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Impact of the Manager's Span of Control on Leadership and Performance

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Steering Committee

A steering committee has provided consultation since the planning stages of the study. The same organizations have been represented on the steering committee throughout the study, although some of the names of the representatives have changed for some organizations.

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Key Implications for Decision Makers

This study examined the relationships between types of leadership, the number of staff that managers are responsible for, and patient and nurse outcomes.

- Nurse managers with positive leadership styles, who develop, stimulate, and inspire followers to exceed their own self-interests for a higher purpose and are based on a series of exchanges or interactions between leader and followers, had more-satisfied staff.
- Nurse managers with negative leadership styles, who take action only when required or when issues become serious or who avoid leadership responsibilities, had less-satisfied staff.
- Patient satisfaction was higher on units where managers used a positive leadership style.
- Patient satisfaction was lower on units where managers had a large number of staff reporting to them.
- Units with managers who had a large number of staff reporting to them had higher levels of staff turnover.
- Units with managers who used a positive leadership style had lower levels of staff turnover.
- Having a large number of staff reporting to the managers reduced the positive effect of the positive leadership styles on staff satisfaction and increased the negative effect of the negative leadership styles on staff satisfaction.
- Having a large number of staff reporting to the managers also reduced the positive effect of the positive leadership styles on patient satisfaction.
- No leadership style will overcome having a large number of staff reporting to the managers.
- Organizations should implement management training programs to develop positive leadership styles.
- Guidelines need to be developed regarding the optimum number of staff that should report to nurse managers.

Executive Summary

Background

In the last decade, precipitated by pressure from government to reduce healthcare spending and maintain access and quality services (Leatt, Lemieux Charles, & Aird, 1994), many hospitals and healthcare agencies embarked on aggressive cost-cutting initiatives. Restructuring initiatives differed from one institution to another; however, in most cases it involved downsizing the workforce by laying off front-line nurses, nurse managers, and other healthcare executives. This reduction has resulted in the remaining managers being responsible for several units, having more staff responsibility, and in some cases exceeding 100 direct reports. Therefore, the traditional mentoring, motivating, coaching, and evaluating roles played by the nurse manager were significantly reduced or became nonexistent (Ontario Ministry of Health and Long-Term Care Nursing Task Force, 1999). This vital relationship between staff nurse and nurse manager which has been found to influence nurses' job satisfaction and the retention of nurses has now been substantially reduced. Hospitals and other healthcare organizations still continue to flatten their structures with fewer management positions and wide spans of control in an ongoing effort to reduce costs (Pillai & Meindl, 1998; Spence, Laschinger, Finegan & Shamian, 2001). Due to the many healthcare organizational and structural changes, there was a need to do research and identify the leadership style(s) and span of control that contribute to optimum nurse, patient, and organizational outcomes.

Studies on leadership (House & Aditya, 1997; Bass, Waldman, Avolio & Bebb, 1987) have acknowledged the significant influence of organizational factors, such as size and culture. Several nursing studies have also provided evidence that management style influences nurse satisfaction (Decker, 1997; Loke, 2001; Mc Gillis Hall et al, 2003; McNeese Smith, 1995; Tovey & Adams, 1999) and retention of nurses (Irvine & Evans, 1995; Leveck & Jones, 1996; Medley & Laroche, 1995).

Purpose

The purpose and objectives of this study are to 1) examine the extent to which the manager's span of control influences nurse, patient, and unit outcomes; and 2) investigate which particular leadership style contributes to optimum nurse, patient, and unit outcomes under differing spans of control.

Design, setting, participants, and framework

This study used a descriptive correlation design using a survey method to collect data from both individual and hospital units. The research was conducted at seven teaching and community-based hospitals, utilizing 51 units within these hospitals. The participants were 41 nurse managers, 680 patients, and 717 staff (registered nurses and registered practical nurses).

A theoretical framework was developed by integrating concepts drawn from three theories: transformational leadership theory; span of control theory; and contingency leadership theory. This framework proposes three specific relationships: a) the manager's leadership style has an effect on outcomes, as measured by staff satisfaction, patient satisfaction, and unit turnover; b) the manager's span of control has an effect on outcomes; and c) the manager's span of control has a moderating effect on the relationship between leadership style and outcomes.

Key findings

Leadership styles

Nurses' job satisfaction

- Transformational and transactional leadership styles *increase* nurses' job satisfaction.
- Management-by-exception and laissez-faire leadership styles *decrease* nurses' job satisfaction.

Patient satisfaction

- Transactional leadership style *increases* patient satisfaction.

Turnover

- Transformational leadership style *decreases* turnover.

Span of control

Nurses' job satisfaction

- Wide span of control *decreases* the positive effects of transformational and transactional leadership styles on nurses' job satisfaction.
- Wide span of control *increases* the negative effects of management-by-exception and laissez-faire on nurses' job satisfaction.

Patient satisfaction

- Wide span of control *decreases* patient satisfaction.
- Wide span of control *decreases* the positive effects of transformational and transactional leadership styles on patient satisfaction.

Turnover

- Span of control *increases* turnover.

No leadership style can overcome a wide span of control.

Conclusions

The results of this study support the importance of the manager's leadership style and span of control in creating a positive work environment. These findings reaffirm the need for organizations to provide mechanisms to help managers become more effective leaders. Organizations should design and implement management training and development programs that focus on effective and facilitative leadership styles, such as a transformational style of leadership.

The moderating influence of span of control on the effects of leadership on nurses' job satisfaction demonstrates that no leadership style can overcome a wide span of control. It is not humanly possible to consistently provide positive leadership to a very large number of staff, while at the same time ensuring the effective and efficient operation of a large unit on a daily basis. Thus there is a need to develop guidelines regarding the number of staff a nurse manager can effectively supervise and lead.