

# The Impact of Transformational Leadership on Nurse Psychological Empowerment

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## Abstract

**Background and Objectives:** Despite increasing attention toward the employee empowerment, there is little data on cognitive and psychological processes increasing, predicting, and determining the employee empowerment and the organizational variables affecting this construct, particularly in the healthcare context. To help bridging this gap, this study examined the impact of transformational leadership on psychological empowerment of nursing staff.

**Methods:** In a questionnaire-based study, all the nurses of a multi-specialty health facility, Moheb Hospital, were surveyed. Standard questionnaire of Hancott on transformational leadership and Spreitzer's questionnaire on Psychological empowerment were used to develop the relevant survey instruments. The internal consistency reliability of the survey instruments was examined using Cronbach's alpha. Structural equation modeling was used to test the study hypotheses.

**Findings:** Our results showed the strong impact of transformational leadership on nurse psychological empowerment and its dimensions, including 'meaning', 'competence', 'self-determination', and 'impact'.

**Conclusions:** Our study recommends that hospital administrators develop transformational leadership skills by getting relevant training and promote such skills in intermediate supervisors, particularly head nurses, to psychologically empower the nursing staff, thereby achieving higher patient satisfaction and hospital performance.

**Keywords:** Transformational Leadership, Psychological Empowerment, Nurse, Hospital, Performance

## Background and Objectives

Nowadays, organizations need fundamental changes, increased creativity and skillful employees to succeed in the global competition [1]. In such a situation, the role of transformational leaders is critical for survival and development of the organizations [1]. Transformational leadership is defined as a process in which the leaders and their followers work together based on motives, values, and common objectives to realize the organizational success [2]. Transformational leaders can introduce a more effective leadership framework by building mutual relationship with their followers and involving them in the leadership process [3]. In addition, transformational leaders try to en-

hance the performance of their followers through promoting their respect to moral values [3].

Given that access to health care is among the most basic human rights in modern community, services provided by health facilities are of vital importance in the contemporary healthcare systems. Regarding the critical role of hospital employees in the health system, empowering them in performing their tasks is a pressing necessity [4]. Whilst, effective and transformational leadership skills in hospital administrators and supervisors would enable the healthcare workers to provide quality services [4].

## Transformational leadership

According to Avolio *et al.* (2009) transformational leadership can be defined as "The leader's behaviors that transform and inspire followers to perform beyond expectations and transcending self-interest for the good of the

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organization" [5].

On the other hand, Burns concludes that a transformational leader would explore potential motives in their employees and emphasize meeting their priority requirements [6]. Unlike transactional leadership that is chiefly based upon a cost-benefit exchange between the leaders and the followers [6], in transformational leadership help develop a mutual relationship between the leaders and the followers which, in turn, can guide each follower to become a potential leader [6].

According to Bass *et al.* (1990) transformational leadership involves four major dimensions as follows:

1. *Inspirational Motivation*, which involves providing a vision of the future with the followers and motivating them to perform beyond expectations [7],
2. *Intellectual Stimulation*, in which the old assumptions, beliefs, and traditions are replaced by novel thoughts [8],
3. *Individualized Consideration*, according to which, the leader is concerned about the needs and skills of their followers [7], and
4. *Ideal Influence or Charisma*, which refers to the values and morals observed and emphasized by the leader [8].

### Psychological Empowerment

Empowerment can be classified into two distinct categories: structural empowerment and psychological empowerment [9]. Structural empowerment is referred to as the policies, actions, and organizational structures that offer higher autonomy to the employees in the organizational decision-making process [9]. Simply put, structural empowerment is concerned with power sharing between employers and employees [9].

According to Lee and Koh (2001) [16] "empowerment means being influenced by the behavior of a superior". On the other hand, psychological empowerment is defined as increasing intrinsic motivation of individuals that shape their attitudes towards their jobs [10]. In the psychological empowerment, a higher value is given to the employees' knowledge and perceptions as compared with traditional management frameworks [9].

In one of the best known classifications provided by Spreitzer *et al.* (1995) psychological empowerment is broken into four major dimensions:

1. *Meaning*, which emphasize that the task of the employees should be meaningful,
2. *Competence*, which emphasize that employees should feel competent in performing their task,
3. *Self-determination*, which refers to the right

or ability of a person to control their own fate, and

4. *Impact*, according to which the employees ought to believe that they have a real impact on organizational outcomes [12].

### The impact of transformational leadership on psychological empowerment

Organizational climate has a significant impact on the employee empowerment [13]. In traditional organizational leadership, employees are considered unable to use their full potential creativity, and are therefore subject to passive mind-sets and inefficiency. However, new management theories promote the notion that removal of the conditions that cause this lack of ability would result in higher employee performance [13].

Many studies on the organizational leadership, emphasize the effect of leadership behavior on employee empowerment [13]. Bennis and Nanus (1985) concluded that transformational leaders empower their followers in the path towards their objectives and in protecting organizational achievements [13]. In addition, they are committed to empowering their followers in performing their jobs based upon the future vision of the organization rather than merely the reward and punishment [13].

Transformational leaders make efforts to create a participatory climate where the employees gain the opportunity to enhance their own insight. In addition, by inspiring behaviors, the transformational leaders improve self-confidence in the followers in the path towards organizational goals [13]. By high expectations from the followers, transformational leaders promote self-efficacy in them and ultimately determine the norms and measures for individual creativity, success-oriented behaviors, and goal-oriented behaviors in employees [13]. Hence, employees working with a transformational leader would enjoy a higher perception of their capabilities [13].

Despite that many researchers are interested in exploring the empowering nature of leadership, there is scant evidence on how leadership affects empowerment [14]. Because leadership dimensions have traditionally not been assessed in the empowerment literature, an evaluation of how leadership predicts empowerment seems to be indispensable in understanding empowerment [15].

Given the significance of employee empowerment in health system and novelty of the concept in developing countries such as Iran, this study was designed to examine whether the transformational leadership in health settings can lead to empowerment of nurses. To this end, the following hypotheses were formulated

**Table 1 Mean and Reliability of Variables**

Dimensions	Factor Loading	T Value	Mean	Standard Deviation	Reliability
<b>Inspirational Motivation</b>					0.834
• My supervisor express confidence that goals be achieved	0.78	12.72	3.47	0.976	
• My supervisor articulates a compelling vision of the future.	0.79	12.82	3.44	1.028	
• My supervisor talks optimistically about the future.	0.75	12.06	3.43	0.952	
<b>Intellectual Stimulation</b>					0.856
• My supervisor emphasizes the importance of having a positive sense about organization mission.	0.87	15.05	3.42	1.015	
• My supervisor gets to employee to look at problems from many different angles.	0.83	13.88	3.43	1.021	
• My supervisor suggests employee new ways of looking at how to complete their assignments.	0.71	11.15	3.41	1.015	
<b>Individualized Consideration</b>					0.805
• My supervisor considers an employee as having different needs.	0.69	10.83	3.35	1.096	
• My supervisor understands an employee as having different ability.	0.71	11.19	3.44	1.005	
• My supervisor treats with employee with consideration.	0.84	14.36	3.25	1.051	
<b>Charisma</b>					0.802
• My supervisor beyond self-interest for the good of the group.	0.83	13.69	3.34	1.013	
• My supervisor treats in ways that acquire employee respect.	0.67	10.33	3.76	0.85	
• My supervisor displays a sense of power and confidence.	0.66	10.2	3.64	0.841	
<b>Meaning</b>					0.700
• The work I do is very important to me.	0.63	9.58	3.73	0.866	
• My job activities are personally meaningful to me.	0.63	9.75	3.59	0.982	
• The work I do is meaningful to me.	0.74	11.72	3.71	0.923	
<b>Competence</b>					0.822
• I am confident about my ability to do my job.	0.79	13.07	3.71	0.917	
• I am self-assured about my capabilities to perform my work activities.	0.78	12.73	3.63	0.908	
• I have mastered the skills necessary for my job.	0.69	10.87	3.64	0.93	
<b>Self-Determination</b>					0.817
• I have significant autonomy in determining how I do my job.	0.79	12.86	3.69	1.004	
• I can decide on my own how to go doing my work.	0.71	10.98	3.61	0.938	
• I have considerable opportunity for freedom in how I do my job.	0.76	12.22	3.69	0.943	
<b>Impact</b>					0.748
• My impact on what happens in my department is large.	0.75	12	3.77	0.947	
• I have a great deal of control over what happens in my department.	0.7	10.91	3.65	0.92	
• I have significant influence over what happens in my department.	0.6	9.05	4.08	0.797	

and tested in this study:

H1. Transformational leadership has a positive effect on nurses' psychological empowerment.

H1a. Transformational leadership has a positive effect on Meaning as a dimension of nurses' psycho-

logical empowerment.

H1b. Transformational leadership has a positive effect on Competence as a dimension of nurses' psychological empowerment.

H1c. Transformational leadership has a positive ef-

**Table 2 Standardized coefficients for relationships**

From	To	Standardized Coefficients	T-value	Hypotheses Result
Transformational Leadership	Psychological Empowerment	0.75	7.66	Accepted
Transformational Leadership	Meaning	0.91	8.98	Accepted
Transformational Leadership	Competence	0.83	10.56	Accepted
Transformational Leadership	Self-Determination	0.78	9.28	Accepted
Transformational Leadership	Impact	0.89	10.50	Accepted

fect on Self-determination as a dimension of nurses' psychological empowerment.

H1d. Transformational leadership has a positive effect on impact as a dimension of nurses' psychological empowerment.

## Methods

### Setting and Sample

The study population included all nurses of Moheb Hospital. Sample size of 203 was determined. Sub-specialty Moheb Hospital started its medical activities with 16 VIP beds in early 2004. At present, Moheb Hospital has 174 beds and provides healthcare services in Cardiology, Urology, Nephrology, Vascular Surgery, Orthopedics, and Ophthalmology.

### Survey Instrument

The survey instrument for measuring transformational leadership was designed based on the standard questionnaire of Hancott (2005) [16]. Psychological empowerment was measured based on the questionnaire developed by Spreitzer (1995) [17].

The reliability of the survey instrument was tested using Cronbach's alpha. As seen in Table 1 the overall constructs and their dimensions have an adequate level of internal consistency reliability. Structural Equation Modeling (SEM) was used to examine the relationship between latent and observable variables. SEM was carried out using Lisrel Software Version 8.50.

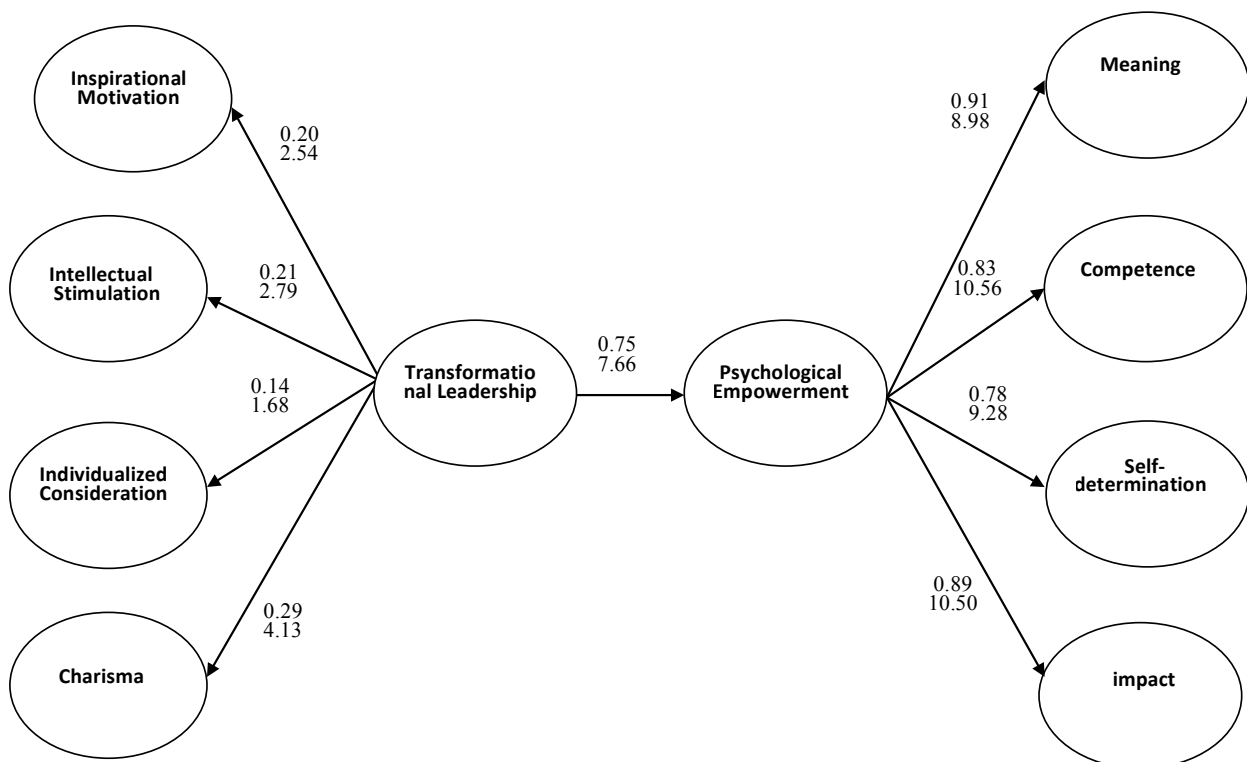


Figure 1 Impact of transformational leadership on psychological empowerment with standard coefficients and mean

Relative importance of observed factors can be determined with respect to the explained variance of each factor. An item with a relatively higher explained variance has a more important role in the measurement of the pertaining variable.

## Results

Figure 1 illustrates the results of SEM used to test the hypotheses in this study.

As shown in Table 2, the standardized coefficients for all assumed relationships between the variables are high and significant, and therefore all study hypotheses are confirmed.

The SEM indicated good model fit for the structural model and the data with CFI, NFI, and NNFI > 0.90 (Table 3) results of goodness-of-fit of structural equation model to the data are represented in Table 3. As seen the fitness of model to the data.

## Discussion

The present study was conducted to investigate the impact of transformational leadership on psychological empowerment of the nursing staff. The results indicated that transformational leadership has a positive influence on nurses' psychological empowerment and its dimensions including 'meaning', 'competence', 'self-determination' and 'impact'.

Results of our survey are in accordance with those of Zhu *et al.* (2012) [11], where transformational leadership was found to have a significant impact on psychological empowerment and organizational identification. Also, Bartram and Casmir (2007) [18] concluded that transformational leadership has a positive impact on followers' psychological empowerment and their trust in the leaders.

By identifying relationship between the employee empowerment and job satisfaction, organizational commitment, and employee performance, several investigators have found employee empowerment to be a critical factor in organizational success [1]. Empowered employees enable organizations to be more flexible and more responsive and to achieve higher performance [1].

In the healthcare domain, empowering employees, in particular the nursing staff plays a vital role in providing quality services with to patients. Amongst other healthcare workers, head nurses as the supervisors of other nursing staff have a key role in the process of empowerment. Head nurses who use transformational leadership in their supervisory tasks would develop skillful and creative nurses [4].

Managers and supervisors can help employees feel

**Table 3 Goodness of fit indices for structural equations modeling**

Index	Value
CFI	0.95
NFI	0.93
NNFI	0.95

empowered by providing them the necessary means (akin to environmental empowerment), and ability (akin to psychological empowerment) and authority to achieve success [19]. Transformational leaders encourage their followers to compromise their interests for the interests of the organization [6]. They also consider the needs of the followers for advancement [6], encourage the followers to deal with traditional issues in modern ways [8], and motivate their followers for further efforts in the path towards new achievements [8]. By high expectations from the employees, transformational leaders improve self-esteem in the followers, increase their motivation and ultimately set the norms and criteria for individual initiatives, and success-oriented and goal-oriented behaviors. Generally, these conditions can improve the sense of capability in the followers [8].

An important way to establish transformational leadership in the organization is to facilitate cooperation and partnership between the leaders and followers by developing a common perspective and emphasizing strong commitment towards the goals [11].

Also developing a safe competitive environment for promotion of individuals' potentials can support the transformational leadership, thereby nurses' psychological empowerment.

## Conclusions

The results of present study strongly support the notion that transformational leadership has a significant impact on nurses' psychological empowerment. Our results therefore recommend that hospital administrators develop transformational leadership skill and promote such skills in intermediate supervisors, particularly head nurses, to empower the nursing staff in providing quality healthcare, thereby achieving higher patient satisfaction and hospital performance.

### Abbreviations

(SEM): Structural Equation Model

### Competing Interests

The authors declare no competing interests.

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22.