

REVIEW: EFFECTS OF LEADERSHIP STYLES ON QUALITY OF SERVICES IN HEALTHCARE

Mr. AlaDeen Mah'd Alloubani, R.N, MSc

Dr. Mohammad Almatari, PhD

Nursing, University of Tabuk, Saudi Arabia

Prof. Mohammad Musa Almkhtar, PhD

Faculty of Economics and Administrative Science, Red Sea University

Abstract

Background : There are progressive changes in the work of hospital leaders, included descriptions of how hospital leader work is perceived in a global context. Hospital leaders have had to respond to new technology, new organizational goals and new challenges. The most effective leaders have responded to the dynamism of the healthcare field by altering their leading skill set.

Aim: To understand the nature of leadership work of the hospital managers in order to examine their perceptions of the most essential roles, skills and training courses as hospital managers. Also to identify the challenges, obstacles and problems facing hospital leaders.

Methods : Hospital leaders were compared to more traditional leaders, highlighting important, yet subtle differences between them. Studies appropriate for inclusion were randomized controlled trials studying the effectiveness of leadership styles among hospital leaders, head nurse managers and healthcare workers.

An integrative review of studies from ProQuest, PubMed and Emerald databases was undertaken to explore and analyses studies about leaders and leadership and its effects on outcome. Keywords and phrases used were: Nursing leaders, head nurse manager, nursing leadership, health leader, health leadership, leader functions, leader roles, hospital, healthcare system, job motivation, health policy, qualification needs, professional development, and challenges facing hospital leaders.

Findings: Several research studies in the field of leadership found that transformational leadership attributes and behaviours were positively related to organizational outcomes such as teamwork success, effectiveness, staff satisfaction, commitment and extra effort and more. Moreover, transformational leadership processes have been found to enhance followers' work-oriented values and shape self-efficiencies of followers.

Conclusion: According to literature incorporated in this review it can be concluded that effective leadership is one of the most crucial factors that lead an organization towards success. Nowadays the key challenge for modern organization is to recognize the effects of strong leadership upon the nursing performance and success of the organization.

Implication for Nursing and health policy: A proficient leader leads nurses and provides direction for an organization towards accomplishing desired goals. The advantages of leadership effectiveness should be stated for nursing administrative and healthcare policy makers.

Keywords: Leadership, Healthcare, Transformational, Quality of Services

Introduction

The aims of this review are to understand the nature of leadership work of the hospital managers in order to examine their perceptions of the most essential roles, skills and training courses as hospital managers. It also aims to identify the challenges, obstacles and problems facing hospital leaders.

The key role of a leader is to encourage his followers to accomplish a common goal (Northouse 2010), (Yukl 2005). After an extensive review of various literatures, it can be concluded that the styles of leadership can be categorized into three types that are Laissez-Faire Leadership, transactional leadership and transformational leadership (Davis, 2003), (Spears & Lawrence, 2003), (House *et al.* 2004), (Hirtz *et al.* 2007). A proficient transformational leader aims to put in line the needs and aspirations of followers with the desired goals of the organization. In doing so, a transformational leader is able to foster the follower's commitments towards the organization and encourages them to surpass their expected performance (Sivanathan & Fekken, 2002), (Miia, *et al.* 2006), (Bass & Riggio, 2006). While The most prominent aspect of transactional leadership is that such leaders focus more on the basic physical and security needs of their followers (Bass, 1985). Therefore, the relationship among the leaders and followers in this type of leadership style is based on the principal of returning rewards or incentives in response to appreciable performances of employees (Bass & Avolio, 1993a), Bass & Avolio (1993b).

There is a substantial body of literature charting the progressive changes in the work of hospital leaders (Casida and Parker, 2011), (Marquis and Huston, 2011), (Adnan Riaz, 2010), (McCauley & Van Velsor, 2004). Other areas of interest have included descriptions of how hospital leader work is perceived in a global context. Studies have compared hospital leaders to more traditional leaders, highlighting important yet subtle differences between them, such as the uniqueness of hospital leader's roles in

dealing with multiple layers of internal and external consumers. The healthcare field has changed dramatically in the past few years. Hospital leaders have had to respond to new technology, new organizational goals and new challenges. The most effective leaders have responded to the dynamism of the healthcare field by altering their leading skill set. Not only does this review clarify many components of the role of hospital leaders in this climate, but it also highlights differences in opinion between various researchers as to the requirements of such a unique job.

Additional literature was obtained from reference lists in the reviewed books and journal articles.

This review provides an overview of leadership and leader work in general, detailing the most important roles, skills, challenges, abilities and goals that a hospital leader needs to employ in order to be successful. A review of the literature elucidates the role, skills, challenges and educational needs of health service leaders.

Leaders and leadership in healthcare sectors

The international importance of interest in leadership is clear and evident in private and public healthcare organizations. There have been a series of policy papers asserting the importance of improving public services through the further development of leadership skills. As one of the most important public service organizations, healthcare organizations rely on well-understood and highly developed leadership. This is important to improve the quality of healthcare, as well as organizational processes. Consequently, leadership is seen as central to progressing organizational productivity and capacity. Important factors that exist internationally in the healthcare sectors are (Hartley, *et al.* 2008):

1. Healthcare internationally is facing new challenges and has new goals. Healthcare leadership used to react to change, but now must anticipate and shape new goals linking ideas with practice in the current workplace.
2. New healthcare techniques and technologies require different and new leadership approaches to work efficiently with healthcare teams.
3. Healthcare organizations are dynamic, constantly changing either structurally, culturally as well as in work practices.
4. New and widely acknowledged information about healthcare have raised the expectations of patients, practitioners and communities.
5. There are new approaches to continuous improvement in health sectors that rely on highly developed “people management.” New thinking about leadership is helping to change and shift thinking about a range of contemporary leadership approaches and methods.

Leaders and leadership in nursing care services

In the nursing industry (Dunham-Taylor, 2000) investigated hospital nurse executive and staff reporting to them. The aim of the study was to explore transformational leadership, power relations, and organizational culture. The outcome of this study revealed that the nurse executives used transformational leadership fairly often and were very efficient. Results also revealed that staff satisfaction and work group effectiveness as described by nurse executives were more transactional and that higher transformational score tended to occur with higher educational degrees and more participative organization. This result was similar to the result of (Chen, 2004) who studied the relationship style between nursing faculties' perceptions of nursing deans' and directors' leadership style and faculties' job satisfaction level in Taiwan. (Chen, 2004) found that Taiwanese nursing deans and directors tend to display transformational leadership more frequently than transactional leadership. In addition Taiwanese faculty members had a moderate level of satisfaction in their jobs.

(Janssen, 2004) investigated the leadership characteristics of 116 hospital CEOs in Iowa and the factors that influence their leadership style. The result revealed that the transformational leadership was highly correlated with extra effort, perceived effectiveness, and satisfaction; there were no significant correlation between ages, years of experience, setting or length of training and leadership style. The result also revealed that there was no significant correlation between the CEOs stated values as collectivist or individualist and their perceived leadership style. The study was done in Kuwait by (Al-Mailam, 2004) to determine whether employees working for a transformational leader perceive their leader to be more effective than did those working for transactional leader, the study also compared the private and public sector with regard to leadership style. The result of this study indicated that the transformational leadership style was linked to high levels of leadership efficacy and that employees in private hospitals were more likely to perceive their leaders more transformational than employees in the public hospitals.

The study, conducted by (Vandenberghe *et al.* 2002), had examined a sample of 1059 nurses in Belgium. The result of this study revealed that transformational facets correlated roughly with outcomes. Also perceived, unit effectiveness was moderately associated with the leader behaviors. Moreover, transformational leadership factors related to effectiveness and staff retention.

It is argued that the presence of transformational leadership in any organization produces staff satisfaction. (Medly & Larochelle, 1995) examined to what extent staff nurses distinguish between transactional and transformational leadership behaviors of their head nurses, and what is the

relationship between the head nurses' leadership style and staff satisfaction. The results showed that staffs in acute care hospitals do perceive their head nurses as demonstrating transactional and transformational leadership behaviors and that staff satisfaction is associated with transformational more than transactional leadership. A similar trend was found in the results of (Morrison *et al.* 1997), (Chiok Foong Loke, 2001).

Staff job satisfaction is critical to the staff intention to stay. Literature links staff retention to their level of job satisfaction and to their managers' leadership style. The work of (Kleinman, 2004a), Kleinman (2004b) indicated that there was a significant relationship between the leadership behaviors of nurse administration and staff nurse job satisfaction and retention. This is consistent with the findings of (Scott *et al.* 1999), (Shabbrook & Fenton, 2002). It is also indicated in the literature that managers' characteristics facilitate experiences for staff nurses, promotes positive perceptions of the organization, and enhance job satisfaction, commitment, and intent to stay longer in the job (Taunton *et al.* 1997).

One of the studies that supported this was a study done in Hong Kong by (Chan, 2002). Its aim was to investigate the factors that influence the effectiveness of nursing leadership in the form of nursing education in Hong Kong. Data were collected through document search and semi-structured interviews of a purposive sample. The results showed that there were barriers and facilitators that impacted leadership effectiveness. The barriers related to the socialization of the nursing profession into the healthcare system that was dominated by the medical profession. The facilitators were related to socio-politic-economical changes in the wider environment.

Relationship between transformational and transactional leadership styles and their effects on healthcare outcomes

In spite of the research results, reported here, some studies have failed to prove a strong association between transactional and transformational leadership. One example is a study done in a Swedish County hospital by (Prekert & Ehnfors, 1997). The aim of their study was to explore the connection between transactional and transformational leadership and organizational effectiveness and to examine the relevance of transactional and transformational leadership for organizational effectiveness; their sample consisted of all department head-nurses and assistant department heads of all wards at one medium-sized hospital in Swedish County.

The results of this study suggest that the degree of transformational and transactional leadership had a small and statistically insignificant relationship to the degree of organizational effectiveness in hospital organization; also there was a weak positive correlation between

transactional and transformational leadership together and organizational effectiveness.

(Boufford, 1999) noted that it is recognized that the quality of leadership in the public health sector has substantially affected health outcomes. Therefore, he concluded, that leadership in medicine, sciences, and government has assisted to dramatically minimize the incidence of many incurable diseases through preventive methods such as immunization and education about the advantage of exercise, diet, and not smoking. Few scientists and scholars systematically study leadership in public health and its relationship with preventive medicine and overall improvement in the health in the wider population. Some information in this specialized area of study has been provided by the Carnegie Commission on Preventing Deadly Conflict, which heavily relied on a model of preventive medicine for an understanding of leadership, two conclusions were reached early in conducting this literature review: First: There is little question about the importance of leadership in influencing health outcomes. Secondly, very few people have systematically examined the relationship between leadership and health outcomes.

It is generally agreed that healthcare service organizations continue to flourish under great leadership and face considerable difficulty or even fail when its poor (Pointer, *et al.* 1997). In healthcare, (Schneider & Gunnarson, 1991) stated that work stress increases as staff face growing numbers of acutely sick patients and also endure high levels of pressure to assure high standards of cost containment and quality assurance programs.

In a review paper on the relationship between leadership and public health and its impact on public health outcomes (Trofino, 1995), empowerment is an important component of transformational leadership and is the primary role of leadership in a changing health system environment. In later on study by (Stordenr & D’Hoore, 2001) explored issues of leadership, organizational stress, and emotional exhaustion among hospital nursing staff. They stated that leaders were transformational in their leadership style (mean transformational score: 3.20) while they were viewed as weaker on contingent reward (mean score: 2.29). The study found that management by exception passive (MBEP) (mean score: 2.46) with correlations among study variables; transformational leadership scales and contingent reward were highly inter-correlated while they were slightly and positively associated with management by exception active (MBEA) and negatively tied to management by exception passive.

In another study, (Moe, 2007) conducted a study showing how Al-Amal Center, renamed later as King Hussein Cancer Center (KHCC) in Jordan, was transformed from a poorly perceived and ineffectual cancer care institution into a Western-style comprehensive cancer center. There were

achievements of improved levels of quality, expanding cancer care services and achieving Joint Commission International accreditation under new leadership over a three-year period (2002–2005), the study results revealed the changes occurred at the KHCC are attributed to the conceptual frame of the transformational leadership model. The results suggested that the use of factors included in the transformational style of leadership such as the use of inspirational motivation, idealized influence, individualized consideration and intellectual stimulation had a significant impact upon the attitudes and motivation of staff within KHCC. It was also advised that there is a need to redefine the role of culture and political sensitivity as well as expansion within the transformational leadership model to sufficiently explain leadership in the context of globalizing healthcare services (Moe, 2007).

Transformational leadership competencies

Healthcare leaders, in many cases, are required to perform their tasks effectively and achieve goals through working with a large and diverse group of people over whom they have little formal control (Avolio & Bass, 2004). A national study examined competencies to bridge leadership gaps for twenty-first century healthcare organizations “bridging the leadership” (Trofino, 1992). The findings identified six transformational leadership competencies and values:

1. Mastering change: the capacity to help organizations view change as an opportunity for new alternatives and calculated risk taking.
2. Systems thinking: the capacity to understand interrelationships and patterns in solving complex problems.
3. Shared vision: the capacity to craft a collective organizational vision of the future.
4. Continuous quality improvement: the capacity to engender a ‘never-satisfied’ attitude which supports an on-going process to improve clinical and service outcomes.
5. Redefining healthcare: the capacity to focus on healing, changing lifestyles and the holistic interplay of mind, body, spirit.
6. Serving public/community: the capacity to weld social mission to organizational goals, objectives and actions.

In a study on leadership style(s) of hospital nurse administrators investigated in a Jordan hospital, (Suliman & Abu Moghli, 1999) explored the leadership style(s) of nurse-administrators (transformational, transactional and Laissez-faire). They reported that nurse administrators and staff nurses were consistent in their evaluation of nurse administrators as “sometimes” transformational, sometimes transactional and “once in a while” as Laissez-faire leaders. However, there was an inconsistency in how nurse administrators rated themselves and how the employees rated the nurse

administrators. Nurse administrators rated themselves as predominantly transformational, while the staff nurses rated them as predominantly transactional.

(Molero & Morales, 1994), have investigated the status of transformational leadership of the center coordinators in 40 primary healthcare centers in Spain. In the study, each coordinator led a team of family doctors, pediatricians, nurses, and clerks. The coordinator's style of leadership was assessed by team members working in the healthcare centers. They described coordinators of such centers with high scores on each transformational factor on the multifactor leadership questionnaire (MLQ). Organization, management, controlling and ability to evaluate the performance of the team members were variables described as present in the leader. Because the data was acquired through the employees, the team feedback was, therefore, acknowledged and accepted by team leaders and members accordingly. In addition to that, an improvement in the interpersonal relations was accompanied by less conflict and stronger feelings of autonomy when the coordinators were performing tasks in a transformational fashion.

Recommendations

In recent times, the concept of leadership and leadership styles has been the centre on attraction for all types of organizations. Therefore the implications are most appropriate for enhancing nursing and health policies are as follows:

Since this review had illustrated that leadership training models can act as powerful tools for enhancing leadership skills, value of such training models must be recognized, incorporated and declared in any healthcare organization policies.

Leadership development programs must be an integral part of nursing career development and it must be commenced at an early stage. The leadership development programs must involve training, coaching and mentoring. Also it must not be specified to only senior staff of health sector, rather the potential junior staff must be encouraged more take up these types of sessions.

It is also vital to incorporate leadership development programs as an integral part of training. Even though this is challenging for healthcare policies that are action-oriented, developing such programs is beneficial for developing an understanding about the essential required to be an effective leader.

Staff nurses should be involved in decision-making processes at all levels of the health organization policies, particularly where these affect their profession, self-confidence and leadership skills training.

Whilst most of the leadership development programs heavily rely on competency frameworks, health sectors must recognize the wide range of leadership skills and qualities that are essential for effective operational leadership and to avoid mechanistic and reductionist approach.

Recommendations for the Future Research:

1. A research study should be done to evaluate the effectiveness of training programs of effective leadership styles.
2. The correlation of leadership styles behaviour and perceptions with other organizational outcomes such as job satisfaction should be investigated.

Implication for Nursing and Health Policy

The leadership styles have a direct influence in nursing practices, education and healthcare policies; a proficient leader leads nurses and provides direction for an organization towards accomplishing desired goals. However stronger leadership is the demand of healthcare sectors at the mean time. This can be explained in the view of the fact that at the time of treating patient advice of an expert who usually plays the role of leader holds great significance on healthcare policies.

Conclusion

Transformational leadership has proven to be particularly popular and widely studied because it has appeared to be extremely important to modern work and modern organizations.

According to the literature incorporated in this review, it can be concluded that effective leadership is one of the most crucial factors that lead an organization towards success. Nowadays the key challenge for the modern organization is to recognize the effects of strong leadership upon the nursing performance and success of the organization.

References:

- Adnan Riaz, Mubarak Hussain Haider (2010) Role of transformational and transactional leadership on job satisfaction and career satisfaction. *Business and Economic Horizons*, 1, (1) page: 29-38
- Al-Mailam, F.F., (2004). Transactional Versus Transformational Style of Leadership – Employee Perception of Leadership Efficacy in Public and Private Hospitals in Kuwait. *Quality Management in Healthcare*, 13(4), 278-284.
- Avolio, B.J. & Bass, B.M. (2004). Multifactor leadership questionnaire: manual and sampler set. 3rd edition. Redwood City Mind Garden, Inc.; 2004.

- Bass, B.M. (1985). *Leadership and performance beyond expectations*. Free Press: New York.
- Bass, B.M. & Avolio, B.J. (1993a) Transformational leadership: A response to critiques. In: *Leadership: theory and research perspectives and directions*. (pp. 49-80) New York: Academic press.
- Bass, B.M. & Avolio, B.J. (1993b) *Manual the multifactor leadership questionnaire*. Palo Alto, CA: Consulting Psychologist Press.
- Bass, B. & Riggio, R.E. (2006). *Transformational Leadership* (2nd ed.). Mahwah, NJ: Lawrence Erlbaum
- Boufford, J.I. (1999). Crisis, leadership, consensus: the past and future federal role in health Jun;76(2):192-206, *Journal of urban health* — id: 21299, year: 1999, vol: 76, page: 192-206, stat: Journal Article.
- Casida, J., & Parker, J. (2011). Staff nurse perceptions of their nurse manager leadership styles and outcomes. *Journal of Nursing Management*, 19, 478-486.
- Chan, S. (2002). Factors influencing nursing leadership effectiveness in Hong Kong. *Journal of Advanced Nursing*, Volume 38, Issue 6, pages 615–623, June 2002
- Chen, L.Y. (2004). An examination of the relationships among leadership behaviors, knowledge sharing, and marketing effectiveness in professional service firms that have been engaged in strategic alliances. Unpublished doctoral dissertation, Nova Southeastern University.
- Chiok Foong Loke, J. (2001). Leadership behaviours: effects on job satisfaction, productivity and organizational commitment. *Journal of Nursing Management*, 2001 Jul; 9(4):191-204.
- Davis, J. (2003). *Learning to lead*. Westport, CT: American Council on Education/Praeger.
- Dunham-Taylor, J. (2000). Nurse executive transformational leadership found in participative organizations. *Journal of Nursing Administration* 30 (5), 241–250.
- Hartley, J., Martin, J. and Benington, J. (2008) as a report, and in press as a book) *Leadership in healthcare: A review of the literature for healthcare professionals, managers and researchers*.
- Hirtz, Paul. D., Susan, L. Murray, and Catherine, A. Riordan. (2007). “The Effects of Leadership on Quality,” *Engineering Management Journal*, 19:1 (March 2007) pp22 – 27
- House, R., Hanges, P., Javidan, M., Dorfman, P., & Gupta, V. (2004). *Culture, leadership and organizations*. Beverly hills, CL: Sage Publications Inc.
- Janssen, O. (2004). Employees’ goal orientations, the quality of leader-member exchange, and the outcomes of job performance and job satisfaction, *Academy of Management Journal*, Vol. 47, No. 3, 368–384

- Kleinman, C.S. (2004a), the relationship between managerial leadership behaviors and staff nurse retention. *Hospital Topics*, Volume 82, Issue 4:2-9.
- Kleinman, C.S. (2004b), Leadership: A key strategy in staff nurse retention. *The Journal of Continuing Education in Nursing*. Vol.35, No. 3, page: 128-132
- Marquis, B & Huston, C. (2011). *Leadership Roles and Management Functions in Nursing: Theory and Application*, Seventh Edition. Lippincott Williams & Wilkins Philadelphia, PA.
- McCauley, C., & Van Velsor, E. (Eds.). (2004). *The center for creative leadership handbook of leadership development* (2nd ed.). San Francisco: Jossey-Bass.
- Medley, F. & LaRochelle, D. (1995). Transformational leadership and job satisfaction. *Nursing Management*, 26 (9), 64JJ-64LL, 64NN.
- Miia, M., Nicole, H., Karlos, A., Jaakko, K., & Ali, J. (2006). Project-based management as an organizational innovation: Drivers, changes, and benefits of adopting project-based management. *Project Management Journal*, Vol. 37, No. 3, pp. 87-96.
- Moe, J.F. (2007) Transformational Leadership, Transnational Culture and Political Competence in Globalizing Healthcare Services: A Case Study of Jordan's King Hussein Cancer Center. Volume 3, Issue 11 of *Globalization and health*.
- Molero, F.Y. & Morales, J.F. (1994). "Study on leadership in a healthcare organization using the Bass Multifactor Leadership Questionnaire (M.L.Q.) Paper presented at the 23rd International Congress of Applied Psychology. , Madrid, Julio-94
- Morrison, R., Jones, L., & Fuller, B. (1997). The relationship between leadership style and empowerment on the job. *The Journal of Nursing Administration*, 27 (5), 27-34.
- Northouse, P. G. (2010). *Leadership: Theory and practice* (5th edition). Thousand Oaks, CA: Sage.
- Pointer, Dennis. D., Julianne, P. & Sanchez, M.A. (1997). *Leadership: A Framework for thinking and acting*.
- Prekert, F. & Ehnfors, M. (1997). A measure of organizational effectiveness in nursing management. *Journal of Nursing Management*. Volume 5, Issue 5, pages 279–287, September 1997
- Schneider, B. & Gunnarson, S. (1991). Organizational climate and culture: the psychology of the workplace. In J. W. Jones, B. D. Steffy & D. W. Bray (Eds.), *Applying Psychology in Business* (pp. 542-551). New York: Lexington Books.
- Scott, J.G., Sochalski, J., & Aiken, L. (1999). Review of Magnet hospital research: Findings and implications for professional nursing practice. *Journal of Nursing Administration*, 29(1), 9-19.

- Shabbrook, P. & Fenton, K. (2002). A strategy for improving nurse retention and recruitment levels. *Professional Nurse*, 17(9), 534-536.
- Sivanathan, N. & Fekken, G.C. (2002). Emotional intelligence, moral reasoning and transformational leadership. *Leadership and Organization Development Journal*, Vol. 23, No. 3/4, pp. 198-204
- Spears, L.C. & Lawrence, M. (2003). *Focus on Leadership: Servant-leadership for the Twenty first Century*. San Francisco: Jossey Bass.
- Stordeur, S., D'Hoore, W., & Vandenberghe, C. (2001). Leadership, organizational stress, and emotional exhaustion among hospital nursing staff. *Journal of Advanced Nursing*, Volume 35, Issue 4, 533-542, August 2001.
- Suliman W.A. & Abu Moghli F. (1999). leadership style(s) of nurse administrators in Jordan Hospitals. *Medical and Biological Sciences*, Volume 26, No. 1&2 1999
- Taunton, R.L., Boyle, D.K., Woods, C.Q., Hansen, H.E., & Bott, M.J. (1997). Manager leadership and retention of hospital staff nurses. *Western Journal of Nursing Research*, 19, 205–226.
- Trofino, J. (1992) Guest Editorial. Transformational Leadership. *Nursing Administration Quarterly*, 17 (1), ix. Saudi Digital Library.
- Trofino, J. (1995). “Transformational leadership in healthcare. *Nursing Management*, 26(8), 42-47.
- Vandenberghe, C., Stordeur, S., & D’hoore, W. (2002). Transactional and transformational leadership in nursing: Structural validity and substantive relationships. *European Journal of Psychological Assessment*, 18, 16-29
- Yukl, G.A. (2005). *Leadership in organizations* (6th Ed.). Upper Saddle River, NJ: Prentice-Hall.