

Transformational leadership analysis flashcard



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Research Methods - Article Review Assignment Transformational Leadership & Organizational Commitment: Mediating role of Psychological empowerment and moderating role of structural distance Objective Examine the linkage and between transformational leadership and organizational commitment through positive psychological empowerment of employees. Also study the hierarchical distance between a leader and followers moderated the relationship between transformational leadership and organizational commitment.

Hypothesis 1 Psychological empowerment will mediate the relationship between transformational leadership and employees' organizational commitment. Hypothesis 2 Structural distance moderates the relationship between transformational leadership and organizational commitment such that transformational leadership will have a strong positive relationship with organizational commitment for followers who are structurally close to their supervisors than followers who are structurally distant from their supervisor.

Theoretical rationale behind Hypothesis 1 Psychological empowerment will mediate the relationship between transformational leadership and employees' organizational commitment. Spreitzer (1995, p. 1443) defined empowerment as an intrinsic motivator that manifested on four cognitive characters (competence, impact, meaning and self determination) of an employee's orientation to his/her work. Competence refers to feelings of self-efficacy or personal ability to successfully perform a given task. Bandura, 1986). Impact refers to the degree to which the employee believes his/he tasks has an optimistic effect and he/she can influence organizational outcomes. Meaning refers to the importance individual places on his/her

task. Self determination refers to feelings of autonomy in making decisions at work. Transformational leadership theory emphasizes the role of empowerment as a central mechanism of building commitment to the organization's objectives (Avolio, 1999; Bass, 1999; Yukl, 1998).

Transformational leaders helped followers to believe and created greater feelings that they can have an impact on their organization through psychological empowerment (Laschinger, Finegan, & Shamian, 2001).

Transformational leaders build team spirit through their enthusiasm, high moral standards, integrity, and optimism and provide meaning and challenge to their followers' work, enhancing followers' level of self-efficacy, confidence, meaning, and self-determination. This involvement leads the follower's to envision an attractive future and inspire them to be committed to achieve it. Transformational leaders challenge their followers to re-examine traditional ways of doing things, through intellectually challenging their creativity, values, beliefs and mindset and urged their followers to try novel and creative approaches to solving problems and performing work (Bass & Avolio, 1994, 1997).

Transformational leaders exhibit individualized consideration by listening attentively and paying close attention to their followers' needs for achievement and growth by acting as mentors or coaches, while encouraging them to take on increasingly more responsibilities in order to develop their full potential (Avolio, 1999; Bass & Avolio, 1994; Kark & Shamir, 2002). This provided the followers with greater opportunities to face challenges, take responsibilities through increased self-determination,

resulting in followers to reciprocate with higher levels of commitment to their organizations (Wayne, Liden, & Sparrowe, 2000).

Empowered employees are more likely to reciprocate by being more committed to their organization (Eisenberger, Fasolo, & Davis-LaMastro, 1990; Kraimer, Seibert, & Liden, 1999). Employees deriving a greater sense of meaning from their work would have higher levels of commitment to their organization and energy to perform (Kanter, 1983; Wiley, 1999) Theoretical rationale behind Hypothesis 2

Structural distance moderates the relationship between transformational leadership and organizational commitment such that transformational leadership will have a strong positive relationship with organizational commitment for followers who are structurally close to their supervisors than followers who are structurally distant from their supervisor. Structural distance is defined as the hierarchical distance between the leader and follower in terms of job responsibility (i. e. , direct versus indirect). Direct leadership is defined as relationship between leaders and heir immediate followers and this has been studied extensively in terms of motivation and performance and in contrast to effect of indirect leadership on followers. Antonakis and Atwater (2002) pointed out that the distance between leaders and their followers can partly explain how leaders are perceived and their leadership outcomes can be obtained at both individual and organizational levels. Shamir (1995) proposed that the effects of transformational leadership could be observed in followers who are separated from their leader in terms of either physical or structural distance.

Physical proximity between leaders and followers may facilitate the quality of communication between the leader and their followers, while physical distance may decrease the direct influence and possibly effectiveness of leaders working with their followers (Chen & Bliese, 2002; Liden, Sparrowe, & Wayne, 1997). For example, Dvir and Shamir (2003) argued that the difference in the information followers have about their distant and close leaders may contribute to the differential impact of leadership on followers.

Shamir (1995) contended that physically close leaders have a greater opportunity to show their followers individual consideration, sensitivity to followers' needs, and support for the development of employees. Howell and Hall-Merenda (1999) reported that trust between followers and close leaders is higher when compared to trust between followers and distant leaders because close leaders have more opportunities to interact directly, establish personal contact, and build relationships.

They also found that transformational leadership at closer levels produced significantly higher follower performance than transformational leadership at a distance. Similar arguments can also be applied to structural distance (hierarchical level specifically) since both variables are highly correlated both can influence the frequency of direct interactions between leaders and followers (Napier & Ferris, 1993). General Design - Sample The study was quantitative (survey, questionnaires) and correlational.

Data was collected from 520 staff nurses working at a large public hospital in Singapore. The reason for choosing the public health care industry was because all public hospitals underwent restructuring exercises to make the

more effective and cost efficient. Effective leadership was considered as a key factor for attracting, motivating and maintaining employees in organizations during their restructure. Apart from the external factors, hospitals had the appropriate structure for examining the relationship between structurally close and distant leaders.

Thus, the hierarchical structure of the hospital set-up offered a 'natural' setting for studying how distance may affect perceptions of leadership and, in turn, the effects of leadership on organizational commitment. Measures and/or Procedures From the 520 staff nurses; 255 SN's rated 117 senior staff nurses (direct and immediate) and 54 nursing officers. (NO's indirect senior level). The remaining 265 SN's rated their level of psychological empowerment from both SSN's and NO's and organizational commitment.

Participants from the same ward were given two survey forms for leadership ratings of their SSNs and the NOs to link their evaluations to psychological empowerment and organizational commitment. This was done to match leaders with followers. Staff nurses whose inputs could not be matched with leaders were dropped. So the final sample used for this study was 502. 55% were contracted staff and 45% permanent, out of which 855 of them have had their job for more than a year. Different sources of data collection were used to reduce common method variance bias.

Measures and/ or Procedures Leadership - Transformational leadership was measured using the 20 item questionnaire from Multifactor Leadership Questionnaire (MLQ) Form 5X. Since there wasn't any prior expectation that individual components of transformational leadership would differentially

affect either level of empowerment or commitment, the researchers combined the scales into one higher-order factor. Ratings were completed on a 5-point scale ranging from 0 (not at all) to 4 (frequently, if not always).

Sample item: ' Provides reasons to change my way of thinking about problems' Transformational leadership was treated as a group-level variable because that leaders often engage in behaviors that are not directed toward particular individuals instead towards a unit or ward and researchers were interested in the behaviors that leader's exhibit to the group as a whole.

Thus, the leadership score of each SSN and the NO were aggregated.

Psychological Empowerment - A 12-item scale was used to measure psychological empowerment: competence, impact, meaning, and self-determination.

Competence items (three-items) were adapted from Jones' (1986) self efficacy scale. Impact items (three-items) were adapted from Ashforth's (1989) helplessness scale. Meaning items (three-items) were taken from Tymon (1988). Self-determination items (three-item) were adapted from Hackman and Oldham's (1980) autonomy scale. The reasons for choosing these scales were because in the past these have produced adequate estimates of reliability. Items were completed on a seven-point scale (1 = strongly disagree to 7 = strongly agree).

Sample items: Competence - ' I am confident about my ability to do my job', Meaning - ' The work I do is very important to me', Self Determination - ' I can decide on my own how to go about doing my work', Impact - ' My impact on what happens in my department is large'. Responses to the items were

averaged to form an overall psychological empowerment score

Organizational Commitment was assessed using a nine-item scale developed by Cook and Wall (1980). The three basic components of organizational commitment: identification (three-item), involvement (three-item), and loyalty (three-item). Sample items: Identification - 'I am quite proud to be able to tell people the hospital I work for', Involvement - 'I feel myself to be part of the hospital', Loyalty - 'To know that my own work has made a contribution to the good of my ward would please me'. Ratings were completed on a 5-point scale (1 = Strongly disagree to 5 = Strongly agree) and were averaged to form a single index of organizational commitment.

Psychological empowerment and organizational commitment at measured at the individual level. Operationalization of constructs: The model is as a cross-level model because leadership was aggregated to the group level and then examined its relationship with psychological empowerment and organizational commitment at individual level (Bono & Judge, 2003; Kark et al., 2003). Hierarchical linear modeling (HLM) was used to test hypotheses (Raundebush & Bryk, 2002).

The HLM allowed researchers to conduct group mean analyses that make appropriate adjustments for group size differences, accommodating variables at multiple levels, and to account for dependence among individuals (Arnold, 1992; Gavin & Hofmann, 2002; Raundebush & Bryk, 2002). A two-level HLM strategy was used to examine the direct effects of leadership at the NO level on follower's attitudes and a three-level HLM approach to examine the effects of leadership at the SSN level on their SN

followers, taking into consideration the effects of NO leadership on SSN leadership.

In all the HLM analysis a grand mean-centered approach was used; this was used to address the interpretation of intercepts, the variance of random intercepts across groups, and the covariance of intercepts with random slopes, in addition to reducing possible multi-collinearity (Hofmann & Gavin, 1998). Criteria to support full mediation testing * First, the independent variable (i. e. , transformational leadership) needs to be significantly related to a mediator (i. e. , psychological empowerment). * Second, transformational leadership needs to be significantly related to organizational commitment. Third, psychological empowerment needs to be significantly related to organizational commitment. * Fourth, the relationship between transformational leadership and organizational commitment must disappear when psychological empowerment is introduced into the regression equation predicting organizational commitment. If the regression equation remains significant after introducing psychological empowerment in the coefficient between transformational leadership and organizational commitment there is evidence of partial mediation.

Three levels of mediation and moderation were tested respectively. At Level 1, the effect of control variables and the mediating variable (empowerment) on the dependent variable (commitment) was tested. At Level 2, the relationship between the independent variable (SSN leadership) and mediating variable (empowerment from SSN leadership) was tested At Level 3, the “ cascading effect” of NO level leadership on SSN leadership was tested.

For further test of mediation, another HLM 2 model was conducted and in this model, SSN leadership was replaced with NO leadership to test for the moderating role of structural distance, the differences in coefficients for transformational leadership at the different levels were tested (i. e. , direct versus indirect). Results showed that none of the control variables was related to organizational commitment and hence not reported (these coefficients are not reported). It was found that psychological empowerment was significantly related to organizational commitment for SSN level.

Organizational commitment was significantly related to transformational leadership at NO level but not for the SSN level, providing evidence for the moderating role of structural distance. Findings on each Hypothesis Hypothesis 1 predicted that psychological empowerment would mediate the relationship between transformational leadership and organizational commitment. Results indicated that this hypothesis was supported only at the indirect level of leadership (NO level).

Hypothesis 2 which predicted that the relationship between transformational leadership and organizational commitment at the NO level would be lower than the relationship between transformational leadership and organizational commitment at the SSN level, our results showed the opposite effect.

Transformational leadership at the direct SSN level had a weaker relationship with organizational commitment than the indirect-level NO transformational leadership, providing evidence that transformational leadership had a greater impact at the indirect level than the direct level.

We found a positive association between transformational leadership and organizational commitment. However, contrary to the initial expectations, the relationship between transformational leadership at the SSN (direct immediate level) was only modestly related to followers' level of empowerment and organizational commitment based that close followers are more likely to see some of the inconsistencies in their leader's behavior, which may affect how committed they feel to the organization, as well as how empowered.

Secondly, transformational leadership through psychological empowerment influences organizational commitment at the NO level (Jung & Avoird, 1998). Third, results proved that structural distance did moderate the relationship between transformational leadership and organizational commitment. More specifically, transformational leadership at the indirect senior level had a more positive relationship with employees' level of organizational commitment as compared to the relationship between commitment and ratings of transformational leadership of the followers' immediate supervisor.

The possible explanation for the differences between the current and previous studies' results may be cultural differences. In Western cultures, power distance is perhaps not as high as in Singaporean culture (Hofstede, 1991). In a high-power distance culture, lower-level leaders (e. g. , SSN in this study) differ from middle-level leaders (e. g. , NO in this study) on the sharing of vision, values, and inspiration. In a high-power distance culture, the top management would be more likely to share the vision of the organization with those who are structurally closer to them than those who are further away.

First, by creating a greater sense of empowerment, more senior leaders could have a more positive effect on levels of organizational commitment at subsequent levels within their respective organizations. In a less hierarchical organization, lower-level management may have more discretion to empower their direct followers, potentially changing the pattern of results observed in the current study. To promote greater feelings of psychological empowerment, top management should clearly articulate a vision that inspires employees to take greater responsibility for their work at all organizational levels.

Goal clarification, and a clear specification of tasks, roles, and rewards, perhaps at the more immediate supervisory level, may also facilitate feelings of empowerment among employees. One of the main weaknesses of this study they could not test whether transformational leadership causes feelings of empowerment, nor could we test whether empowerment positively causes higher levels of organizational commitment. Another limitation of the current study was the characteristics of the sample. The study was conducted in a public hospital with young, mostly female participants.

So under different conditions the data analysis might give different answer therefore generalization is not possible. In the future as more employees work at a distance to their immediate and senior leaders; research should focus more on the direct and indirect effects of transformational leadership on psychological constructs such as empowerment and organizational commitment. Evaluations Even though transformational leadership can

influence organizational commitment, financial compensation and fringe benefits play a role influencing organizational commitment.

Especially being a public hospital workload would be high and compensation would be average compared to private hospital, so why wasn't this factor taken into consideration for any survey purposes. Also be a very multi cultural workforce did cultural affiliations influence leadership action of SSN's and NO's on Staff Nurses. Also did Staff nurses from certain cultures like working under certain NO due to cultural factor and did some staff nurse disliked working under certain SSNs.

The construct validity was not adequate because leadership and organizational commitment are influenced by intrinsic motivators and a mixed method of research design would have worked better. Also, not sure if getting 20 questions from MLQ really got to the nub of the leadership issues. Maybe describing the sample questions better by understanding the stress staff nurses go through in their line of work would helped to fine tune the questionnaire more and relate to their issues.

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contracted and the remaining 45% is permanent. Could these factors played a role in affecting internal validity.

Did the contracted employees rate their SSN and NOs to make their job permanent or get an extension in their contracts. Also the alternative factors of how any nurses are doing the job purely for the money and how many nurses are doing it out of intrinsic motivation and like the idea of helping people could have played into it. These variables were not controlled or even taken into consideration. There is very very minimal chance of generalization because of the size of the population, also considering 95% were women and with varying cultural backgrounds and influences.

Population size was nominal and also restricted to only one public hospital and their method of functioning. Considering a group from several public hospitals would rather give a varying population and difference of opinions in answers. Also considering if any of the current SSNs or NOs were previously staff nurses but shed some light of designing the research a little better. Mixed method of questionnaire and interviewing could be a better sources and method for collecting research data. Differentiating between permanent and contracted employees would have been better.

The authors' conclusion were warranted considering the population and considering the public hospital used for research. On a high level if cannot be warranted due to varying levels of hierarchy that differs from organization to organization and roles and duties of NOs and SSNs may differ from hospital to hospital. References Avolio, B. J. (1999). Full leadership development: Building the vital forces in organizations. Thousand Oaks, CA: Sage. Multi-

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