

# Transformational leaders' psychological capital

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## Transformational leadership

- Transformational leaders raise the motivational level of subordinates and themselves in interaction (Bass, 1985)
- Examples; Nelson Mandela, Mahatma Gandhi, John.F Kennedy, New examples, e.g Richard Branson
- Effective way to lead; superior results (Howell & Wanasika, 2019)

## Transformational leadership dimensions modified from Kouzes & Posner, 1988

1. Challenging
2. Visioning
3. Enabling
4. Showing the way
5. Rewarding



## Psychological Capital

- Concept based on positive psychology
- Individuals with high psychological capital are flexible to meet the dynamic demands of their jobs, while their PsyCap at the same time helps them experience higher level of competence and well-being (Luthans, 2006, 24)



## Dimensions of psychological capital

- **Hope** is a positive motivational state including
  - (a) agency (goal-directed energy)
  - (b) pathways (planning to meet goals)
- **Efficacy** is defined as belief in one's ability to successfully complete a specific task
- **Resilience** is the ability to recover from adversity and setbacks in a way that surpasses initial expectations
- **Optimism** is a positive explanatory style that interprets
  - positive events to personal, permanent, and pervasive causes,
  - negative events in terms of external, temporary, and situation-specific factors

## Data and Method

- **Data: N= 205**
  - Women, n= 125 (61%),
  - Men, n=42 (20%),
  - Not identified, n=38 (19%)
- **Questionnaires:**
  - Transformational leadership (Finnish version of the Kouzes & Posner's questionnaire; see e.g. Brandt & Uusi-Kakkuri, 2016)
  - Psychological Capital (version of Luthan's questionnaire; see e.g. Brandt, Gomes & Boyanova, 2016)
- **Method:** Factor analyses, Correlations (Pearson)

## Reliability (Cronback's alpha)

Dimension	Cronbach's Alpha ( $\alpha$ )
Challenging	0.398
Sharing the Vision	0.571
Enabling others to act	0.631
Modeling the Way	0.375
Rewarding	0.850
Self-confidence	0.896
Goal-oriented	0.846
Relaxed	0.777
Optimistic about the future	0.749
Will	0.309
Positiveness	0.422

Transformational Leadership

Psychological Capital

## Results

PSYCHOLOGICAL CAPITAL DIMENSIONS:	Psychological capital, sub-dimensions:	TF leadership: Challenging	TF leadership: Visioning	TF leadership: Enabling	TF leadership: Showing the Way	TF leadership: Rewarding
<b>EFFICACY</b>	Efficacy	<b>0,000***</b>	<b>0,042*</b>	<b>0,007**</b>	<b>0,008**</b>	<b>0,007**</b>
<b>HOPE A</b>	Goal-orientation	<b>0,000***</b>	<b>0,001***</b>	0,655	<b>0,007**</b>	<b>0,002**</b>
<b>HOPE B</b>	Positive about future	<b>0,000***</b>	0,436	0,150	0,721	0,004**
<b>RESILIENCE A</b>	Relaxed	<b>0,000***</b>	0,693	0,977	0,959	0,374
<b>RESILIENCE B</b>	Persistence	<b>0,001***</b>	0,388	0,314	<b>0,018*</b>	0,058
<b>OPTIMISM</b>	Optimism	<b>0,000***</b>	0,896	<b>0,000***</b>	<b>0,001**</b>	<b>0,002**</b>

## Discussion

- **Efficacy** impact on every dimension of TF-leadership → Self-esteem is important in leadership behavior
- **Goal Orientated (hope a)** behavior impact on other dimensions than Enabling at TF-leadership → Enabling is more static than other dimensions of TF
- **Positive attitude Towards Future (hope b)** impacted Challenging and Rewarding → With this attitude you have time for new thoughts, development and rewarding
- **Relaxed** leaders were more Challenging → Creativity needs time and relaxation
- **Persistence** with Challenging & Showing the Way → New ideas do not come in real without persistence. Persistence is also seen by others, and thus it shows example to others.
- **Optimism** is shown in all dimensions but in Visioning → Overall more positive leaders create good atmosphere and they gain better results

*Maybe PsyCap qualities should be trained to leaders in order to enhance leadership?*