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**Benchmark Study on the Impact of Nurse Managers' Leadership Style on Job Satisfaction
and Retention of Nurses**

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A Paper Submitted in Partial Fulfillment of the Requirements for

NURS 5382: Capstone

In the School of Nursing

The University of Texas at Tyler

to

Dr. Kara Jones, DNP, RN-BC, CNE

December 5, 2021

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Executive Summary

Nurse managers play a crucial role in the healthcare system as they ensure that quality care is maintained and provide the necessary support for the nursing staff to perform their responsibilities well, amongst other duties. A happy nurse leads to a happy patient, which is essentially what healthcare organizations aim for. They want patients to receive quality, cost-effective care, and these patients want the same. If nurses are happy with their jobs, they provide quality patient care, improving overall patient outcomes. Additionally, job dissatisfaction predicts how individuals perform at work and whether they intend to leave their position or not.

The current standard of practice does not specify what leadership styles nurse managers or leaders should employ. However, the literature states that relational leadership styles yield more favorable nurse workforce and work environment outcomes than task-oriented leadership styles. As for the preference of acute care nurses, they want to have supportive and strong managers and want to be satisfied with their work environment and culture. Thus, the goal of this project is to determine if transformational leadership significantly promotes job satisfaction and retention among acute care nurses compared to transactional leadership.

Stakeholders involved in this project include but are not limited to acute care nurses, such as new nurses and the entire nursing staff, nurse managers and other leaders, patients, and other non-nursing healthcare professionals. Moreover, the project can be done using questionnaires, which can be done remotely without limiting location to one specific hospital or unit. The questionnaire will include a demographic portion, a multi-factor leadership questionnaire, a job satisfaction scale, and a questionnaire to measure retention. This project is feasible and relevant. If transformational leadership leads to better outcomes, nurse managers should practice or adapt their leadership style to promote it, as the body of evidence suggests.

Benchmark Study on the Impact of Nurse Managers' Leadership Style on Job Satisfaction and Retention of Nurses

Managers are a critical part of the working environment and can drastically influence their employees' job satisfaction and professional commitment. Nurse managers play a crucial role in the healthcare system as they ensure that quality care is maintained and provide the necessary support for the nursing staff to perform their responsibilities well, amongst other duties. Unfortunately, despite numerous studies published on the significance of leadership styles, only a few studies discuss their impact on staff nurses' job satisfaction and retention. Consequently, the following PICOT question was formulated: In acute care nurses (P), how does the implementation of transformational leadership by nurse managers (I) compared to transactional leadership (C) affect their job satisfaction (O) and retention rates (O) within the nurses' employment (T)?

Rationale for the Project

Job dissatisfaction among nurses and nursing shortages are global healthcare issues. Nurses are considered the backbones of any healthcare system as they provide both direct and indirect patient care. Increased job satisfaction can improve patient care quality and ensure a sufficient nursing workforce (Lu et al., 2019). Moreover, job satisfaction often predicts how individuals perform at work and whether or not they intend to leave their positions (Wisotzkey, 2011; Yarbrough et al., 2016). In the United States, hospitals have a 16.5% turnover rate of registered nurses (RNs), with each turnover costing them approximately \$44,000 to \$64,000 (Yarbrough et al., 2016). RN turnovers alone can yield a \$4.21 to \$6.02 million financial loss annually (Haddad et al., 2020; Yarbrough et al., 2016). Thus, promoting job satisfaction and retention of nurses is significantly beneficial to the hospital in multiple aspects, including having an adequate workforce, improving patient outcomes, and reducing unnecessary costs.

Job satisfaction and turnovers in nursing are influenced by numerous factors, including leadership and management styles and practices (Kiwanuka et al., 2020; Lu et al., 2019; Nantsupawat et al., 2016; Suliman et al., 2020). Two of the more commonly used nursing leadership styles are transactional leadership, in which contingent rewards are used to get the work done, and transformational leadership, in which leaders are sources of inspiration (Suliman et al., 2020). Thus, this project will limit the leadership styles to these two.

Project Goals

The goal of this benchmark study was to determine if the leadership style of nurse managers affects job satisfaction and retention of staff nurses. Specifically, the goal is to determine if transformational leadership significantly promotes job satisfaction and retention among acute care nurses compared to transactional leadership. If leadership styles impact satisfaction and retention, nurse managers should be cognizant of how they lead their employees.

Literature Synthesis

During a literature review, a limited number of studies answered the PICOT question. Current literature asserts that transformational leadership generally has a statistically significant correlation between good nurse workforce and work environment outcomes, such as job satisfaction or professional commitment (AbuAlRub & Alghamdi, 2012; Cummings et al., 2018; Halter et al., 2017; Hughes, 2019; Jeon et al., 2015; Kodama et al., 2016; McCay et al., 2018; Specchia et al., 2021). However, only a few studies included in the body of evidence found that transformational leadership had positive correlations with both job satisfaction and retention than transactional leadership did (McCay et al., 2018; Specchia et al., 2021). Even a systematic review by Halter et al. (2017) found that transformational leadership was associated with increased intent-to-stay and that transactional leadership was more associated with staff turnovers but could not

conclude definitive causality due to research gaps on acute care nursing satisfaction, turnover, and retention.

Furthermore, several studies had results outside of the usual conclusion that transformational leadership is more positively associated with job satisfaction and retention than transactional leadership. Pishoogie et al. (2018) concluded that both transformational and transactional leadership styles had negative relationships with anticipated staff turnover. Additionally, Al-Yami et al. (2018) found that both leadership styles had positive correlations with nurses' organizational commitment.

In some work cultures, transactional leadership correlated with increased job satisfaction (Cummings et al., 2018; Hughes, 2019). Even a cross-sectional study by Abdelhafiz et al. (2015) shared that both transformational and transactional leadership styles were associated with increased job satisfaction of staff nurses; however, transactional leadership had a stronger positive correlation with satisfaction than transformation leadership did. Moreover, a cross-sectional study by Asiri et al. (2016) found that transactional leadership correlated with an increased organizational commitment by the nurses. In contrast, transformational leadership was associated with a decreased commitment.

Nonetheless, nurse leadership styles as perceived by staff nurses impacts job satisfaction and retention. In addition, a positive relationship between nurse managers or leaders and staff nurses and good supervisor support can positively affect job satisfaction and retention rates (Halter et al., 2017).

Project Stakeholders

Project stakeholders include but are not limited to the author as the project manager, the author's professor overseeing the project, acute care nurses, nurse managers, nurse supervisors,

the Chief Nursing Officer, other nurse leaders, and patients. Buy-in from nurse managers and leaders at all levels is crucial because they play essential roles in the success of any implementation project. Nurse leaders should create a work environment that supports transformation from outdated practices. They need to provide an open, supportive space for staff to feel empowered to question traditions. They also should give the staff nurses the necessary resources to implement the best evidence to guide current practice (Vanhook, 2009). The organization's nurse leaders need to encourage the staff nurses to participate in the project, properly implement it, and provide the necessary resources to ensure smooth implementation and success.

In addition, although the project directly changes nursing administrative practice and affects the nursing workforce, non-nursing hospital professionals, such as physicians, physical therapists, and social workers, are indirectly affected by the change project. Job satisfaction and retention of staff nurses may affect the quality of care the nursing staff can provide and the adequacy of the nursing workforce to collaborate with the other professions, which in turn can influence interprofessional teamwork and outcomes.

Planned Implementation

Solid planning is pertinent for the implementation of any planning. The plan for this evidence-based practice (EBP) project based on integrating all the evidence involves identifying staff nurses with nurse leaders who follow transformational or transactional leadership styles, conducting a survey, and assessing the outcomes related to job satisfaction, intent-to-stay in current position, and turnover rates. The existing standard of practice does not dictate the leadership styles nurse managers and other leaders need to employ. However, the literature supports that transformational leadership or relational leadership styles are associated with better workforce and work environment outcomes than transactional leadership or task-oriented leadership styles. As

for the preference of acute care nurses, they want to have supportive and strong managers and want to be satisfied with their work environment and culture.

The significant phases of the project implementation plan can be broken down into four phases for twelve weeks: (1) the preparation phase, (2) the questionnaire phase, (3) the gather and analysis phase, and (4) evaluation and evidence dissemination phase. The first phase involves the actual planning and preparation for the project, including creating the questionnaire. The next phase is marked by the time that the questionnaire is released for answering. A six-week time frame is given to this phase to allow an ample number of responses. The third phase involves data collection and analysis. Finally, the fourth phase consists of drawing a conclusion and sharing the information with the study participants and interested parties.

Flowchart

The preparation phase involves several steps and will occur for two weeks. First, stakeholders should be identified to aid with translating the project from an idea to its execution. The stakeholders are individuals who are active participants in the study or whose interests may be affected by the project's outcomes (Melnik & Fineout-Overholt, 2019). Stakeholders involved in the project include the professor overseeing the project, the Chief Nursing Officer (CNO), acute care staff nurses, their nurse managers, other nurse leaders, other healthcare professionals, and patients.

Next, the subjects should be identified. Because a questionnaire is used for this project, there will be an inclusion criterion to participate. The inclusion criteria include a registered nurse or licensed practical or vocational nurse with at least one year experience in their current position, have the same nurse manager for at least eighty percent of the last twelve months and works in the hospital in an acute care unit.

Then, the questionnaire should be formulated. It will contain four major components: A demographics portion, a multifactor leadership questionnaire, a job satisfaction scale, and a questionnaire to measure retention, intent-to-stay in current position, or organizational commitment. Once the questionnaire is developed, the questionnaire should be published online for accessibility. The questionnaire should also have a cover letter that discusses the purpose of the project, privacy and confidentiality of identifying data linked to the responses, and that completion and submission of the questionnaire is served as informed consent. Also, a template to email the clinical nursing staff to request participation should be drafted. The draft should be reviewed by the professor and CNO or another nurse leader of the organization that will be part of the project.

The next phase, or the questionnaire phase, is characterized by the questionnaire open for responses. First, an email with the template and a link to the questionnaire will be sent to clinical nursing staff. Subsequent emails will be sent weekly during this period to remind staff who are interested but have yet to complete the questionnaire to do so.

After six weeks, the questionnaire will be closed for responses, and the gather and analysis phase begins. This phase will last for another two weeks. It is marked by the analysis of data collected from the questionnaire responses. Then, statistical analysis of the data and the interpretation of results will be made.

Finally, the last phase, or the evaluation and evidence dissemination phase, commences and lasts for another two weeks. This phase involves drawing conclusions of the project's findings and sharing the findings with others. The findings will be presented to the professor and peers and shared with study participants, the CNO, the nurse managers of the acute care units, and other interested stakeholders. The project will also be submitted for poster or presentation.

Figure 1 is the flowchart of the project implementation as described above. Due to the current pandemic, the actual implementation of this project cannot be done at this time. Instead, this project is a benchmark study.

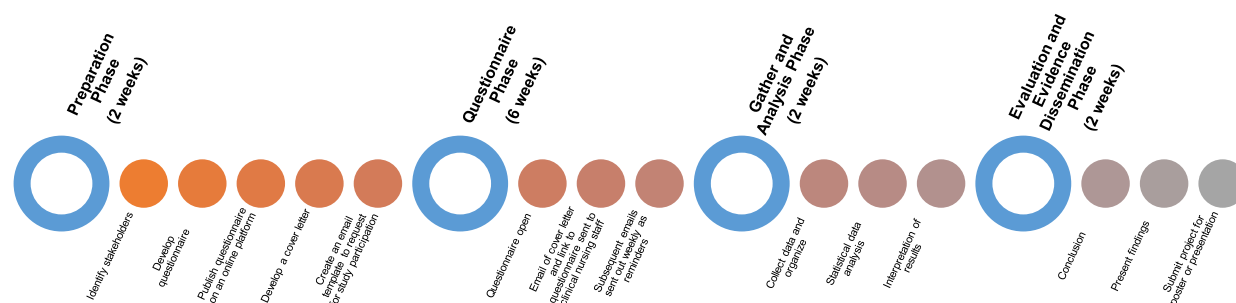


Figure 1. Flowchart of project's implementation.

Data Collection Methods and Planned Evaluation

Evaluating outcomes from the EBP changes is critical in determining if findings from the research are comparable when translated into real-world clinical settings (Melnik & Fineout-Overholt, 2019). The evaluation phase for this project involves evaluating outcomes to determine if nurse managers' transformational or transactional leadership styles positively, negatively, or do not affect job satisfaction and retention, or the lack of planned intention-to-leave, of acute care nurses. Data will be obtained from questionnaire responses.

From the collected data, central tendency, frequencies, and percentages can be obtained. For the characteristics of participants, data from the questionnaire component of demographics will be used. The staff nurses' perception of the leadership styles employed by their nurse managers will come from the associated data of the questionnaire component of the multi-leadership questionnaire. Additionally, the job satisfaction scale and retention scale portions of the questionnaire will measure job satisfaction and retention, respectively.

Furthermore, correlational analysis will be utilized to investigate the relationships between the study's independent and dependent variables. Pearson correlation will be used to test the linear relationship between the independent and dependent variables (Frey et al., 2000). Also, multiple linear regression will be utilized to examine how much variation in job satisfaction and retention can be explained by the nurse managers' leadership styles while controlling for the demographic variables (Frey et al., 2000).

Costs and Benefits

Because the project entails completing an online questionnaire, associated costs for implementing the project are minimal. The only mandatory cost for this project is a secure online platform to publish and host the questionnaire. The price for the website and hosting greatly varies, but a secure and decent website and host can cost about \$15 per month. Because the questionnaire is open for six weeks, two months of hosting is required as the minimum. Thus, approximately \$30 is needed. Other additional costs, such as fee for a professional website creation and a money or object raffle to encourage study participation, can be considered but are not necessary.

Therefore, the benefit of the project outweighs the cost of its implementation. This project is feasible and relevant to the nursing practice especially in terms of addressing the global nursing shortage. The result of this implemented study can help modify how nurse managers lead their staff nurses to promote job satisfaction and job retention. As a recap, each turnover costs a healthcare organization approximately \$44,000 to \$64,000 (Yarbrough et al., 2016). Thus, imagine how much the organization can save if the way a nurse manager leads can affect the decision of an employee to stay in his or her current position.

Overall Discussion and Results

Because this project is a benchmark study, there are currently no official results and evaluations. However, current literature supports that transformational leadership is associated with more positive workforce outcomes than transactional leadership. Even transformational leadership is a critical component of the Magnet model that most healthcare organizations strive for. Hopefully, the results will align with the current evidence when this project can be implemented.

Conclusions and Recommendations

The purpose of this change project is to determine if transformational leadership significantly promotes job satisfaction and retention among acute care nurses as compared to transactional leadership. Due to the global nursing shortage and the importance of nursing job satisfaction and intention to leave on patient care, nurse managers need to be mindful of how they contribute to these already existing issues. Although the discussed project appears to be relatively straightforward to implement and evaluate, its results can significantly impact how nurse managers lead their staff nurses to promote nurse workforce outcomes and be feasible and applicable to numerous healthcare settings where nursing practice exists.

When this project can be implemented, hopefully, healthcare organizations will have formal training on effective leadership styles and behaviors as they may influence job satisfaction and retention of employees. The organizations can also consider having a mentorship program for future nurse leaders. They can also provide ongoing education to current and prospective nurse leaders on leading employees to promote positive nursing, patient, and organizational outcomes. Education is critical in keeping nurses and other professionals up to date in the constantly evolving

healthcare setting and can encourage them to follow the change themselves (Melnyk & Fineout-Overholt, 2019).

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