect of charismatic leadership communication in the relationship between crisis responsibility and perceived organizational reputation, while Table 4.24 depicts the correlations between the constructs in the mediation model. The mediation model for charismatic leadership communication did fit, which is consistent with Hu and Bentler's (1999) guidelines.

Table 4.24

Structure Equation Modeling Results of Charismatic Leadership Communication as a Mediator

Model	Total effects		Fixed effects
	X --- Y	X – M	M – Y
	Model 1	Model 2	Model 3
Dependent variables	Y: Reputation	M: Charismatic Leadership Communication	Y: Reputation
Step 1: Independent variables			
Crisis Responsibility	.347* *(c)*	.288* *(a)*	.197* *(c')*
R^2	.108	.071	.371
Step 2: Mediator			
Charismatic Leadership Communication			.570* *(b)*, *.339*
R^2	.108	.071	.371
Change R^2	-	-.037	.30

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Based on Table 4.24, the results of the X – Y model (Model 1) showed that crisis responsibility significantly and positively related to reputation (c = .347, $t = 6.653$, p<.01). R^2 for Model 1 was .108. Results for the X – M model (Model 2) confirmed that crisis responsibility significantly and positively related to charismatic leadership communication (α = .288, t = 5.300, p<.01). R^2 for Model 2 was .071. As indicated by Model 3, after charismatic leadership communication was included in the model (b = .570, t = 13.714, $p <$ .01), crisis responsibility remained positively and significantly related to reputation but the regression weight was reduced (ć = .197, $t = 4.332$, $p < .01$). The overall R^2 of the mediation test was .371. Table 4.25 below presents the direct, total and indirect effects of all variables in the mediation model.

Table 4.25

Direct, Total and Indirect Effects of Variables in the Mediation Model (CHARISMA-REPUTATION)

	CRISIS	CHARISMA
Direct effects		
CHARISMA	.288/.267	
	(.171/.414)	
REPUTATION	.197/.186	.522/.532
	(.094/.306)	(.412/.627)
Total Effects		
CHARISMA	.288/.267	
	(.171/.414)	
REPUTATION	.347/.328	.522/.532
	(.225/.486)	(.412/.627)
Indirect Effects		
CHARISMA		
REPUTATION	.150/.142	
	(.090/.225)	

Note. The first value is the unstandardized effect. The second value is the standardized effect. Values in parentheses are the 95% confidence intervals for the unstandardized effects. P < .01 for all effects

When crisis responsibility was an independent variable, the indirect effect was significant in the hypothesized model as the outcome, $E(a_jb_j) = .150$, $p < .01$, *SE* = 0.29, 95% CI

[.090, .225] based on 19 iterations. 37% of variance was accounted for by employees'
perceptions of organizational reputation via charismatic leadership communication. The
results demonstrated that: firstly, crisis responsibility was related to organizational
reputation; and secondly, charismatic leadership communication partially mediated the
relationship between crisis responsibility and reputation. Thus hypothesis 7 was
supported.

4.8.2.2 Crisis Responsibility and Organizational Credibility: Testing Charismatic Leadership Communication as Mediator

This model consists of three composite variables, namely CRISIS1, CHARISMA1 and
CREDIBILITY1. Figure 4.9 below presents the mediating model using composite
variables to depict the relationship between the constructs.
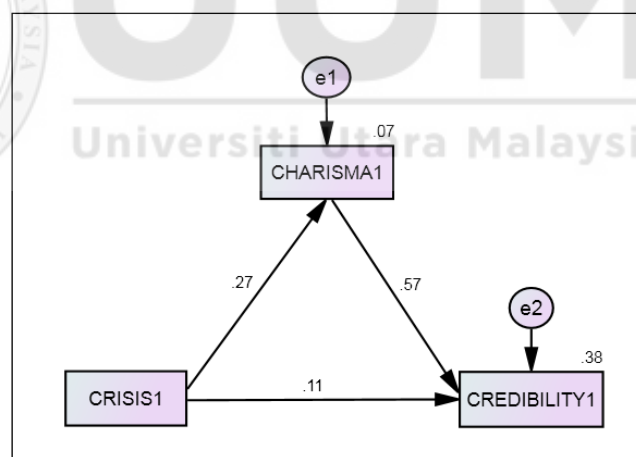
Figure 4.9. Mediation Model for Crisis Responsibility, Charismatic Leadership
Communication and Organizational Credibility

Figure 4.9 also illustrates the standardized regression weight for the mediating effect of
charismatic leadership communication in the relationship between crisis responsibility
and organizational credibility. Below, Table 4.26 depicts the correlations between the
constructs in the mediation model.

Table 4.26

Structure Equation Modeling Results of Charismatic Leadership Communication as a Mediator

Model	Total effects		Fixed effects
	X --- Y	X – M	M – Y
	Model 1	Model 2	Model 3
Dependent variables	Y: Organizational credibility	M: Charismatic Leadership Communication	Y: Organizational credibility
Step 1: Independent variables			
Crisis Responsibility	.258* *(c)*	.288* *(a)*	.110* *(c')*
R^2	.071	.071	.378
Step 2: Mediator			
Charismatic Leadership Communication			.542* *(b), .366*
R^2	.071	.071	.366
Change R^2	-	-	.295

Based on Table 4.26, the results of the X – Y model (Model 1) showed that crisis responsibility significantly and positively related to organizational credibility (c = .258, t = 5.309, p<.01). R^2 for Model 1 was .071. Results of X – M model (Model 2) showed that crisis responsibility significantly and positively related to charismatic leadership communication (α = .288, t = 5.309, p<.01). R^2 for Model 2 was .071. As indicated in Model 3, after the charismatic leadership communication construct was included in the model (b = .514, t = 13.459, p < .01), crisis responsibility remained positively and significantly related to reputation but the regression weight was reduced (c'= .110, t = 2.665, p < .01). The overall R^2 of the mediation test was .366. Table 4.27 presents the direct, total and indirect effects of all variables in the mediation model.

Table 4.27

Direct, Total and Indirect Effects of Variables in the Mediation Model (CHARISMA-CREDIBILITY)

	CRISIS	CHARISMA
Direct effects		
CHARISMA	.288/.267	
	(.171/.414)	
CREDIBILITY	.110/.114	.514/.575
	(.027/.204)	(.397/.628)
Total Effects		
CHARISMA	.288/.267	
	(.171/.414)	
CREDIBILITY	.258/.267	.514/.575
	(.146/.385)	(.397/.628)
Indirect Effects		
CHARISMA		
CREDIBILITY	.148/.153	
	(.088/.222)	

Note. The first value is the unstandardized effect. The second value is the standardized effect. Values in parentheses are the 95% confidence intervals for the unstandardized effects. P < .01 for all effects

When crisis responsibility was an independent variable, the indirect effect was significant in the hypothesized model as the outcome, $E(a_j b_j) = .148$, $p < .01$, $SE = .032$, 95% CI [.088, .222] based on 19 iterations. This meant that 38% of variance was accounted for by employees' perceptions of organizational reputation through organizational credibility. The results demonstrated that: firstly, crisis responsibility was related to organizational credibility; and secondly, charismatic leadership communication partially mediated the relationship between crisis responsibility and organizational credibility. Thus hypothesis 8 was supported.

4.8.2.3 Crisis Responsibility and Organizational Reputation: Testing Organizational Credibility as Mediator

Figure 4.10 below shows the mediating model for organizational credibility in the relationship between crisis responsibility and perceived organizational reputation. The

model was developed using three composite variables as represented by CRISIS1, CREDIBILITY1 and REPUTATION1 to depict the mediation effect among the constructs.
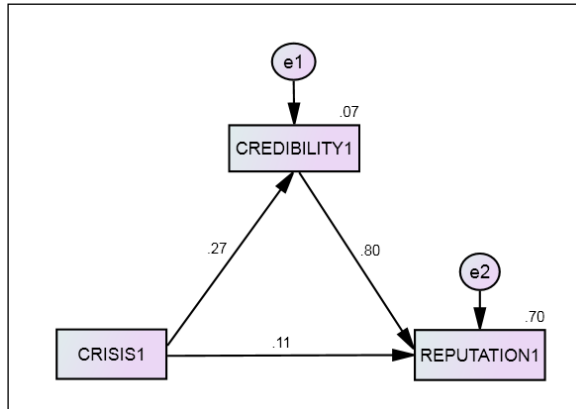
Figure 4.10. Mediation Model for Crisis Responsibility, Organizational Reputation, and Organizational Credibility

As presented in Figure 4.10, the standardized regression weights depict the relationship between crisis responsibility, organizational credibility and perceived organizational reputation (.27, .80 and .11), respectively. In the meantime Table 4.28 depicts the correlations between the constructs in the mediation model.

Table 4.28

Structure Equation Modeling Results of Organizational Credibility as a Mediator

Model	Total effects		Fixed effects
	X --- Y	X – M	M – Y
	Model 1	Model 2	Model 3
Dependent variables	Y: Reputation	M: Organizational credibility	Y: Reputation
Step 1: Independent variables			
Crisis Responsibility	.347* *(c)*	.258* *(a)*	.122* *(c')*
R^2	.108	.071	.70
Step 2: Mediator			
Organizational credibility			.908* *(b)*, *.688*
R^2	.108	.071	.70
Change R^2	-	-.037	.629

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Based on Table 4.28, the results of the X – Y model (Model 1) show that crisis responsibility significantly and positively related to perceived organizational reputation (c = .347, *t* = 6.653, p<.01). R^2 for Model 1 was .108. Results of the X – M model (Model 2) revealed that crisis responsibility significantly and positively related to organizational credibility (α = .258, *t* = 5.309, p<.01). R^2 for Model 2 was .071. As indicated in Model 3, after the organizational credibility construct was included in the model (*b* = .874, *t* = 26.924, *p* < .01), crisis responsibility remained positively and significantly related to reputation; however, the regression weight was reduced (*c'* = .122, *t* = 3.868, *p* < .01). The overall R^2 of the mediation test was .70. Table 4.29 below presents the direct, total and indirect effects of all variables in the mediation model.

Table 4.29

Direct, Total and Indirect Effects of Variables in the Mediation Model (CREDIBILITY-REPUTATION)

	CRISIS	CREDIBILITY
Direct effects		
CREDIBILITY	.258/.267	
	(.146/.386)	
REPUTATION	.122/.115	.874/.799
	(.051/.189)	(.807/.940)
Total Effects		
CREDIBILITY	.258/.267	
	(.146/386)	
REPUTATION	.347/.328	.874/.799
	(.225/.486)	(.807/.940)
Indirect Effects		
CREDIBILITY		
REPUTATION	.226/.213	
	(.126/.338)	

Note. The first value is the unstandardized effect. The second value is the standardized effect. Values in parentheses are the 95% confidence intervals for the unstandardized effects. P < .01 for all effects

When crisis responsibility was an independent variable, the indirect effect was significant in the hypothesized model as the outcome, $E(a_j b_j)$ = .226, *p* < .01, *SE* = .044, 95% CI [.126,

.338] based on 19 iterations. This indicated that 70% of variance was accounted for by employees' perceptions of organizational reputation through organizational credibility. The results demonstrated two things: firstly, crisis responsibility was related to organizational reputation; and secondly, organizational credibility partially mediated the relationship between crisis responsibility and perceived organizational reputation. Thus hypothesis 9 was supported.

4.8.2.4 Reconfirming the Testing of Mediation Effects using Bootstrap Procedure

In order to reconfirm Baron and Kenny's causal steps, bootstrapping procedure was executed for all mediation variables. As proposed by Cheung and Lau (2008) the usual number of bootstrap samples should be 500 to 1000. In the present study the bootstrapping sample was 5000 with bias-corrected confidence interval at 95% as suggested by MacKinnon et al. (2002, 2004). The mediation test results using bootstrapping are summarized in Table 4.30 below.

Table 4.30

Bootstrap Result of Charismatic Leadership Communication and Organizational Credibility in the Mediation Model

Path coefficient			Standardized Indirect Estimates	S.E	Lower Bound	Upper Bound	P
CHARISMA	←→	REPUTATION	.142	.029	.089	.203	.01
CREDIBILITY	←→	REPUTATION	.213	.044	.125	.299	.01
CHARISMA	←→	CREDIBILITY	.153	.032	.095	.220	.01

The proposed hypotheses of mediation are validated when the indirect effect is significantly different from zero. The results of the bootstrapping as shown in Table 4.30 above implied that the standardized indirect estimates for all mediators were between the value of lower and upper bound while the confidence interval (CI)

excludes zero (Hu & Wang, 2010). All estimates were significant at ρ < .01. Table 4.31

below summarizes the results for hypotheses 7, 8 and 9.

Table 4.31

The Results of Hypotheses Testing for the Mediating Variables

No.	Hypothesis Statement	β	P	Status
H7	Charismatic leadership communication mediates the relationship between crisis responsibility and perceived organizational reputation	.186	.01	Partially Supported
H8	Charismatic leadership communication mediates the relationship between crisis responsibility and organizational credibility	.114	.01	Partially Supported
H9	Organizational credibility mediates the relationship between crisis responsibility and perceived organizational reputation	.115	.01	Partially Supported

Table 4.31 shows that the standardized path coefficient between charismatic leadership

communication, crisis responsibility and organizational reputation is .186, ρ > .01.

Meanwhile the standardized path coefficient between charismatic leadership

communication, crisis responsibility and organizational credibility was .114, ρ > .01.

The standardized path coefficient between organizational credibility, crisis

responsibility and organizational reputation was .115, ρ > .01. These results seemed to

suggest that both charismatic leadership communication and organizational credibility

partially mediated the relationship between crisis responsibility and organizational

reputation, and that charismatic leadership communication also partially mediated the

relationship between crisis responsibility and organizational credibility. Thus the results

supported the partial mediation of hypotheses 7, 8 and 9.

4.9 Accomplishment of Research Questions and Objectives

4.9.1 Answers to the Research Questions

Based on the problem statement presented in Chapter One, three research questions were put forward. Briefly reiterated, the first research question asks whether relationships exist between the four main variables, namely crisis responsibility, charismatic leadership communication, organizational credibility and perceived organizational reputation. The second and third research questions ask whether charismatic leadership communication and organizational credibility mediate the relationship between crisis responsibility and perceived organization reputation.

Six hypotheses were advanced for the direct relationship and three hypotheses were put forward for the mediating variables. The empirical findings demonstrate that all variables are positively and significantly related. Both charismatic leadership communication and organizational credibility did mediate the relationship between crisis responsibility and perceived organization reputation. Thus all the direct and indirect hypotheses were accepted which positively answered the research questions put forward in Chapter One.

4.9.2 Achievement of Research Objectives

The research objectives were developed to answer the research questions in this study. To recall, the first research objective set out to investigate the relationship between crisis responsibility, charismatic leadership communication, organizational credibility and perceived organizational reputation. The second research objective was to examine the mediating effect of charismatic leadership communication and organizational credibility in the relationship between crisis responsibility and perceived organization reputation. The third research objective aimed to determine the mediating effect of charismatic leadership

communication in the relationship between crisis responsibility and organizational credibility.

From the findings, the acceptance of nine hypotheses tested in the study was a clear indication of the accomplishment of the research objectives. The first objective was completed once the relationships between the main constructs had been examined, while the second and third objectives were achieved after the mediating roles of the mediating variables were determined. Based on the empirical evidence presented in the earlier sections, it can be concluded that the research objectives were achieved once the questions has been successfully answered.

4.10 Chapter Summary

This chapter presented data analysis and findings for the study. A total of 368 usable samples in the data set obtained from respondents in two public sector organizations were analyzed using two statistical techniques, specifically SPSSv21 and AMOS ver21. Descriptive statistics of respondents' demographic factors and variables confirmed that the sample data was meaningful for achieving the objectives of this thesis. Upon completing the steps for SEM assumptions, the instruments were verified through CFA where validity and reliability of the measurement model were measured. These tests' results provided evidence for the appropriateness of the measurement instruments. The steps taken in the data analysis process set out to test the hypotheses through a structural model analysis. The final structural model with a perfectly good fit and indicated the causal relationship among the exogenous and endogenous latent variables.

The major empirical findings revealed that in public sector organizations in Malaysia, perceived organizational reputation appeared to have been directly and indirectly influenced by crisis responsibility, charismatic leadership communication and

organizational credibility significantly. There was also a statistically significant and direct positive relationship between crisis responsibility with charismatic leadership communication and organizational credibility. Moreover, the findings showed that both charismatic leadership communication and organizational credibility, to a certain degree, partially mediated the relationship between crisis responsibility and organizational reputation. Furthermore charismatic leadership communication mediated the relationship between crisis responsibility and organizational credibility. This evidence, the theoretical contributions and practical implications of the findings will be discussed in the next chapter.

CHAPTER FIVE

DISCUSSION AND CONCLUSIONS

5.1 Introduction

Reputation of the public organization not only depends on the service performance and professionalism of the main players in the sector, but also as a result of excellent crisis management where strong charismatic leadership communication and organizational credibility are evident. A well managed crisis will preserve a good reputation as well as maintain credibility and stable leadership. As crises in public organizations mostly involve national security, government authority or intelligence matters (Rosenthal, 2003), outstanding leadership communication is essential. In particular situations, crises become a platform for public heroism, while in other circumstances; they drag leaders down (Langewiesche, 2002). Whichever occurs, it is crucial that in the long run the functions and role of public administration as well as the organizational reputation are reaffirmed. In an attempt to better understand the impact of crises on a public organization's reputation; this research focuses on crisis situations in public sector agencies to address the lack of attention given to this sector. Also considered is how it integrates with other crucial organizational constructs such as charismatic leadership communication and organizational credibility. The findings offer an empirically validated conceptual framework of crisis communication and reputation that includes four variables: crisis responsibility, charismatic leadership communication, organizational credibility and public organizational reputation. These will be discussed further in this chapter.

This chapter is structured into six sections. The first section begins with an introduction and the second provides a discussion on the direct and indirect research hypotheses based on the empirical evidence of the research findings. The third section presents the

contributions from the theoretical, methodological, and practical perspectives; the fourth section outlines the limitations of the present study. The fifth section highlights the practical implications and, subsequently, offers recommendations for practicing managers and highlights directions for future research. This chapter ends in the final section with a summary of the overall discussion.

5.2   Discussion of the Research Findings

This section provides a thorough discussion on the empirical evidence of the findings for the present study. It begins with a review of the research results followed by an in-depth deliberation and justification of the findings. Based on a theoretically-driven structural model, a total of nine research hypotheses were tested. Elaborations of the findings led towards accomplishing the research objectives. The discussion of the findings is sequenced in two sub-sections based on direct and indirect hypotheses.

5.2.1 Discussion of Direct Hypotheses

Six direct hypotheses were advanced in this study to test the correlation between four variables, i.e. crisis responsibility, charismatic leadership communication, organizational credibility and organizational reputation. Path coefficient in structural equation modeling analysis was examined to determine the relationships between them. All hypotheses (H1, H2, H3, H4, H5 and H6) advanced were supported following the existence of a relationship between constructs with strength ranging from high to slight relationships. An in-depth discussion of the findings is presented in the following sub-sections.

5.2.1.1. Correlation between crisis responsibility and perceived organizational reputation

The first hypothesis (H1) of the study investigated the relationship between the attribution of crisis responsibility by public sector organizations' employees and their perceptions of

organizational reputation. As discussed in the previous chapter, the findings indicated a slight, significant relationship between crisis responsibility and organizations' perceived reputation. The finding reveals that employees' perceptions of their workplace's reputation are positively related to the attribution they made on crisis responsibility. Results imply that the higher the attribution of crisis responsibility made to the organization, the better that organizational reputation is perceived. This is especially true because in reality, the course of the crisis is still unknown and yet the organization has taken appropriate actions in managing it (Annual Report, 2012; The Star, 8 June 2014).

This finding supports previous research by Coombs and Holladay (2010, 2006), Holladay (2009), Weber, Erickson, and Stone (2011) and Wester (2009) on the association between crisis responsibility and organizational reputation. It is also evident from this study that crisis is one of the factors that can have a direct impact on their reputations (Coombs, 2006; Coombs et al., 1995; Watson, 2007). This study also supports Helm and Tudolf's (2013, 2009) more recent findings that strong organizational reputation can reduce the impact of a crisis, thus explaining the weak relationship between crisis responsibility and organizational reputation in the present study.

The findings of the present study also reinforce the SCCT framework developed by Coombs (2007, 2012), who argues that the attribution of crisis responsibility will affect the perception of an organization's reputation. Nevertheless, our results differ from previous studies in terms of the direction and strength of the relationship. The association between crisis responsibility and organizations' perceived reputation in the present study was found to be positively related with a minimal impact on strength. This study suggests that while the attribution of crisis responsibility by public servants increases, their perceptions of MACC's reputation also improve slightly and vice-a-versa. The positive direction of the

relationship between crisis responsibility and organizational reputation indicates that the employees perceive a crisis with an internal origin as more controllable than a crisis with an external origin and, thus, assign higher attribution of responsibility for crises with internal origins (Coombs, 2011).

However, since the cause of the crisis in the present study is unknown, or still under investigation, the findings may suggest that employees feel that if a crisis was managed successfully and was controllable, organizational reputation would be secured. This explains Coombs and Holladay's (2006) argument that a strong reputation could be used to reduce the impact of negative outcomes which can also create a halo effect that protects an organization during a crisis. In this study, employees' positive perceptions may be due to the fact that they think the crisis as something that is manageable and can be controlled.

Crisis responsibility as the predictor in the study indicates that even though the origin of the crisis is unknown and to date, the cause is still uncertain, public servants view circumstances, not MACC, as being responsible for the crises. As noted by Marconi (2002, p.114) "a bad reputation does not necessarily mean that the organization is at fault; it means a widespread perception exists that the organization is guilty". Thus, internal perceptions suggest that employees know the organization better than outsiders. Since they are the internal stakeholders, employees are often able to recognize whether the organization is at fault or are being victimized and discredited by another party such as a special-interest group (Marconi, 2002). Referring to the contextual crisis selected for this study, it shows that the public servants or government officials felt that an incident involving MACC, close media scrutiny and political controversy were all manageable. They did not perceive their organization's reputation as being tarnished by the crisis.

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5.2.1.2 Correlation between crisis responsibility, charismatic leadership communication and perceived organizational reputation

These findings were meant to determine hypotheses two (H2) and three (H3) of the study. Hypothesis two (H2) in the present study aimed to investigate the relationship between the attribution of crisis responsibility by public sector organizations' employees and charismatic leadership communication of the leaders in MACC. The study revealed that there were significant relationships between the two constructs; therefore Hypothesis H2 was supported. The finding indicates that as the government servants made attribution to crisis responsibility, they also perceived that the MACC leaders exhibited stronger charismatic leadership communication while dealing with the crisis. Even though the link between the two constructs was minimal, the relationship was significant. The finding suggests that the higher the attribution of crisis responsibility toward the organization, the stronger the demonstration of charismatic leadership communication made by the leaders.

The present study supports previous findings by Walter and Bruch (2009), Madlock (2008), Choi (2006) and Pillai (1996) who found that crisis situations affect leaders' behavioral charisma significantly. Furthermore Seeger, Sellnow and Umer (2003) and Gibson, Ivancevich, and Donnelly (2000) have found a slim possibility of positive crisis outcomes such as the emergence of charismatic leadership communication behavioral exhibited by the major leaders. This explains the urgent need for leadership in critical times which generates the emergence of charismatic leadership communication (Pillai, 1996; Waldman, Bass, Yamamrino, 1990) and also the need to utilize the human side of public organizations (O'Toole et al., 2009) that will make a difference in the crisis outcome (Townsend & Nassoppo-Mayo, 1996). Employees working in a crisis situation were more receptive of the charismatic leader's new vision, thus allowing for more charismatic leadership communication to be demonstrated (Hackman & Johnson, 1996). This finding also

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supports the notion that a crisis situation is one significant contextual antecedent of the charismatic leadership behavior as suggested by Walter and Bruch (2009), Coombs (2007), Bligh et al. (2004), Halverson et al. (2004a) and Halverson et al. (2004b). In line with findings from previous research, this study suggests that situational context does influence the impact on reputation where charismatic leadership communication is most likely to emerge when the crises involve national or political issues (Bligh et al., 2005). These circumsstances place great responsibility on the government.

Hypothesis three (H3) tested the relationship between charismatic leadership communication and public organizational reputation. The result shows a strong, significant relationship between the two constructs. As expected, employees' perceptions of their leaders' demonstration of charismatic leadership communication increases, aligned with their favorable perception regarding organizational reputation. In both situations, charismatic leadership communication appears to be an important construct in reducing the negative impact of the crisis as well as helping to secure organizational reputation.

This result agrees with Davis' (2012) recent finding that a leader's use of charismatic rhetoric is strongly, positively related to a leader's effectiveness in crisis management. Davis' (2012) findings on the relationship between a leader's charismatic rhetoric and perceptions of that person's effectiveness in managing a crisis are influenced by the use of charismatic communication. The finding also supports Men and Stack (2013), Babarinsa (2013) and Van der Jagt (2005), who contend that charismatic leadership influences employees' perceptions of organizational reputation through specialized communication behaviors and styles. Thus, the notion that the role of charismatic leadership communication is one influential factor in the attribution of charismatic

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leadership (Meng, Berger, Gower, & Heyman, 2012) is evident here. It reaffirms the extended SCCT theoretical framework proposed in Chapter Two.

As this study asserted, putting a human face to a crisis is important as it shows the emotional appeals that genuinely focus on the victims' well-being, which can give the crisis a more human and positive image (Kim & Cameron, 2011). Exhibiting charismatic leadership communication behavior as a strategic tool in managing crises has successfully framed internal stakeholders' perceptionss of their workplace. When leaders appear in public with clear emotions, motivation to solve the problem and empathy, they build confidence among internal stakeholders that their organization is not at fault and that they are fully commited to solving the crisis (Littlefield & Quennette, 2007; Lucero et al., 2009). This is especially true because leaders are held responsible for the crisis solution, through his or her charismatic leadership communication style and actions. Crisis leaders not only communicate the crisis news, but also master the situation by showing emotional appeal charismatically. The results are also in line with Stephens et al. (2005) where charismatic leadership communication reduces damage by crafting crisis messages, furnishing information and communicating the immediate risks as well as procedures to mitigate threats to reptuation.

5.2.1.3 Correlation between crisis responsibility, organizational credibility and perceived organizational reputation

Hypothesis four (H4) determined the relationship between crisis responsibility and organizational credibility while hypothesis five (H5) tested the relationship between organizational credibility and organizational reputation. The findings revealed a weak relationship between crisis responsibility and organizational credibility. However, there exists a strong, positive relationship between organizational credibility and reputation. The

findings can be interpreted that when employees perceive their organization as credible, the attribution they make on crisis responsibility is low. On the other hand, when they perceive their organization as credible, their perceptions concerning organizational reputation is high. As such, the attribution of an organization's crisis responsibility is weak when the corporate credibility is strong as suggested by Helm and Tolsdorf (2013). The findings support studies by Coombs and Holladay (2006, 2010), Jin and Yeo (2011) and Roberts (2009) that organizational credibility influenced the crisis outcome. These findings also support Coombs' (2012) assertion that strong organizational credibility can protect institutions from a severe impact, likewise, good organizational reputation increases their credibility (Arpan & Roskon-Ewoldsen, 2005). In addition, the study is in line with previous findings that the perception of crisis is linked to the level of trust individuals have in organizations (Crosby & Johnson, 2006). The findings also posit that a credible organization has a bigger opportunity to survive during its difficult times as Kouzes and Posner (2012) state. Indeed, organizations that lack positive credibility suffer more compared to organizations that receive public trust and confidence.

Nonetheless, the finding is in contrast with that made by Houston and Harding (2013), who find there is negative perception of state and local governments due to a crisis in public trust. Also, a strong perception of organizational credibility in this study contradicts the perception regarding credibility of public organizations, which has been found to actually decline (Houston & Harding, 2013). One possible reason for this contradiction is due to the type of crisis or its origin as researched in this study. Compared to previous studies on crisis that are focused on general public perceptions rather than internal employees (Houston & Harding, 2013), one plausible reason for these interesting findings is the familiarity of the respondents with the organization discussed here. Accordingly, the finding is consistent with previous research where organizational credibility is related to

organizational reputation (Coombs, 2012; Roberts, 2009; Herbig & Milewicz, 1995; Mahon & Wartick, 2003). These results imply that employees who perceive MACC as a credible organization also favor it with a good reputation.

5.2.1.4 Correlation between crisis responsibility, charismatic leadership communication and organizational credibility

Hypothesis six (H6) suggests that charismatic leadership communication is linked to organizational credibility. The finding reveals that charismatic leadership is a significant predictor of organizational credibility. While there are many other factors contributing to organizational credibility such as performance management, charismatic leadership communication appears to be considerably prominent influence on organizational credibility with a moderate to strong relationship (.52, p> .01). The results can be interpreted in several ways. First, employees who perceive their leaders as possessing and practicing charismatic leadership communication also perceive their organization as credible. Second, there is a chance that a favorable perception of charismatic leadership communication increases employees' positive responses to organizational credibility due to the interactions they experience with their leaders. Likewise, a perception that the organization is untrustworthy is due to public employees' distrust of those (leaders) who are expected to fulfill their communication expectations. The results are in line with previous studies on charismatic leadership and trust and organization credibility, for example Battaglio and Condrey (2009), Choudhury (2008) and Park (2012). This finding also supported previous results such as those in Fairhurst (2007) who found that interactions shaped organizational outcomes; interacting charismatically will contribute to the credibility of the organization, and the statement that credible organizations are led by credible leaders (Kouzes & Posner, 2012) holds true. Furthermore the notion that communication between leaders and members contributed to worthwhile organizational

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outcomes as suggested by Bakar et al. (2010), and the role of leadership communication in building employees trust by Park (2012) and Wang and Hsieh (2013), is further strengthened in this study.

5.2.2 Discussion of Indirect Hypotheses

Succinctly, the present study advanced three indirect hypotheses for testing. Two hypotheses (H7 & H8) proposed the mediating effect of charismatic leadership communication and one hypothesis (H9) proposed organizational credibility as the mediating variable. After carefully reviewing the leadership communication literature, it is safe to suggest that this is the first attempt to examine the charismatic leadership communication construct as a mediating variable in a study of organizational reputation. All three hypotheses were partially supported. The empirical investigation suggests that charismatic leadership communication and organizational credibility partially mediated the relationship between crisis responsibility and organizational reputation. In essence, the present research was successful in determining that charismatic leadership communication and organizational credibility have an association with crisis responsibility and were able to mitigate the reputational threats following a crisis.

5.2.2.1 Mediation effect of charismatic leadership communication in the relationship between crisis responsibility and public organization reputation

At the macro level, the mediating effects of perceived charismatic leadership communication on organizational reputation clearly support the notion that communication preserves and protects an organization's valuable reputation (Coombs, 2007). In this study, the central role of charismatic leadership communication in the organizational reputation processes is reflected in employees' perceptions: a stronger demonstration of charismatic leadership communication by their leaders resulted in a more favorable evaluation of their

organization's reputation. Charismatic leadership communication dimensions such as task-oriented communication, empathy and enthusiasm are found to directly influence perceived organizational reputation in the structural model. The findings indicate that the impact of crisis responsibility on organizational reputation varied according how charismatic leadership communication was perceived. In the context of organizational reputation, the findings also show that the crisis leader's ability to communicate charismatically shaped the way the public employees perceive organizational reputation (Jamal & Bakar, 2015). The demonstration of charismatic leadership communication while assuming the responsibility for the organization during a crisis (Littlefield & Quennette, 2007) influences the stakeholders' favorable perceptions of the organization's reputation (McDonald, Sparks, & Glendon, 2010).

In the context of managing a crisis, an official spokesperson will communicate the crisis response strategy messages to the organization's stakeholders. As O'Rourke (2004) concludes , leaders should be the leading communicator or the 'leading face' of the organization, and should be the 'ultimate reputation manager' due to having a charismatic nature that can minimize reputational damage. While understanding the situational factors of the crisis to determine the response strategies is essential, it is proven that charismatic leadership communication also plays an important role in communicating the process of handling the crisis event. While reputational threats are being circumvented, a leader who demonstrates stronger charismatic leadership communication in the response stage is more effective in controlling and eliminating a crisis (Hale at al., 2005; Kakavogianni, 2009; Coldwell et al., 2012; Turk et al., 2012). This study supports previous findings by Chong (2004) and Keefe and Darling (2008) that to successfully navigate crisis events requires planning and strategic leadership. More importantly, the finding reinstates Choi's (2006) ideas that the aspects of charismatic leadership communication are related to organizational

reputation during uncertain conditions. As evident in this study, in the process of communicating a crisis news, charismatic leaders express a high emotion through verbal communication and exemplary behavior. It is suggested that task oriented, empathetic and enthusiastic leaders communicate through verbal persuasion, and verbal recognition has helped the agency's employees form a collective identity in this study. Leaders' strong emphasis on empathy promotes oneness, which contributes to the shaping of public employees' favorable perceptions of bothcharismatic communication and organizational reputationy.

5.2.2.2 Mediation effect of charismatic leadership communication in the relationship between crisis responsibility and organizational credibility

Based on the findings of this study, crisis responsibility is positively related to organizational credibility which is in line with previous research (Coombs, 2012; Kouzes & Posner, 2012; Roberts, 2009). Inclusion of the mediating effect of charismatic leadership communication does influence the relationship between the two constructs. Understandably, outstanding charismatic leadership communication would add value to crisis responsibility, organizational credibility and its reputation as well (Park & Cameron, 2014). In support of other analyses, this finding states that organizations with good leadership communication would enhance the credibility of their messages delivered to the public and develop a good sense of trust, which is critical to the institution's power and legitimacy (Avery & Kim, 2001). This level of trust has been associated with the level of acceptance to organizational information (Michaelis, Stegmaier & Sonntag, 2009) which is reflected in the findings of this study.

Excellent charismatic leadership leads to several outcomes in organizations and has an extraordinary impact on employees' perceptions of their workplace's reputation

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(Laohavichien, Fredendall, & Cantrell, 2009). Thus, outstanding organizational credibility is certainly derived from reliable and charismatic leadership communication being practiced. Subsequently, the findings strengthen Jin and Yeo's (2011) argument that leadership communication, and organizational credibility are inextricably linked because they contribute to a leader's ability to direct and make important decisions during a crisis.

5.2.2.3 Mediation effect of organizational credibility in the relationship between crisis responsibility and perceived organization reputation

The present study delved into the role of organizational credibility in the relationship between crisis responsibility and an organization's reputation as researched by Coombs and Holladay (2010), Park and Cameron (2014) and Roberts (2009). It is found in their research that assuming crisis responsibility will help secure the organization's reputation by strengthening its credibility. This is done through the implementation of strategic crisis communication plans that are perceived to be credible and trustworthy. The finding in the present study showed that organizational credibility partially mediated the effect of crisis responsibility on organizational reputation. The positive perception of organizational credibility in this study may be due to: firstly, the employees' belief that the organization's information on the crisis was genuine; and secondly, it was based on the organization being responsible for the problem and not just focused on profit, as asserted by Moore et al. (1994) and Sparkman (1982). As suggested by previous research, employees' belief is crucial in determining organization credibility (Baksh-Mohammed et al., 2006; Coombs, 2012, 2014; Cornelius, 2004). This finding strengthens the previous research that source credibility and trustworthiness are the key to message acceptance (Avery & Kim, 2008) when the agency's employees perceive their organization to be truthful.

The finding also indicates that employees' trust in the organization is of utmost importance especially when it is facing a crisis. Such trust will secure the employees' support and act as the backbone to the organization when facing a probing media and worried public (Liu et al., 2012). However, trust must be cultivated and nurtured and it takes longer to establish. In doing so, it is crucial for an organization to instill credibility which in turn, will garner trust from its employees. As Walker and Kent (2013), Mishra (1996) and Coombs (2012) suggest, to enhance organizational credibility, organizations should facilitate the development of a favorable reputation.

Here it can be seen that agency's reputation is reflected in its employees' perceptions of its credibility in communicating genuine, factual messages to its internal public. Agency's employees believe their organization acts in a trustworthy, firm, discretionary, trustful and transparent manner without compromising personal or material benefits, as often stated in their corporate bulletins. Evidence for the agency's integrity is based on the principles of freedom, transparency, and professionalism, especially through the management of high profile cases and the educational initiatives in correcting systems and procedures. Its success has been practical and this is testimony to how it works. Integrity is interpreted as honesty, truthfulness and reliability, which is in line with trustworthiness, a component of credibility. The central role of organizational credibility in the organizational reputation processes is reflected in the Commission being perceived as trustworthy, communicating clearly, honest, and reliable information as well as making truthful claims with regard to the TBH incident. Employees assessing MACC's credibility in the present study perceived it as possessing great expertise in terms of much experience in handling crises and credible in conveying crisis messages.

According to Hovland et al. (1953), with reference to credibility, trustworthiness consists of seriousness and compatibility between verbal statements and actions. Thus, when an organizations 'walks the talk' employees see actions which are in line with their aspirations. Applying this notion to agency's credibility, internal stakeholders, especially the employees, are more likely to perceive the Commission as telling the truth when it portrays itself as being credible. This perception is in line with outstanding credibility based on the agency's achievements in 2012 which were due to the level of responsibility, commitment and zeal of every member of the agency. This success was further reflected in the improved CPI score of 4.9 as compared to 4.4 in 2011 and 4.3 in 2010, which was also due to the co-operation from the public and not forgetting the government's support in implementing various initiatives (*Anti-Corruption Initiatives in Malaysia,* 2012).

The establishment of strong organizational credibility is crucial in order to achieve the Commission's objective to strengthen confidence and enhance domestic and international perceptions of the effectiveness of the MACC in managing crises. The agency's ongoing initiatives to communicate the crisis messages to its employees cultivate employees support, which is believed to have formed the employees' positive perception of its reputation. In line with previous research, organizational credibility indicates that communication (crisis messages) affects how stakeholders perceive the organization in a crisis (Hearit, 2001). Stakeholders believe the organization's side of the story when they trust it as being credible (Sobehart, 2014; Jin & Yeo, 2011; Parker, 2007) especially when they experience all the possible strategic and tactical initiatives taken by the agency to rebuild trust and to restore its reputation.

5.3 MACC Crisis Management Initiatives in Building Reputation: The Central Role of Charismatic Leadership Communication and Organizational Credibility As Mediators in the Organizational Reputation Processes

There is a widespread perception that MACC is responsible for the TBH incident leading to an investigation of the public sector organization's reputation and credibility in the present study. However, the findings here showed a considerably favorable response for MACC's reputation following the TBH's scandal. This section reflects the justification for the perceptions made by the agency's employees. In order to understand the reasons behind the positive evaluation, it is worth considering the efforts taken by the Commission to manage its reputation. It is possible that the favorable perception of MACC's reputation is due to the excessive public relations initiatives implemented through its Corporate Communication Unit (CCU), which concentrated on improving the image of the agency througout Malaysian society. Through its CCU, effective action plans were executed in the area of public relations and strategic communications through close collaboration with the media, community leaders and non-governmental organizations. Through continuous public relations initiatives following a crisis, the CCU focuses on building and strengthening a favorable perception of the agency from both internal stakeholders and the public (Annual Report 2012, 2013). The initiatives included ensuring clear communication within the MACC, media management and excessive use of communication channels.

5.3.1 Communicating Messages Clearly

By communicating clear messages that are timely and accurate for the employees, MACC is able to instill confidence as well as frame a favorable perception that it is doing its best in managing the crisis professionally. The efforts include guiding and advising the directors and senior leaders on how to conduct effective public relations during crisis situations (Annual Report, 2013). The CCU has taken pro-active measures in preparing the leaders

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with current and accurate information to ensure that the agency's leaders are 'in the know' at all times. This is evident through positive employees' evaluations of their leaders' charismatic communication. The leaders not only appear charismatic but also equipped with essential knowledge regarding the crisis.

It is essential for organizations to craft crisis messages before communicating them to the public. Previous research has indicated that the way organizations crafted their crisis messages and is then reported in the media, shape the perceptionof the organization (Coombs & Holladay, 2010; Stephens et al., 2005). In crafting crisis messages, the CCU ensures that the content provides both accurate information as well as emotional support for the public affected; similar to what Coombs' (2011) calls for instructing and adapting information. Crisis messages with emotional appeals were found to be positively related to the employees' emotional responses (Kim & Cameron, 2011). In addition, Sisco (2012), Fortunato (2008) and Weber (2011) suggest that an organization crafts communication to build confidence and trust in its organizational reputation. MACC's communication efforts may have built employees' belief when their high expectations for clear-and-exhaustive communications to explain the crisis are met. As found in this study, by framing the crisis news, not only was the agency able to convince its employees, but also to shape their perceptions of the organization being a victim on the crisis as well.

5.3.2 Media Management through Media Relations

Through prompt media responses, CCU takes a responsive and proactive approach in responding to complementary as well as challenging issues regarding the TBH incident. This includes implementing and managing media relations activities, monitor, analyze and report accurately to the media on relevant issues related to the issues, establish close collaboration with media practitioners, obtain views and feedback from media as well as

public relations practitioners on rising issues, and managing media crises (Annual Report, 2012). Both the MACC and AG offices continuously respond to the media (The Star, 12 February 2014 and 29 March 2014) to instill public confidence in their organization. Through excellent media management and a well-planned and effective implementation of action plans, the agency successfully developed a favorable reputation in the eyes of its employees as evident in the findings of this study.

5.3.3 Excessive Use of Medium of Communication

MACC has continuously communicated with its public strategically by utilizing several communication channels. For internal stakeholders, face-to-face communication such as regular meetings, briefings, and online communication such as emails, are frequently used to convey their messages. Meanwhile, the general public is communicated to through both electronic and printed media, such as official portals, blogs, Facebook, Twitter, Flickr and the short messaging delivery system (EMS). As the central source for crisis information, the agency is consistent and persistent in providing news to employees. To ensure that the employees are furnished with the latest updates, the CCU team has equipped the organization with as many communication channels as possible, including social media. Social media is "an umbrella term that is used to refer to a new era of Web-enabled applications that are built around user-generated or user-manipulated content, such as wikis, blogs, podcasts, and social networking sites" (Park & Cameron, 2014; Pew Internet & American Life Project, 2010).

Recent studies have indicated that the function of social media has expanded from merely networking to management, and that includes crisis communication management (Jin, Liu & Austin, 2014; Park & Cameron, 2014). The role of social media in organizational crises has become apparent since the public, including employees, now actively use social media

to seek knowledge (Pew Internet & American Life Project, 2006). The use of social media by the CCU in MACC is timely and in line with the current practice in delivering crisis information as there is emerging support for the usage of social media and acceptance of its messages. This has increased the level of credibility of crisis messages (Procopio & Procopio, 2007; Sweetser & Metzgar, 2007). Specifically, the use of Twitter as a crisis information channel has proved to be effective (Briones, Kuch, Liu, & Jin, 2011; Smith, 2010). Thus, the utilization of intensive channels may help to shape the evaluation stated in this study. As Schultz, Utz, and Goritz (2011) have suggested, in crisis communication, the employment of the right medium may be more important than the content of the message itself.

Recognizing the increase in use of social media, the CCU of MACC has gone to great lengths to ensure that this tool and its advantages were optimized strategically in order to combat unfavorable perceptions or criticisms of the agency following the TBH incident. In 2012 the Commission embarked on creating its own social media channels on 'YouTube' (www.youtube.com/ odvmacc), 'Twitter' (www.twitter.com/odvmacc) and 'Flickr' (www.flickr.com/photos/ourdiffrentview). Viewing materials such as speeches by MACC's senior management, as well as public figures commenting or addressing on corruption issues, are uploaded on the 'Youtube' channel (Annual Report, 2012). Thus, it can be stated that the intensive role of CCU is to maintain the reputation of MACC by shaping employees' favorable perceptions of it throughout these difficult times. As Craig, Olaniran, Scholl, and William (2006) highlight, communication strategy and the channels frequently used in the pre- and post-crisis communication is crucial in managing a dangerous situation. MACC has clearly taken proactive steps in combating the risk of a bad reputation accordingly. Regardless of whether the organization is found guilty or not, the level of crisis responsibility attributable to the organization determines the extent of the

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communication efforts it must undertake (Wester, 2009). In this regard, the agency's efforts to show its commitment in managing the crisis as well as securing their reputation has been successful.

5.3.4 Judicial Code of Ethics 1994

According to the TBH inquest results, employees' perceptions can be interpreted as believing the Malaysian judicial system ensures that its judges do their duties and carry out their responsibilities based on the prescribed code of ethics. Judges found to have breached any of the codes stated in the Judicial Code of Ethics 1994 may constitute grounds for the removal of a judge from office (*Anti-Corruption Initiatives in Malaysia,* 2012). Such codes are designed to ensure that decisions by judges do uphold justice and bring honor to the judiciary. Furthermore, the code serves to enhance the effectiveness, efficiency, independence and transparency in the judiciary. Responding to bloggers' claims that the judicial system favors the government in managing this crisis (Chan, 2009), the AG stressed that the case will be prosecuted should the evidence warrant it (Tariq, 2014; *The Malay Mail,* 8 Sept 2014), a sign of adherence to the Code in managing the TBH case.

5.3.5 International Recognition of MACC's Charismatic Leadership Communication and Organizational Credibility

Jin and Yeo (2011) assert that senior leaders' reputations are directly and closely related to organizational credibility. This can be seen through the recognition received by the MACC from international bodies confirming its credibility and being led by a well-reputed person. The Chief Commissioner of MACC, since assuming the leadership of the Commission in January 2010, has faced immense challenges as well as obstacles experienced by the MACC in fulfilling its core duties and responsibilities in eradicating corruption. Relating their strong claim to the present study, the appointment of Chief Commissioner Tan Sri

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Abu Kassim Mohamed as Board of Governors Vice-President of the International Association of Anti-Corruption Authorities (IAACA) in Vienna, Austria in 2013 for six consecutive years, does confirm worldwide recognition for MACC's integrity, charismatic leadership and credibility. Previously, Tan Sri Abu Kassim bin Mohamed was nominated by the Ethisphere Institute as the fourth out of the world's 100 most influential people in business ethics practices. This demonstrates the outstanding charismatic leadership communication of the Chief Commissioner and strong credibility of the organization that he presents.

Subsequently on 1st May 2012, MACC Senior Assistant Commissioner Mohd Hafaz Nazar from the Investigation Division reported for duty as a Criminal Investigation Officer with the Interpol Anti-Corruption Sub-Directorate, headquartered in Lyon, France. These appointments have elevated the Commission to the next level in the eyes of the international community (Annual Report, 2013). These appointments prove that the agency's credibility in terms of trustworthiness and expertise coupled with outstanding integrity, has been clearly communicated and is internationally recognized.

5.4 Research Contributions

Research contributions for the present study are presented from three different perspectives, namely theoretical contributions, methodological contribution and practical contributions. These are explained in more detail below.

5.4.1 Theoretical Contributions

The present study enriches the literature in crisis communication and reputation management by proposing an extended framework of previous studies. Theoretically, this study contributed to the expanding of SCCT by incorporating charismatic leadership communication and organizational credibility as mediating variables influencing the impact

of crisis on organizational reputation. It was evident in this study that the interaction between crisis responsibility, organizational reputation and credibility led to a different outcome, thus enriching the framework of studying reputation management. The structural mediation model approach in the present study suggests that the traditional leadership approach, focusing solely on managerial charismatic leadership, may be inadequate. Rather, the effectiveness of a leader is likely the result of his or her communication ability through task-oriented communication, enthusiasm and empathy during a crisis, which complements the managerial communication aspect of leadership. Furthermore, for all internal stakeholders, charismatic leadership communication and organizational credibility are perhaps the most important antecedents to organizational reputation.

Most charismatic leadership models were investigated from managerial aspects of leadership that revolved around non-interpersonal activities such as planning, organizing, decision-making, problem-solving, and controlling (De Vries et al., 2010; Levine, 2008; McCartney & Campbell, 2006). Using an extended SCCT framework, charismatic leadership communication was accounted for by measuring communication perspectives in terms of a leader's task-oriented communication, enthusiasm and empathy. The three dimensions of charismatic leadership communication are directly influenced by the relationship between crisis responsibility and organizational reputation. Thus the mediation model was empirically developed and tested.

Likewise, in the theoretical model, organizational credibility was explained in terms of trustworthiness and expertise as the mediating variable influencing the relationship between crisis responsibility and organizational reputation. The two dimensions of credibility have influenced the relationship between crisis responsibility and organizational reputation by mitigating the negative impact following a crisis. The empirical support for

positive benefits of credibility tested in a contextual factor serves as further evidence to the fact that credibility in organizations is useful, as it leads to employees' favorable perceptions in times of crisis.

The present study offers to the academic scholarship a wider scope of crisis communication and organizational reputation in Asia. Although the organizational credibility and charismatic leadership communication style-based model is derived from relevant findings based upon predominantly Western research, this study empirically tested the model (theoretical framework) with a Malaysian sample. Thus, communication-centeredness and Situational Crisis Communication Theory's (SCCT) principles exhibited some degree of cross-cultural validity. Nonetheless, the mediation model of perceived charismatic leadership communication and organizational credibility likely belies the richness of the workplace culture in Malaysian organizations in which coordination, mutual help, work task integration, and concerted pursuit of goals are the norm (Bakar et al., 2014; Bakar & Sheer, 2013).

Academically, this study contributes to expanding our knowledge of crisis communication, organizational reputation and leadership by enriching the literature with the latest review on these important topics, supplemented by recent real life examples. The extended theoretical framework of SCCT offers new perspective in understanding complex organizational reputation. This study proposes a new direction in managing crisis and reputation by utilizing invaluable organizational resources, namely charismatic leadership and organizational credibility.

5.4.2 Methodological Contributions

Using AMOS software, a methodological contribution of this research also lies in the validation of construct and testing of research hypotheses using the structural equation

model (SEM). Crisis responsibility, charismatic leadership communication, organizational reputation and organizational credibility as latent constructs were also measured simultaneously. This is different to the current practice where these constructs are individually measured using SPSS or SAS, hence the link between constructs cannot be scientifically analyzed. These constructs were also measured through public sector employees' perceptionsor, unlike previous studies where perceptions were usually measured in the private sector.

5.4.3 Practical Contributions

Practically, the findings of the present study make important contributions to practicing managers, especially in public sector organizations. By offering a new mechanism in managing crisis and secure organizational reputation, our findings will provide a better understanding on the role of charismatic leadership communication and organizational credibility in managing reputation. Suggestions and directions forwarded could equip managers and leaders with better strategies when facing a crisis. These findings contribute to the practicing managers in several ways.

First, the results shows that, public sector employees in Malaysia perceive charismatic leaders differently than employees in the West in terms of leadership communication behaviors. Respondents in this study perceived that the leaders, who they characterized as charismatic, demonstrated traits such as "always be a good public speaker, uses active language, uses powerful language, and is task oriented" (Levine et al., 2010). Previous studies in Western nations indicated that charismatic leaders were perceived as poised, skillful speakers, goal-oriented, and comfortable when engaged in public speaking. Still, both Western and Asian respondents exhibited some similar traits in that they perceived their charismatic leaders as having the ability to empathize with others, be enthusiastic,

have definite ideas and ask others to their share opinions. However, the differences and similarities of leaders' charismatic communication traits were evaluated in two different situations and purposes. Previous studies identified communication behaviors to define charismatic communication, while the present study assessed charismatic communication demonstrated by leaders while managing a crisis.

Second, practicing managers and organization leaders can use communication to shape perceptions of crisis responsibility by framing crisis news through charismatic leadership communication. The study also suggests that a leader who demonstrates communication behaviors such as being positive, understanding the victims' feelings and expressing genuine concerns, and being able to empathize with the victims during crisis influences perceptions of organizational reputation.

Third, charismatic leadership communication is both inborn and acquired. While some people are born talented and gifted, there are traits that can be acquired through learning and practices to complement the skills. Organizations often provide training for soft skills including communication skills. The present study then suggested that leadership training can consider enhancing charismatic leadership communication by providing specific training for leaders. The focus of training should be to enhance the three aspects of charismatic leadership communication, namely task orientation, empathy and enthusiasm.

Fourth, in addressing the issues of the stakeholders involved, a leader's use of appropriate body language often indicates positive communication, thus helping to ease a difficult situation. This finding supports the conclusions of Holladay and Coombs (2001, 1994), and Levine et al. (2010) , who find that nonverbal communication of a charismatic leader is important for bringing forth the emotional side of that leader during a crisis. Organizations in crisis may want to consider emphasizing more on non-verbal communication to express

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emotional support to employees and convey the message that the workplace is on their side. Practically, understanding employees is helpful in order to build a close bond between organizations and their employees.

Finally, this study adds value to practicing managers and crisis handlers because it identifies specific strategies in credibility building used by decision-makers during a crisis. Furthermore, it provides a more comprehensive set of crisis handling skills than earlier research has provided.

5.5 Limitations

The finding of this study , although they shed some light on the betterment of crisis and reputation management, should still be considered in light of research processes, namely in terms of methodological and generalizability limitations. These are set out in more detail below.

5.5.1 Methodological Limitations

First, the purpose of the present research is limited to investigating the relationship among crisis responsibility, organizational reputation, charismatic leadership communication and organizational credibility. Thus, other variables that have the potential to influence the relationships among these variables are not examined. For example, this study does not measure environmental factors such as organizational culture and climate that may affect the way in which Malaysians perceive organizational reputation compared to Westerners.

Second, this study employs only a quantitative methodology. While it is appropriate and suffices to meet the research objective, deeper understanding on the findings through in-depth interviews is not covered. Third, the cross-sectional nature of the data presented here does not eliminate the possibility that causal relationships described in the model could be reversed. Although our additional tests helped us rule out the reversal causation

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statistically, experimental and longitudinal research may be necessary to establish true causation.

Fourth, the measurement instruments used in this study have been revised to suit the public sector. Even though the validity of the instruments employed is acceptable for the present study, revalidation is necessary so as to establish the measurement especially in a situational context. Also, the charismatic leadership communication measures (Levine et al., 2010) adopted in this study treated the construct largely as the overall leader communication style. Alternative measures can be developed to examine a collection of specific leader communicative behaviors.

Finally, the last methodological limitation is related to potential issues of all constructs through perception due to attribution errors in assessing others (superiors, organization). Perceptions are always subjective and liable to cognitive biases. In addition, in the present study, the locus of control which is often referred to as crisis origin, is uncertain (whether the crisis began in an internal or external organizational issue will affect attribution of responsibility) and in the TBH case, the cause is unknown. There is still no definite conclusion on the cause of the incident. Therefore this study is conducted merely based on employees' perceptions that may deviate from what actually had happened.

5.5.2 Generalizability Limitations

The scope of the study has been narrowed down to a public sector organization, specifically one in a given situational context. Therefore, the findings may not be applicable to private sector organizations or those experiencing a different type of crisis. Likewise, the sample was restricted to only Malaysian respondents. Thus, the findings of the present study are limited to employees in public organizations in Malaysia. The findings from other parts of the economy may differ. Also, public sector organizations in

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other countries which hold different values may produce different results, which will lead to invalid outcomes. Therefore, the empirical evidence from this study may not be generalized to another sector or country. Nevertheless, organizations across sectors and countries sharing the same values and culture may benefit from the findings, especially in the Asian region where many similarities to those public sector organizations in Malaysia are evident.

5.6 Recommendations

Having discussed the research findings and their limitations, the present study proposes a few recommendations, both for practicing managers and also for academicians to further explore.

5.6.1 Directions for Managers

In essence, the main recommendations from this study are related to the central role of charismatic leadership communication in the organizational reputation processes. The dynamic nature of charismatic leadership communication can change reputational outcomes directly and change the impact level of crisis responsibility on organizational reputation. Policy-makers and senior management in public organizations need to consider the charismatic leadership communication aspects of a leader, as well as their organizational credibility, while combating a crisis. The findings in this present study suggest that charismatic leadership communication and organizational credibility are related to each other and to a certain degree, influence the organizational outcomes. Thus, failure in maximizing the use of charismatic leadership communication while strengthening organizational credibility may be detrimental to organizational reputation during a crisis. This study suggests that during a crisis, a leader should initiate and communicate with internal stakeholders using critical interpersonal aspects of leadership communication, both

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verbal and nonverbal, to strengthen organizational reputation. More importantly, it suggested that charismatic leadership communication and organizational credibility contributed to organizational reputation, by explicitly bringing charismatic leadership communication to the forefront of organizational reputation management.

5.6.2 Directions for Future Research

This study examined only organizational reputation, and other outcomes may be equally relevant to the model. Springer (2008) contends that strengthening credibility involves a reassessment of organizational culture and re-engagement of the media and repositioning of key stakeholders. Thus, it is recommended that future research should probe further as to whether charismatic leadership communication and organizational credibility, too, influence the relationships between crisis responsibility and other possible key organizational reputation outcomes. These include, for example, leader-member relationship, communication and job satisfaction, task commitment, organizational change, and employees' loyalty. Future research could also record and content-analyze the actual interactions between senior or executive management instead of middle managerial level employees. The study also suggests revalidating the modified reputation Quotient instrument with other non-profit organizations in Malaysia. Samples with respondents from other countries should be considered to enhance the generalizability of the model. Finally, for management training purposes, future research could profitably investigate specific communication acts and behaviors that managers and organization members consider during a crisis. Through charismatic leadership communication training, organizational outcomes could be enhanced.

Linking to the contextual crises selected for this study, the conclusion can be made that employees feel that an incident involving their workplace, close media scrutiny and

political controversy were all manageable and did not tarnish their perception of their organization's reputation. A more likely explanation is that the causal relationship is reversed. That is, when organizations face greater attribution for a crisis, they are more likely to be concerned about their reputation. However, it is necessary to highlight that, employees in this study did make a weak attribution of crisis responsibility of which the crisis origin is as yet undetermined. This situation leaves unanswered a vital question for future analyses, which is to assess the direction of the causal relationship found in the present study.

5.7 Summary of the Study

The aim of this study is to measure employees' perceptions of MACC's reputation. Even though these perceptions are formed in the public domain, this study focused on the public sector employees' evaluation of the Commission's reputation and credibility. This is solely because they work in it and will be directly affected by negative perceptions, as evident in most alternative media and blogs. Like many other organizations, employees and other internal stakeholders know the organization better than the outsiders, so measuring their perceptions is essential. This study attempts to reflect how MACC, through its charismatic leadership communication and organizational credibility, earns the trust and confidence of its employees in times of crisis, which is further reflected in its reputation.

The present study chooses the situational crisis communication theory to develop its theoretical framework. Originating in attribution theory, the SCCT has been widely used in crisis communication research to test the link between crisis situation and crisis response strategies. In an attempt to expand the SCCT further, as well as to better understand the organizational perspectives while in crisis, this study proposed a structural model in which charismatic leadership communication and organizational credibility partially mediated the

relationship between crisis responsibility and perceived organizational reputation. The findings offer an empirically validated conceptual framework of crisis communication and reputation that includes three variables: crisis responsibility, charismatic leadership communication and perceived organizational reputation. A somewhat surprising finding is that employees' perceptions of their organization's reputation are positively related to the attribution they made of crisis responsibility. Even though the finding does contrast that of Coombs and Holladay (2002, 2004, 2010), in that they consistently indicate crisis responsibility is negatively related to organizational reputation, it aligns with their (Coombs & Holladay, 2006) and Helm and Tudolf's (2013) argument that an outstanding reputation could mitigate the risk and secure organization from crisis threats. Employees' positive perceptions may be due to the fact that they perceive the crisis as something that is manageable and could be controlled by the organization.

A reputation is not stagnant but changes over time (Clardy, 2005). Through a dynamic process of corporate communication, it is hoped that by incorporating the meaningful constructs in this study, it will help organizations to move from having a good to a better reputation. As suggested by Cheung (2013), a crisis is merely a perception, and ultimately, public perception is reality. This is held true as MACC's reputation and credibility in the eyes of government officials implies a favorable support for MACC to get through the difficult times. Taking into consideration the level of international recognition received by the MACC, these outstanding achievements clearly have served as a development of 'reputational capital'.

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Appendices

Appendix 3.1

Research Questionnaire

<table>
<tr>
<td colspan="2">College of Arts and Sciences
Universiti Utara Malaysia</td>
<td>**SURVEY**

FORM</td>
</tr>
<tr>
<td colspan="3" align="center">*A survey on*
Crisis Responsibility and Perceived Organization Reputation</td>
</tr>
<tr>
<td colspan="3">***Project Description and Invitation***
This survey is conducted by Jamilah Jamal as part of her doctoral degree requirements. This research project is supervised by Professor Madya Dr. Hassan Abu Bakar of Department of Communication, School of Multimedia Technology and Communication, UUM.

The purpose of this study is to investigate the relationship between crisis responsibility and organizational reputation. Findings of this study are expected to benefit organizations and serves as a guideline on how to mitigate the reputational threats during crisis. Therefore, you are invited to participate in this study. You are under no obligation to accept this invitation. However, your contribution will be valuable and much appreciated.
Project Procedures
The estimated completion time for this questionnaire is an average of 10-15 minutes. Please complete the questionnaire and return it to the address below. If you have any other concerns about this project you are welcome to contact the researcher or her supervisor at the contact details given below. Thank you.</td>
</tr>
<tr>
<td colspan="3" align="center">***Contact Details***
JAMILAH JAMAL
School of Multimedia Technology and Communication
College of Arts and Sciences
Universiti Utara Malaysia
06010 Sintok, Kedah
Tel: 04-9285921 (Office); 019-9131 299 (Mobile), Email: jamilah@uum.edu.my</td>
</tr>
<tr>
<td colspan="3" align="center">YOUR RESPONSES ARE VERY IMPORTANT FOR THE ACCURACY OF THIS STUDY. ALL INFORMATION IS TREATED AS **STRICTLY CONFIDENTIAL** AND WILL BE USED FOR THIS STUDY ONLY. YOUR COOPERATION IS HIGHLY APPRECIATED.</td>
</tr>
</table>

General information

This survey consists of six printed pages. The structure of this survey is divided into five sections:
Part I : Crisis Responsibility
Part II : Organizational Reputation
Part III : Charismatic Leadership Communication
Part IV : Organizational Corporate Credibility
Part V : Personal Information

General instructions

To qualify yourself to answer this questionnaire, you must be:
1. Working with an organization that has had a crisis experience
2. An executive level and above
3. Have been reporting to the present superior for at least three months to be familiar enough to evaluate his/her charismatic leadership communication.

If you fulfill the above requirements, please proceed to answer the questionnaire. Otherwise kindly return this questionnaire unfilled.
Please answer ALL questions.

The results of the project may be published, but you may be assured of the complete confidentiality of data gathered in this investigation. To ensure your confidentiality, NO identification of participants and their organization will be disclosed.

Thank you.
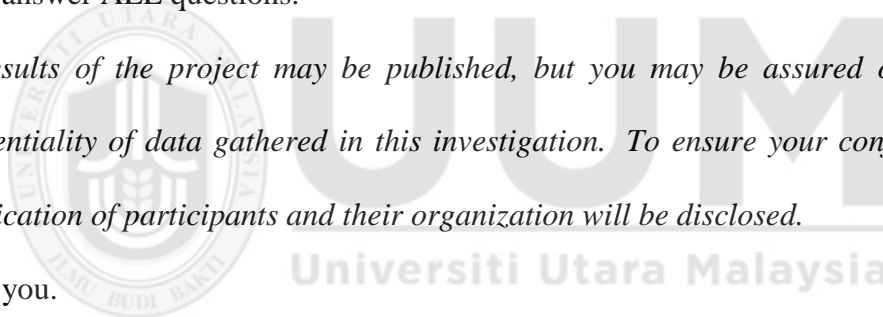
Please read the scenario given below.

Crisis Scenario

A non-employee was assisting an investigation while he was found dead at the office of a government agency sometimes in 2009. He was a witness of an allegation of a corruption. The Royal Commission of Inquiry (RCI) was established to investigate into the cause of his death while under the agency's custody. (http://www.nst.com.my). The case is still on trial up to the time of this survey.

Based on the scenario, please relate the incident when you respond to the Part 1 of the questionnaire.

PART I: CRISIS RESPONSIBILITY

1	2	3	4	5
Strongly Disagree			⟶	Strongly Agree

Refer to the most pertinent crisis that your organization has had experienced. Based on scale of 1 to 5 (1=Strongly disagree;5=Strongly agree), please circle the best answer that represents your perception about your organizational crisis.

1.	The cause of the crisis was something the organization could control	1	2	3	4	5
2.	The cause of the crisis was something the organization could have controlled	1	2	3	4	5
3.	The cause of the crisis is something that is manageable by the organization	1	2	3	4	5
4.	The cause of the crisis is something over which the organization had power	1	2	3	4	5
5.	The blame for the crisis lies with the organization	1	2	3	4	5
6.	The blame for the crisis lies in the circumstances, not the organization	1	2	3	4	5

PART II: ORGANIZATIONAL REPUTATION

Based on scale of 1 to 5 (1=Strongly disagree;5=Strongly agree) please circle the best answer that represents your perception about your organization reputation.

1. I have a good feeling about the organization	1	2	3	4	5
2. I admire and respect the organization	1	2	3	4	5
3. I trust this organization	1	2	3	4	5
4. This organization stands behind its products and services	1	2	3	4	5
5. This organization develops innovative products and services	1	2	3	4	5
6. This organization offers high quality products and services	1	2	3	4	5
7. This organization offers products and services that are good value for money	1	2	3	4	5
8. This organization has excellent leadership	1	2	3	4	5
9. This organization has a clear vision for its future	1	2	3	4	5
10. This organization recognizes and takes advantage of market opportunities	1	2	3	4	5
11. This organization is well managed	1	2	3	4	5
12. This organization looks like a good company to work for	1	2	3	4	5
13. This organization looks like a company that would have good employees	1	2	3	4	5
14. This organization supports good causes	1	2	3	4	5
15. This organization is an environmentally responsible company	1	2	3	4	5
16. This organization maintains a high standard in the way it treats people	1	2	3	4	5

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PART III: CHARISMATIC LEADERSHIP COMMUNICATION

1	2	3	4	5
Strongly Disagree				Strongly Agree

Based on scale of 1 to 5, please circle the best answer that represents your perception about charismatic leadership communication of your leader(s).

1.	The leader has a confident communication style.	1	2	3	4	5
2.	Is influential.	1	2	3	4	5
3.	Is a good public speaker	1	2	3	4	5
4.	The leader uses active language.	1	2	3	4	5
5.	The leader is poised.	1	2	3	4	5
6.	The leader communicates a sense of involvement with the subject matter.	1	2	3	4	5
7.	Is a skillful speaker.	1	2	3	4	5
8.	The leader is positive.	1	2	3	4	5
9.	The leader is enthusiastic.	1	2	3	4	5
10.	The leader uses powerful language.	1	2	3	4	5
11.	The leader is persuasive.	1	2	3	4	5
12.	The leader is goal-oriented.	1	2	3	4	5
13.	The leader is motivational.	1	2	3	4	5
14.	The leader has definite ideas.	1	2	3	4	5
15.	The leader is likely to achieve the goals that he/she sets out to accomplish.	1	2	3	4	5
16.	The leader communicates well both verbally and nonverbally.	1	2	3	4	5

17. The leader is task oriented.	1	2	3	4	5
18. The leader asks others to share opinions.	1	2	3	4	5
19. The leader listens well.	1	2	3	4	5
20. The leader can empathize with others.	1	2	3	4	5
21. Is genuine.	1	2	3	4	5
22. Understands other people's feelings.	1	2	3	4	5
23. Can put others at ease.	1	2	3	4	5

PART IV : ORGANIZATIONAL CREDIBILITY

1	2	3	4	5
Strongly Disagree		→		Strongly Agree

Based on scale of 1 to 5, please circle the best answer that represents your perception about your organization corporate credibility.

1. The organization has a great amount of experience	1	2	3	4	5
2. The organization is skilled in what they do	1	2	3	4	5
3. The organization has great expertise	1	2	3	4	5
4. The organization does not have much experience	1	2	3	4	5
5. I trust the organization	1	2	3	4	5
6. The organization makes truthful claims	1	2	3	4	5
7. The organization is honest	1	2	3	4	5
8. I do not believe what the organization tells me	1	2	3	4	5

PART V : PERSONAL INFORMATION

Please check (/) or write down your answer where appropriate.

1. Please specify your organization's name
   _____

2. Please tick your position level
   ☐ Executive   ☐ Middle Managerial   ☐ Director and above

3. How long have you been working with the organization?
   _____ years OR _____ months (if less than one year)

4. How long have you been reporting to the present leader?
   _____ years OR _____ months (if less than one year)

5. Have you been assigned to manage crisis in your organization?
   ☐ Yes   ☐ No

6. Are you currently a member of crisis team management in your organization?
   ☐ Yes   ☐ No

7. Please state your ethnicity
   ☐ Malay   ☐ Chinese   ☐ Indian   ☐ Other (Please state) _____

8. Please state your age
   _____ years

9. Please specify your gender
   ☐ Male   ☐ Female

Thank you for taking your time to complete this questionnaire. Your assistance in providing this information is very much appreciated. Please check to make sure that you have not skipped any questions inadvertently.

Appendix 4.1

Respondents' Demographic Profiling

Frequencies

		Organization	Position	Tenure	Crisis Exp	CMT	Qualification	Ethnic	Age	Gender	R_Tenure
N	Valid	368	368	368	368	368	368	368	357	368	368
	Missing	0	0	0	0	0	0	0	11	0	0
Min		1	1	1	0	0	1	1	23	1	1
Max		2	3	39	1	1	4	4	58	2	5

Frequency Table

Organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPRM	247	67.1	67.1	67.1
	KPKK	121	32.9	32.9	100.0
	Total	368	100.0	100.0	

Position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Executive	304	82.6	82.6	82.6
	Middle Managerial Level	58	15.8	15.8	98.4
	Director and above	6	1.6	1.6	100.0
	Total	368	100.0	100.0	

Crisis Exp

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	225	61.1	61.1	61.1
	Yes	143	38.9	38.9	100.0
	Total	368	100.0	100.0	

CMT

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	270	73.4	73.4	73.4
	Yes	98	26.6	26.6	100.0
	Total	368	100.0	100.0	

Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor Degree	334	90.8	90.8	90.8
	Masters Degree	19	5.2	5.2	95.9
	Doctor of Philosphy	3	.8	.8	96.7
	Professional Certificate	12	3.3	3.3	100.0
	Total	368	100.0	100.0	

Ethnic

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay/Bumiputra	335	91.0	91.0	91.0
	Chinese	13	3.5	3.5	94.6
	Indian	11	3.0	3.0	97.6
	Other	9	2.4	2.4	100.0
	Total	368	100.0	100.0	

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	165	44.8	44.8	44.8
	Male	203	55.2	55.2	100.0
	Total	368	100.0	100.0	

Work_Tenure

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	166	45.1	45.1	45.1
	2	123	33.4	33.4	78.5
	3	28	7.6	7.6	86.1
	4	21	5.7	5.7	91.8
	5	30	8.2	8.2	100.0
	Total	368	100.0	100.0	

Rec_Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	4.1	4.2	4.2
	2	110	29.9	30.8	35.0
	3	114	31.0	31.9	66.9
	4	57	15.5	16.0	82.9
	5	22	6.0	6.2	89.1
	6	39	10.6	10.9	100.0
	Total	357	97.0	100.0	
Missing	System	11	3.0		
Total		368	100.0		

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Appendix 4.2

Mean, SD and Variance for Age and Working Tenure of Respondents

Statistics

		Tenure	Age
N	Valid	368	357
	Missing	0	11
Mean		8.32	34.62
Std. Error of Mean		.407	.404
Median		6.00	33.00
Mode		4	30
Std. Deviation		7.798	7.639
Variance		60.811	58.354