

# **ORIGINAL SCIENTIFIC PAPER**

# The Impact of Leadership Styles on Employees' Psychological Empowerment, in Greek Sport Departments

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#### **Abstract**

Effective leadership is a matter of constant concern as a sequence of factors hampers employees' capabilities and their progress, team spirit, the establishment of collaboration, a common vision for the future, policymaking and finally, the configuration of a healthy workplace environment. The present research aimed to examine the effects/correlations of transformational, transactional, and laissez-faire leadership styles on employees psychological empowerment in the context of local Greek municipalities. The sample of the research constituted 29 managers and 247 employees of local Greek municipalities, of Eastern Macedonia and Thrace, of Western Macedonia and of Central Macedonia. To investigate the specific concern, the managers completed the multifactor leadership questionnaire of Bass and Avolio (1997), and the employees completed the psychological empowerment instrument of Spreitzer (1995). For the statistical data analysis, SPSS 20 was used. More specifically, regression analysis was used for the variables that satisfied the affair of regularity, while for those variables that were not satisfactory, non-parametric Spearman's rank correlation coefficient was used. The non-parametric Spearman's rank correlation coefficient shows that self-determination, as a dimension of psychological empowerment, had a strong positive correlation with idealized influence attributes (IIA) (r=0.492; p=0.007), and strong negative correlation with idealized influence behaviour (IIB) (r=-0.421; p=0.023) of the transformational leadership style. In contrast, neither the transactional style nor the laissez-faire style had strong effects with any dimension of psychological empowerment. Implications and directions for future research are discussed.

Key words: sport managers, fitness instructors leadership, empowerment

## Introduction

According to Bass and Avolio (1994), transformational leadership was defined as a procedure during which the leaders ought to evolve and develop to the ultimate extent the capabilities and potentials of their followers, including better value systems, morals, and motives. As soon as all the aforementioned prerequisites meet their standards, the followers are motivated and change their aims and morals, as incitements are a powerful motive for leaving their personal interests behind and acting solely in the interest of the

organization (Bass, 1994, 1999). Transformational leadership consists of four dimensions, which are sufficient for the leaders to inspire their followers to overcome any personal interests and, against all odds, be more effective: a) idealized influence, b) inspirational motivation, c) intellectual motivation, and d) individualized consideration.

Idealized influence (charisma) refers to those talented and gifted leaders who act as role models to their followers and as a result, they gain their respect, trust, and admiration. There are two sub-dimensions: a) attributes and b)



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behaviour. Inspirational motivation refers to those leaders who inspire and compel their followers to succeed in pursuing high-flying goals which have been difficult to materialize. Intellectual motivation refers to the awakening and directions of the followers, the awareness and the management of difficult situations they may face, with creative and free-wheeling thought, using their imagination and innovative methods. Individualized consideration refers to the leaders who provide socio-emotional support, tailored to their followers' needs as they simultaneously strengthen and evolve them.

Transactional leadership is based on the relationship between exchangeable duties and rewards between the staff members and managers in order for the former to achieve their organizational goals. Transactional leadership has three dimensions: a) the contingent reward, b) the active management by exception, and c) the passive management by exception. The first is a constructive transaction and reasonably effective since the procedure of prompting the members can result in making them succeed higher levels of growth and output (Antonakis, Avolio, & Sivasubramaniam, 2003; Bass, Avolio, Jung, & Berson, 2003). The second refers to the levels of control in which the leader actively controls both the inadvertences and behaviours of his members and then proceeds to the necessary reformative measures. In the third, passive management by exception, the leader amends or the members' actions and attitudes whenever a problem occurs (Judge & Piccolo, 2004). The laissez-faire style of leadership represents the absence of any form of leadership in which the leader avoids the decision-making process, hesitates to act, is not present whenever is needed, does not take any responsibility or make use of his authority. He is considered as being active since he does not shirk his work duties.

For Spreitzer (1995a), and Thomas and Velthouse (1990), psychological empowerment is a complicated and cognitive psychological dimension, which is mostly connected with the self-confidence and emotions of the subordinated rather than the specific managerial practices that related to the structures and policies which the workforce is enforced through them. It is also specified by four cognitive dimensions: a) meaning, b) competence, c) self-determination, and d) impact. Meaning refers to the matching of the work-role demands with the perceptions, views, values, attitudes, and standards of the employer (Spreitzer, 1995). Competence is related to the employer's self-confidence that he is sufficiently productive (Thomas & Velthouse, 1990). Self-determination refers to the variety of options regarding the tasks that an employer feels he/she has throughout his duties (Spector, 1986). Impact is defined as the belief of the employer that he/she holds sway over the functions and procedures of an organization as well as the tactical, administrative and operational results of it (Spreitzer, 1995b).

The role of leadership on the psychological empowerment

The dimensions of transformational leadership act through empowerment affecting the organizational results of a business association (Bass, 1999; Menon, 2001; Seibert, Wang, & Courthright, 2011). The leader's charisma affects his followers and improves their organizational commitment. At the same time, transformational leaders use the dimension of intellectual stimulation to evoke the imagination and creativity of their workforce. Intellectual stimulation can enforce the di-

mension of self-determination (Bass, 1999; Rafferty & Griffin, 2004). The idealized influence offers meaning in every work role, while through individualized consideration, the followers' choices are under guidance.

Moreover, their needs for accomplishments and growth are enforced as they undertake even more responsibilities and, in that way, helps them develop their capabilities to the maximum and prepares them for the cognitive conditions of empowerment (Avolio et al., 2004; Bass & Avolio, 2000). Yet, as T. Dai, Y. Dai, Wen and Chu (2013) state, those managers who apply the transactional type of leadership put forward the methods of reward in an aim of increasing their organizational efficiency and recompensing their subordinates with rewards whenever there is an improvement in the degree of effectiveness; when the results are not sufficient, penalties are applied. Many researchers agree that transactional style of leadership has a positive impact on each professional context and in that way, transactional style is improving. Nevertheless, there are also results showing quite the opposite.

The main objective of the current research was the examination of the effect/correlation of the transformational, transactional, and laissez-faire management style of the sports departments of Greek municipalities in the psychological empowerment of their employees (education instructors).

#### Methods

In the present study, 29 managers and their 247 employees took part; they were permanent and contract fitness instructors of sport departments of Greek municipalities of East Macedonia and Thrace, West Macedonia and Central Macedonia.

The main questionnaires that were used for the whole study were:

a) the Multifactor Leadership Questionnaire (M.L.Q) of Bass and Avolio (1997), given to the sports managers, consisting of 45 questions, 5 scaled Likert, closed-questions of high validity and credibility for all the aforementioned dimensions (.91 to .94)

b) the Psychological Empowerment Instrument scale (Spreitzer, 1995, 1995a) given to the employees, consisting of 12 questions, seven scaled Likert, closed-questions that the validity of the dimensions range approximately to .80

The collection of data for the specific project included two phases: a) the pilot research and b) the main research. The questionnaires that were used for the study were translated from English to Greek and back again. The pilot research is based on the answers that were given by 25 individuals with the purpose of testing the reliability and validity of the questionnaires. Afterwards, some slight necessary improvements took place.

The distribution of the questionnaire was a part of the main research, which was completed through e-mails, towards the persons in charge of the sports organizations. Those individuals with whom regular telephone contact was maintained, participated in the mass athletic programme in the districts of East Macedonia and Thrace, West Macedonia, and Central Macedonia.

The first part of the questionnaire referred to the demographic features of the respondents such as sex, age, location, family status, education, monthly income, experience, and years of employment at the organization. Completing the questionnaire for every dimension was the second part of the procedure.

## **Results**

The analysis of data was carried out with the help of SPSS 20. Firstly, the factors of the questionnaires were calculated as the average of the responses to the corresponding questions in each factor. Then, the factors were checked regarding the test for Normality (Razali, Wah, & Sciences, 2011; Shapiro & Wilk, 1965). For the analysis of the results, p=0.05 was defined as the level of statistical significance.

For the investigation of the statistical hypothesis regarding the effect/correlation of the three leadership styles upon the dimensions of psychological empowerment, linear regression was applied for the dimensions that fulfilled the Test of Normality. The Spearman correlation was applied for the non-parametrical analysis of the dimensions that could

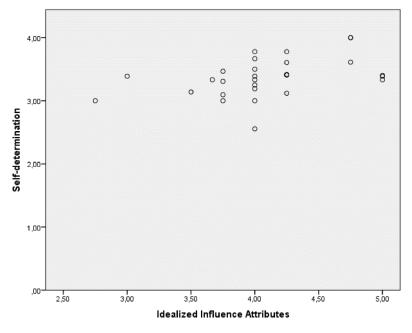
not fulfil the Test of Normality. More specifically, the results proved that, according to the effect/correlation of transformational leadership style upon the dimensions of psychological empowerment, only the self-determination of psychological empowerment had a major positive correlation with the idealized influence attributes (IIA) of the transformational style (r=0.492; p=0.007) and considerable negative correlation with the idealized influence behaviour (IIB) of the same style (r=-0.421; p=0.023; Table 1). More specifically, the more idealized influence attributes are increasing, the better self- determination is strengthened. In contrast, the more the idealized influence behaviour is being enhanced, the more considerable is the decrease noted towards self-determination (Figure 1, Figure 2).

**Table 1.** Results of the Correlation/Effect of Transformational Leadership towards the Subordinates' Psychological Empowerment

	IIA	IIB	IM	IS	IC	Total transfor.style
Meaning	r=0.131; p=0.497	r=0.054; p=0.782	r=0.240; p=0.209	r=0.035; p=0.857	F(1,27)=0.079; p=0.781; R2=0.3%	F(1,27)=0.032 p=0.858; R2=0.1%
Competence	r=0.006; p=0.976	r=0.029; p=0.881	r=0.016; p=0.934	r=-0.119; p=0.537	r=0.229; p=0.233	r=0.067; p=0.728
Determination	r=0.492 p=0.007*	r=-0.421; p=0.023*	r=-0.085; p=0.660	r=-0.147; p=0.447	F(1,27)=2.376; p=0.135; R2=8.1%	F(1,27)=5.702; p=0.024*; R2=17.4%
Impact	r=0.191; p=0.320	r=-0.055; p=0.776	r=0.065; p=0.738	r=0.093; p=0.632	F(1,27)=0.266; p.610; R2=1.0%	F(1,27)=0.149; p=0.702; R2=0.5%
Psych. emp.	r=0.302; p=0.112	r=-0.171; p=0.375	r=0.011; p=0.955	r=0.091; p=0.640	F(1,27)=0.043; p=0.837; R2=0.2%	F(1,27)=0.910; p=0.349; R2=3.3%

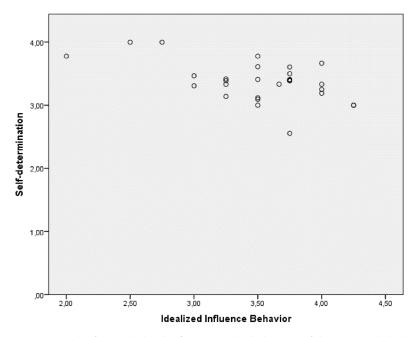
In the figures below, the relation between the idealized influence of transformational leadership with subordinates'

self-determination are displayed (Figure 1, Figure 2).



**Figure 1.** The factor idealized influence on attributes of the transformational leadership had a positive relation with subordinates' self-determination (r=0.492, p=0.007)

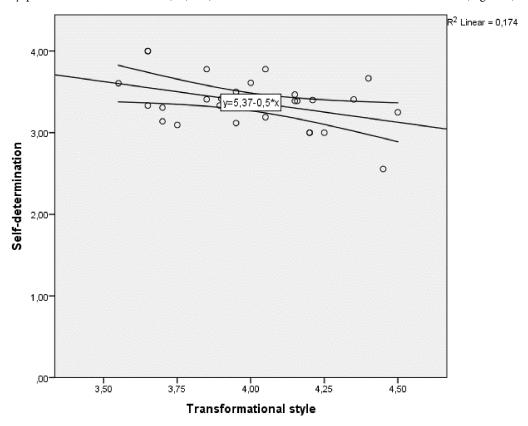
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**Figure 2.** The factor-idealized influence on the behaviour of the same style had a quite negative relation with subordinates self-determination (r=-0.421, p=0.023)

Furthermore, on the whole, transformational leadership can significantly provide self-determination (F (27,1)=5.702;

p=0.024; R2=0.174), and transformational style justifies 17.4% of the subordinates' self-determination (Figure 3).



**Figure 3.** The transformational style seems to provide for self-determination

For the investigation of the second statistical hypothesis regarding the effect/correlation of the transactional style of leadership upon the dimensions of the psychological empowerment, the results showed that the dimensions of the

transactional style of leadership and the overall transactional style does not influence or relate to any of the four dimensions of subordinates' psychological empowerment (p>0.05) (Table 2).

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<b>Table 2.</b> Results of the Correlation/Effect of the	Transactional	Style of	Leadership	towards	the
Subordinates' Psychological Empowerment					

	Contingent Reward	Management by exception-	Management by exception- passive	Transactional Style
Meaning	r=0.164; p=0.395	F(1,27)=0.439; p=0.513;	r=-0.056; p=0.774 R2=1.6%	F(1,27)=0.002 p=0.962; R2=0.0%
Competence	r=0.114; p=0.556	r=0.182; p=0.344	r=0.128; p=0.509	r=0.240; p=0.210
Self determination	r=-0.116; p=0.549	F(1,27)=1.403 p=0.246;	r=-0.163; p=0.398 R2=4.9%	F(1,27)=2.784; p=0.107; R2=9.3%
Impact	r=-0.070; p=0.720	F(1,27)=0.002; p=0.965; R2=0.0%	r=-0.128; p=0.509	F(1,27)=0.028; p=0.868; R2=0.1%
Psychological empowerment	r=-0.123; p=0.526	F(1,27)=0.256; p=0.617; R2=0.9%	r=-0.093; p=0.630	F(1,27)=0.341; p=0.564; R2=1.2%

For the investigation of the third statistical hypothesis regarding the effect/correlation of the laissez-fair style of leadership on the dimensions of psychological empowerment, the results

proved that the laissez-fair style does not affect or relate to any of the four dimensions of subordinates' psychological empowerment (p>0.05) (Table 3).

**Table 3.** Results of the Correlation/Effect of the Laissez-Fair Style with the Subordinates' Psychological Empowerment

	Laissez-Faire leadership style
Meaning	F(1,27)=0.032; p=0.859; R2=0.1%
Competence	r=-0.008; p=0.969
Self determination	F(1,27)=0.210; p=0.651; R2=0.8%
Impact	F(1,27)=0.030; p=0.864; R2=0.1%
Total psychological empowerment	F(1,27)=0.087; p=0.770; R2=0.3%

# Discussion

The purpose of the current study was the investigation of the effect/correlation of the leadership styles that are applied by the managers of the sport departments of the Greek municipalities to their employees, permanent or contract fitness instructors, for their psychological empowerment.

Therefore, it must be mentioned that the results of the survey came after collecting the necessary data taken from a specific number of sport organizations and not throughout the country as a whole. There was a major positive correlation of the idealized influence attitudes of the transformational leadership, with the self-determination of the psychological empowerment. However, a negative correlation of the idealized influence behaviour of the transformational leadership with the same dimension of self-determination emerged. Moreover, there was no effect/correlation in either transactional or laissez-faire leadership with the dimensions of psychological empowerment.

More specifically, transformational leaders, through their enthusiasm, high moral role models, rectitude and optimism, create a team spirit providing meaning and challenge to the work of their employees, enforcing their subordinates' level of self-effectiveness, trust, intention and self- determination. The main goal is the empowerment of their employees in order

to achieve their objectives (Avolio, 1999; Avolio, Zhu, Koh, & Bhatia, 2004; Bass & Avolio, 1994; Luthans & Avolio, 2003; Walumbwa, Avolio, Luthans, May, & Gardner, 2004).

Nevertheless, the negative correlation between idealized influence on behaviour, of the transformational leadership, with self-determination can be justified from the fact that transformational leaders, via narcissistic tendencies, are overly optimistic with regard to their capabilities of influencing or controlling others (Villiers, 2014). This can have adverse effects on the creativity of followers, especially when influence or control is high. Moreover, when transformational leaders give more emphasis to the future than the present, it weakens followers sense of safety and hinders their creativity. This can explain the significant negative cross-correlation of idealized influence behaviour with self-determination in the present research, when the followers do not have choices to implement their tasks.

Congruent with the present findings, various studies in teachers proved that when headmasters use a transformational leadership style, it contributes considerably to the psychological empowerment of their teachers (Kurnaz & Arslan, 2011). Moreover, participative decision making by employees and the mechanisms of the coordination of completion that managers apply increase the levels of psychological empowerment of their followers (Al-Zahrani et al., 2012).

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Relevant results are also presented in the sport frame (Lee, Kim, & Joon-Ho, 2013); transformational leadership style has a statistically significant effect on the psychological empowerment of professional handball players in five different teams in Korea.

In conclusion, this study provides researchers investigating transformational leadership, transactional leadership, laissez-faire leadership, and psychological empowerment with a preliminary map of how these constructs are related, and highlights the critical challenges and responsibilities that are associated with multifactor leadership research and practice. As indicated by several researchers (e.g., Bass & Riggio, 2006; Sosik & Jung, 2010), psychological empowerment is a crucial process that defines transformational leadership and illustrates why it is effective in building follower's organizational identification and performance.

Given the evidence presented here, future research should address the relationships of transformational to transactional and laissez-faire leadership styles as well as study these in greater depth as well as their correlation with psychological empowerment.

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#### **Conflict of Interest**

The authors declare that there is no conflict of interest.

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