

# Impact of Empowering Leadership on Nurses' Retention and Job Performance through Psychological Empowerment: A Study of Human Resource Management in Hospitals of Vietnam

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## Abstract

The objective of this study was to determine the relationships of empowering leadership, psychological empowerment, retention intention and job performance of Vietnamese nurses in Vietnam. The data of 175 nurses selected from 4 hospitals in Northern Vietnam was used to analyze. Collected data were analyzed on SPSS 23. As results, there was significant relationship between empowering leadership, psychological empowerment and retention intention; significant relationship between empowering leadership, psychological empowerment and job performance among Vietnamese nurses. Furthermore, the mediating of psychological empowerment on the relationship between empowering leadership and retention, the relationship between empowering leadership and job performance of nurses has been explored.

**Key words:** Empowering leadership, psychological empowerment, retention, job performance, mediation analysis.

## I. Introduction

In any organization, it is necessary to stabilize personnel, to retain talented people, and to improve a personal achievement, an organizational achievement for the existence and development of the organization; Especially in health care organization which is considered as a pressure environment for nurses and doctors, the management of personnel and achievements plays a significant role in the distribution of health care workers and services.

Recently, in the field of health care, many researchers and practitioners have paid

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much attention to retention and job performance management of nurses (Holtom & O'Neil, 2004; Brunetto et al., 2013). However, most studies on retention and job performance management are often conducted in the United States, etc., while only a few studies have focused on these subjects in Southeast Asia. Based on this viewpoint, the author examines retention management and job performance management for nurses of hospitals and health care organizations in Vietnam.

Currently in Vietnam, some studies suggested that nurses were not satisfied with their jobs in the organization (Tran, 2005; Le & Doan, 2008). This can be considered as one of the factors affecting nurses' awareness and job performance. Nurses support patient care and have been recognized as the mediators between the patients and the hospitals. The management of retention and job performance of nurses therefore becomes necessary in health care organizations and hospitals in Vietnam.

It is mentioned that nurses in health care organizations in Vietnam work in a high-pressure environment because they have to contact patients daily, to perform their tasks and work relating to human health care (Selye, 1976) and often face stress from their work. Hence, psychological factors play a very important role in making them satisfied or dissatisfied with their work.

In literature, there are many factors affecting the psychological status, satisfaction or work attitude of nurses. However, among these factors, only a few studies on the psychological extent and influences of the management of superiors have been found. Thus, this paper focused on the management type, specifically empowering leadership (EML) for psychological empowerment (PE), retention (RE), and job performance (JP) of nurses in some hospitals in northern Vietnam.

The purpose of this paper is to examine the impact of supportive management of superiors named "empowering leadership", psychological empowerment on nurse retention and job performance. At the same time this paper also confirms the mediating role of psychological empowerment on the relationship between empowering leadership and retention, the relationship between empowering leadership and job performance of nurses.

For the purpose of this study, the author proposed research questions as follows:

Research Questions: Do nurses of health care organizations and hospitals in Vietnam have the ability to work effectively and make long-time contributions if they are supported and empowered by superiors in the form of empowering leadership? And will the psychological empowerment be an important factor in driving long-term working intentions and performance of nurses when they receive supports from their superiors?

## **II. Literature review and hypothesis development**

### **1. Effects of psychological empowerment on employee retention and job performance**

Human resource management in any organization is always one of the most important issues that determine the survival of that organization. Regarding policies of human resource management, so far there have been countless policies mentioned. Among them, recently employee retention management and job performance management have attracted the attention of managers and researchers.

Regarding human resource management, many previous studies have suggested that employee turnover management be a challenge for organizations (Lee & Mitchell, 1994). So far there have been many turnover studies concerning employees' voluntary turnover. It is said that dissatisfaction with job or organization often leads to employees' voluntary turnover (March & Simon, 1958). This dissatisfaction generates processes such as searching for alternative job, evaluation, comparison between alternative job and current job, actual turnover (Mobley, 1977, Price & Mueller, 1981).

Regarding employees' voluntary turnover study, it was divided into three periods. Employee turnover studies of the period prior 1985 focused on the traditional status such as job satisfaction and commitment at individual level to specify which factors lead employees' voluntary turnover (March & Simon, 1958). From 1985 to 1995, employee turnover studies were expanded to organization level. In this period, organizational factors such as culture, reward systems, relationships in working environment, etc... were confirmed as main factors affecting employee turnover (Pfeffer & Davis-Blake, 1992; Abelson, 1993). Since 1995, employee turnover studies have been characterized by many factors such as individual differences, stress and change-related attitudes, organization level consequences, person context interface, alternatives, etc... (Holtom et al., 2008).

To manage human resources in the organization, managers and researchers often pay attention to the reasons why employees quit the organization. However, other recent studies have noted that it is necessary to use other approaches to study how to stabilize and maintain key human resources for the organization (Maertz & Campion, 1998). In other words, to attract and keep talents for a long period of time for organization's success, obviously it is necessary to focus on the factors making employees stay with the organization besides the factors affecting employee turnover for the survival and development of an organization.

In literature, "Retention" is often used in phrase of "Customer Retention" and means "to maintain customer" (Gustafsson et al., 2005). However, in the field of human resource management, retention means to retain the best employees for the maximum period of

time in the organization (Phillips & Connell, 2003, Yamamoto, 2009) . Moreover, employee retention management is known as one of human resource management strategies of any organization and is the challenge of practitioners (Phillips & Connell, 2003: p.2) . It is also considered to be a process originating from recruiting suitable employees, then implementing programs and policies to develop and promote their commitment and engagement (Curtis & Wright, 2001) .

Actually, employee retention management brings a lot of benefits to an organization, for example, it can retain, or develop talents who have skills, abilities, experiences, etc ... to meet demand of organizations and customers (Hausknecht et al., 2009) . In addition, it is also considered as a form of creating a working environment in which employees can work together for long time and avoid loss of talented employees for the organization's productivity, services, etc ... (Samuel & Chipunza, 2009) .

Recently, employee retention management has received a lot of attention from researchers, practitioners, etc. For management of employee retention, researchers often focus on factors keeping and retaining the talents with the organization (Mitchell et al., 2001; Ramlall, 2003) . So far, there have been many factors affecting employee retention such as compensation (Hong, et al., 2012) , organizational culture (Govaerts et al., 2011) , personal relationship (Basford & Offermann, 2012) , leadership (Yamamoto, 2009) , job satisfaction (Kim et al., 2005) , organizational commitment (Anis et al., 2011) , job embeddedness (Mitchel et al., 2001; Dawley & Andrews, 2012) , etc... However, in this study, the author will focus on psychological empowerment of nurses and leadership in organization to examine how they affect nurses' retention in health care organizations in Vietnam.

In any organization, managers not only improve core human resource management or employee retention management, but also pay high attention to performances of employees. In other words, job performance management is also very important in any organization. If employee retention management is considered as a necessary condition, attention to the performance of employees is also noted as a sufficient condition to maintain and develop an organization.

In literature, there are many definitions concerning job performance (Murphy 1989; Campbell 1990) . Job performance is defined as the result of achievement of employees when they bring their abilities, skills and experiences to the workplace to handle their tasks. It also reflects the achievements of the organization (Viswesvaran et al., 2005) .

Moreover, job performance is also known as the expected organizational value of behaviors because it shows all the activities and actions of all individuals in an organization. According to Fleishman (1975) , job performance includes four dimensions such as behav-

ior description approach, behavior requirements approach, abilities approach and task characteristics approach. An employee can achieve high job performance if he or she is able to understand his or her capabilities, job characteristics, appropriate methods and receives the support from his or her superiors, or co-workers to handle the tasks. Based on these dimensions, it could be said that there are many approaches or factors affecting employees' performances.

Just like employee retention, in previous studies job performance is viewed as one of the outcomes of any organization or any individual. Based on job performance dimensions, so far it is said that many factors have been considered as antecedents of job performance such as job satisfaction, leadership, creative self-efficacy, psychological empowerment, job engagement, etc. (Yousef, 2000; Li & Hung, 2009; Rich et al., 2010). However, in this study the author places an emphasis on psychological empowerment and leadership to explore how these factors affect job performance of nurses in health care organizations in Vietnam.

As stated above, employee retention and job performance are noted as individual and organizational outcomes. These factors are always formed by psychological factors, motivation of the employees, etc... That an employee works in an organization for a longer period of time, and he or she can achieve specific performance is the result of his or her psychological status, decisions, feelings, etc... Among the psychological factors such as job satisfaction, organization commitment, job involvement, etc..., psychological empowerment also commonly attracts the notice of managers and researchers.

The concept "psychological empowerment" conferred by Conger & Kanungo (1988) is noted as an experienced psychological state and a process of heightening feelings of employee self-efficacy (Zhang & Bartol, 2010). It is also defined as "intrinsic task motivation reflecting a sense of self-control in relation to one's work and an active involvement with one's work role" (Seibert et al., 2011: 981).

Then, Thomas & Velthouse (1990) extended this concept by arguing that it is formed by four components such as meaningfulness, competence, choice and impact. Among these components, meaningfulness means that the employees feel a sense of meaning in their work, or their work is more worthy of their time and energy. Competence refers to beliefs about the abilities, competencies, and skills that they are able to perform. Choice indicates the freedom to choose how to perform the task. Impact shows degree of influence on employees' performance or influence on others.

In addition, the concept "psychological empowerment" is also considered as a cause of intrinsic task motivation (Thomas & Velthouse, 1990: 668). Based on this perspective,

Thomas & Tymon (2009) suggested that psychological empowerment or intrinsic motivation includes four components such as meaningfulness, competence, choice, and progress. Within these four components, the three components of meaningfulness, competence and choice are the same as in Thomas & Velthouse (1990) 's study and are explained as above. As for progress, it is stated as the feelings of employees that their work is moving forward and they can quickly achieve the results at work.

In previous studies, significant relationship between psychological empowerment and retention was confirmed (Bhatnager, 2012; Klerk, 2013). Obviously, through the above definition and components of psychological empowerment, the author can assume that once nurses feel that their existence is meaningful for their work and organization; or recognize that their own competence, they can choose suitable working ways by themselves. Moreover, if nurses' work and existence affect the organization, they will focus more on the work and engage for a longer period of time with the organization. So with an increase of psychological empowerment nurses will feel more autonomous at their work and their retention intention will be higher.

From this perspective, the hypothesis concerning psychological empowerment and nurse retention is formulated as follows:

Hypothesis 1: Psychological empowerment is positively related to nurse retention in health care organizations.

Psychological empowerment not only affects nurse retention but also improves nurses' job performance. It should be noted that a sense of meaningfulness, a sense of competence, a sense of choice and a sense of impact may influence the individual tendency of nurses. These factors make nurses put value on the purpose of their work, believe to have ability to fulfill their assigned work, have the choice at their work and have a strong sense of trust on others (Taktaz et al., 2012). So they can work effectively to improve their productivity and performance.

From this perspective, the following hypothesis is formulated:

Hypothesis 2: Psychological empowerment is positively related to job performance in health care organizations.

## **2. Effects of empowering leadership on psychological empowerment, employee retention, and job performance**

In many previous studies, management of superiors to employees is considered to have a positive effect on personal and organizational outcomes such as psychological factors,

work motivation, work process, sense of the long-term staying with organization of employees, and the performance of employees (Gwavuya, 2011; Kuria et al., 2016) . In other words, leadership in an organization plays an important role in human resource management.

Until now, through many studies, it is said that leadership has always been an interesting subject attracting attentions of practitioners and researchers. There are many different types of leadership. Each of which has different characteristics. Modern leadership forms gradually appear with existing traditional forms and are suitable for many organizations today. Among them, the form of empowering leadership is considered very important because it is able to improve psychological empowerment, long-time working sense and promote job performance of employees in the organization (Abhishek et al., 2006; Janie et al., 2015) .

Regarding terms of empowering leadership, it is necessary to understand the word “empowering” in this concept. “Empowering” is considered to originate from the concept “psychological empowerment” . Empowering leadership is seen as a form of management where the superiors support and empower employees. Through this support of superiors, employees have a sense of meaning in their work, have the freedom to choose how to work, be able to decide their working way by themselves, learn more knowledge, and have confidence to handle their assigned tasks. In other words, leaders’ empowering behaviors will enhance employees’ sense of meaningfulness, competence, self-determination and impact (Ahearne et al., 2005; Vecchio et al., 2010) . Thus, there is a fundamental belief that empowering leadership stimulates psychological empowerment of employees (Raub and Robert, 2010) . Based on this discussion, the author supposes the following hypothesis about the association between empowering leadership and psychological empowerment of nurses.

Hypothesis 3: EML is positively related to psychological empowerment of nurses in health care organizations.

In health care organizations, this empowering leadership becomes necessary for nurses so that they can improve their engagement. It can also prevent nurses from turnover, keep nurses in an organization’s employment and enhance patient care quality. When leaders empower nurses, nurses will have more freedom to accomplish their work, take over their work, and have feelings of trust in management (Greco et al., 2006) . Consequently, they are more likely to engage and work in the organization for a long period of time. Through this discussion about empowering leadership and nurse retention, the au-

thor hypothesize as follows:

Hypothesis 4: EML is positively related to nurse retention in health care organizations.

In empowering leadership, leaders play an extremely important role in skill development and coaching employees. They can empower, create opportunities for training and enhancing skills of employees by various methods. For instance, by delegating authority, sharing information and knowledge with employees, leaders can help them contribute and make quality decisions to the organization, improve their achievements and efficiency at work (Hakimi et al., 2010). In previous studies, empowering leadership has been widely demonstrated as an antecedant factor affecting job performance of employees (Zhang & Bartol, 2010). Thus, the author also emphasizes the importance of empowering leadership to job performance of nurses in health care organizations, and proposes the following hypothesis:

Hypothesis 5: EML is positively related to job performance of nurses in health care organizations.

### **3. Effects of empowering leadership on employee retention and job performance through psychological empowerment**

In any organization, in order to manage employees effectively, leaders or supervisors need to understand the characteristic of work, personality, psychology, feelings, etc... of the employees. Based on the above constituent components of psychological empowerment, to stabilize core human resources considered as the assets of the organization, and promote employees' job performance, leaders or supervisors need to communicate with and support employees actively (Thomas, 2009). In other words, it is necessary to apply the empowering leadership style to employees in the organization. This supporting management is specifically provided to help employees understand their important role in the work and organization, to support and train employees to gain high skills and confidence to fulfill their tasks.

In addition, empowering leadership is also noted as one of the most effective management methods in the organization. Contrast to traditional leadership models, assigning decision-making powers at work helps employees decide how to handle their tasks by themselves and encourages them to participate in a decision so that they can produce high performance and enhance their sense of development (Vecchio et al., 2010).

It is said that both psychological empowerment and empowering leadership may predict a variety of organizational citizenship behaviors (Coyle-Shapiro, 2002; Janie et al.,



2015). In addition, empowering leadership is associated with psychological empowerment whilst psychological empowerment is associated with organizational citizenship behaviors (Fong & Snape, 2013). Organizational citizenship behaviors include behaviors of employees in the organization such as job satisfaction, job engagement, intention to remain or quit, job performance, etc... Thus, implementing the empowering leadership in health care organizations becomes essential because it consequently can improve the sense of meaningfulness, competence, choice, and progress of nurses at work. This management form will motivate the nurses to stay longer with the organization. Based on this discussion, the following hypothesis is proposed:

Hypothesis 6: EML will affect nurse retention through the mediator of psychological empowerment.

In recent leadership styles, empowering leadership is seen as a motivating leadership style and is likely to be associated with employees' job performance (Ahearne, Mathieu and Rapp, 2005). Once employees are empowered and delegated authority to fulfill their assigned work, they experience meaningfulness in their work, have feelings of self-efficacy, are intrinsically motivated and focus on their work, and so they are likely to perform well. From this perspective, hypothesis concerning empowering leadership, psychological empowerment and job performance of nurses in health care organizations is formulated as follows:

Hypothesis 7: EML will affect job performance through the mediator of psychological empowerment.

Based on the above hypotheses, the author proposes a model of core human resource and performance management concerning relationships of empowering leadership, psychological empowerment, nurse retention and job performance in health care organizations and hospitals in Vietnam as figure 1.

**Figure 1 Model of Nurse Retention and Job Performance Management**

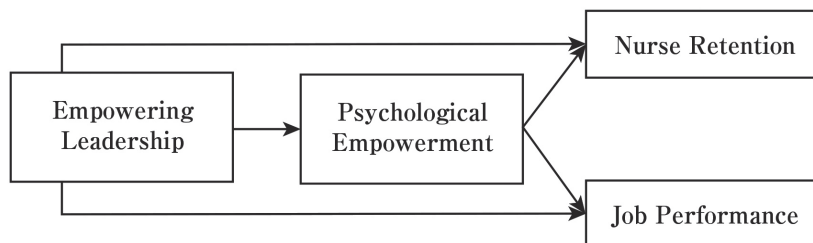


Figure 1 shows one independent variable, namely empowering leadership, nurse reten-

tion and job performance as two dependent variables, and psychological empowerment as mediator. The relationships of these variables are based on review of the literature that tends to support this model (Thomas & Velthouse, 1990; Abhishek et al., 2006; Janie et al., 2015; Vecchio et al., 2010; Thomas, 2009) .

### **III. Methods, sizes and measures of this study**

#### **1. Method and sample size**

This study's objects were mainly concentrated on several hospitals in the north of Vietnam. To carry out this study, the author came into a contact with his friends who have been working as doctors and managers of Bach Mai Hospital, L'Hopital Francaise de Hanoi, C Thai Nguyen Hospital, General Hospital of Pho Yen to ask for their helps in advance. After receiving their consent, the author started to make a preparation for the questionnaires. The questionnaires were handed to doctors, managers of the target hospitals and distributed to nurses from August to September 2015. After collecting them from the doctors, the managers; and filtering in-completed questionnaires, 175 questionnaires were suitable and used for analysis.

In this study, SPSS version 23 was used to analyze the collected data. Descriptive statistic analysis was used for respondent information such as sex, age, tenure. Frequencies and percentages were used to present the main characteristics of the sample. Factor analysis (principal axis factoring with promax rotation) was used to reduce the number of data and reliability ( $\alpha$  coefficient) was calculated for validity of variables. Correlation was analyzed for the relevance of variables in the model of nurse retention and job performance management. Hierarchical regression analysis was used to analyze the causal relationships and mediating effects of variables.

#### **2. Measures**

The multi-item scale used in this study can be referred in the Appendix. The items forming each construct were averaged to create a measure of variables of model.

Data of the present study consists of the five-section questionnaires: (1) Socio-demographic factors focused on sex, age, working years; (2) the 23-items of empowering leadership (EML) ; (3) the 11-items of psychological empowerment of employee (PE) ; (4) the 6-items of employee retention (RE) ; (5) the 5-items of job performance (JP) .

The questionnaires content of empowering leadership, psychological empowerment, job performance were based on the literature and previous research. Regarding 23 items

of empowering leadership, the author based on question contents of Ahearne et al. (2005) 's study. For instance: I am delegated the necessary authority to handle work.

To measure psychological empowerment of nurses, 11 items in Spreitzer (1995) 's study were used. For example: The work I do is meaningful to me. In this study, the author created 6 original items for employee retention. For instance: I want to work at this company for a long time. About the questions of job performance, 5 items in Shore & Martin (1989) 's study were used. One of the examples concerning job performance is that I make good use of time and resources.

Participants of the survey were required to answer questionnaires concerning the above items on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strong agree) . All questionnaires of this study were translated from English to Vietnamese for Vietnamese nurses in the survey participating hospitals.

The author ran factor analyses to adjust the number of items composing each construct. As results of factor analyses, the number of items of empowering leadership became 20 items; the number of items of psychological empowerment became 10 items; the number of items of retention became 5 items. There was no change for the number of items of job performance.

## IV. Results

### 1. Socio-demographic characteristics of the respondents

As mentioned above, the filtered sample number of this study was 175. Among these samples, female nurses made up 78% and 21.1% was male compared. The highest ratio of the ages of the participants was 40.6% from 26 to 35 years old. Furthermore, 43.4% was respondents working within less than 5 years at hospitals. All these characteristics of the participants are illustrated in Table 1.

**Table 1** Characteristics of the participants (N=175)

Item	Category	f	%
Sex	Male	37	21.1
	Female	138	78.9
Age	25 years and younger	54	30.9
	26-35 years	71	40.6
	36-45 years	40	22.9
	46-55 years	9	5.1
	55 years and older	1	0.6
Tenure	Less than 5 years	76	43.4
	6-15 years	63	36.0
	16-25 years	31	17.7
	26-35 years	4	2.3
	More than 36 years	1	0.6

f : frequency

## 2. Correlations and reliabilities for variables

Table 2 shows means, standard deviations, reliabilities and correlations among the study variables. As shown in the Table 2, the Cronbach's alpha coefficients of variables (EML:  $\alpha = .95$ ; PE:  $\alpha = .89$ ; RE:  $\alpha = .83$ ; JP:  $\alpha = .83$ ) are all acceptable. Also, this table shows that the independent variable of EML correlated positively to dependent variables named PE, RE and JP. This result illustrates that these variables are suitable to hierarchical regression analysis to confirm the hypotheses proposed above.

**Table 2 Means, Standard Deviations, Correlations and Reliabilities for Variables**

Variables	Means	SD	1	2	3	4	5	6	7
1 Sex	1.80	.41	—						
2 Age	2.04	.89	.01	—					
3 Tenure	1.81	.85	-.01	.83**	—				
4 EML	3.58	.61	.04	.21**	.26**	(.95)			
5 PE	3.79	.56	.10	.19**	.19**	.64**	(.89)		
6 RE	3.76	.73	.06	.05	.09	.51**	.65**	(.83)	
7 JP	3.89	.57	.15*	.15*	.13*	.56**	.79**	.61**	(.83)

N=175, \*p<0.5, \*\*p<0.01

## 3. Results of hypotheses testing

Hierarchical regression results of empowering leadership and psychological empowerment on nurse retention and job performance; mediation tests of psychological empowerment on relationship between empowering leadership and nurse retention, relationship between empowering leadership and job performance are showed in Table 3. In this table, after controlling for sex, age and tenure in step 1, independent variable of PE was entered in step 2 to confirm its influence on dependent variables of RE and JP. The hierarchical coefficients of this table show that psychological empowerment affected on nurse retention and job performance:  $\beta = 0.67$ ,  $p < 0.001$  for PE on RE;  $\beta = 0.78$ ,  $p < 0.001$  for PE on JP. Thus, hypothesis 1 and hypothesis 2 proposed above were supported.

Regarding hierarchical regression analysis of empowering leadership on psychological empowerment, nurse retention, and job performance, after controlling for sex, age and tenure in step 1, independent variable of EML was entered in step 2' for dependent variables of PE, RE and JP. The hierarchical regression results are showed in Table 3. This table shows that EML affected on PE, RE, and JP:  $\beta = 0.63$ ,  $p < 0.001$  for EML on PE;  $\beta = 0.52$ ,  $p < 0.001$  for EML on RE;  $\beta = 0.57$ ,  $p < 0.001$  for EML on JP. Thus, hypothesis 3, hypothesis 4, and hypothesis 5 were supported.

To examine mediation effects, the author used mediated regression analysis approach

of Baron & Kenny (1986). According to Baron & Kenny (1986), criteria of mediation effects are follows:

First of all, the independent variable must affect the mediator in the first equation. Second, the independent variable must affect the dependent variable in the second equation. Third, the mediator must affect the dependent variable in the third equation. Finally, the effect of independent variable on the dependent variable must be less in the third equation than in the second equation. Full mediation holds if the independent variable no longer affects the dependent variable when the mediator is controlled. Partial mediation is supported if the independent variable's effect on the dependent variable is reduced but still significant when the mediator is controlled.

As shown in Table 3, to test the mediation effects of psychological empowerment on relationship between empowering leadership and nurse retention, relationship between empowering leadership and job performance, after entering control variables such as sex, age and tenure in step 1, PE was entered in step 2, and EML was entered in step 3.

In step 3 in Table 3, the regression coefficient for predicted empowering leadership (EML) on nurse retention (RE) was significant. The size of the regression coefficients decreased from the condition where psychological empowerment (PE) was excluded. For RE,  $\beta = 0.52$  ( $p < 0.001$ ) became 0.17 ( $p < 0.5$ ). This result leads to the conclusion that psychological empowerment partially mediates the relationship between empowering leadership and nurse retention. Thus, hypothesis 6 was supported.

Similarly, after EML had been entered in step 3, the regression coefficient for predicted empowering leadership (EML) on job performance (JP) was insignificant. The size of the regression coefficients decreased from the condition where psychological empowerment (PE) was excluded but beta coefficient became insignificant in Table 3. For JP,  $\beta = 0.57$  ( $p < 0.001$ ) became 0.12 ( $p > 0.5$ ). This result leads to the conclusion that psychological empowerment fully mediates the relationship between empowering leadership and job performance of nurses. Thus, hypothesis 7 was supported.

**Table 3** Hierarchical regression results and mediation tests

	RE				JP				PE			
	b	SEb	$\beta$	t	b	SEb	$\beta$	t	b	SEb	$\beta$	t
<b>Step 1</b>												
Sex	.10	.14	.06	.77	.21	.11	.15	2.05	.14	.10	.10	1.38
Age	-.06	.11	-.07	-.52	.10	.09	.15	1.12	.08	.08	.12	.93
Tenure	.12	.12	.14	1.06	.01	.09	.01	.01	.05	.09	.08	.62
R <sup>2</sup>		.01				.05				.05		
F		.70				2.78*				2.99*		
<b>Step 2</b>												
Sex	-.02	.10	-.01		.10	.07	.07	1.54				
Age	-.13	.08	-.15		.03	.05	.05	.62				
Tenure	.08	.09	.09		-.04	.06	-.06	-.75				
PE	.87	.08	.67***		.81	.05	.78***	16.41				
$\Delta$ R <sup>2</sup>		.42				.58						
$\Delta$ F		126.89***				269.26***						
Overall adjusted R <sup>2</sup>		.42				.62						
Overall model F		32.63***				72.68***						
<b>Step 2'</b>												
Sex	.07	.12	.04	.60	.19	.09	.13	2.13	.11	.08	.08	1.37
Age	-.05	.10	-.06	-.55	.10	.07	.16	1.42	.08	.07	.13	1.27
Tenure	.01	.10	.01	.01	-.10	.08	-.15	-1.36	-.06	.07	-.09	-.85
EML	.62	.08	.52***	7.68	.53	.06	.57***	8.79	.58	.06	.63***	10.42
$\Delta$ R <sup>2</sup>		.25				.30				.37		
$\Delta$ F		58.99***				77.23***				108.48***		
Overall adjusted R <sup>2</sup>		.25				.33				.41		
Overall model F		15.45***				22.32***				30.78***		
<b>Step 3</b>												
Sex	-.01	.10	-.01	-.10	.11	.07	.08	1.62				
Age	-.11	.08	-.14	-1.36	.04	.05	.06	.75				
Tenure	.04	.09	.05	.50	-.06	.06	-.09	-1.06				
PE	.74	.10	.56***	7.52	.73	.06	.71***	11.73				
EML	.20	.09	.17*	2.22	.11	.06	.12	1.90				
$\Delta$ R <sup>2</sup>		.02				.01						
$\Delta$ F		4.93*				3.61						
Overall adjusted R <sup>2</sup>		.43				.63						
Overall model F		27.70***				59.75***						

N=175, \*p&lt;0.5, \*\*p&lt;0.01, \*\*\*p&lt;0.001

## V. Discussion

Results showed that psychological empowerment was positively related to nurse retention and job performance in health care organizations in Vietnam. The results can be explained that in a stressful and high-pressure working environment like health care organizations, do psychological factors play a very important role in work process and the ability to improve productivity and efficiency in the work of nurses. These psychological factors are easily influenced by many external factors that are difficult for nurses to observe and they also determine their behaviors.

In health care organizations, the nurses often meet patients, face difficult cases, illnesses, etc... so they often suffer stress. The pressure of work and the stress at work greatly affect the lives of nurses and cause physical, emotional and behavioral problems which can affect their current work and organization.

Under such a difficult working environment, if nurses have the right and freedom to carry out their work by themselves, recognize and understand the value and significance of their existence to the public, it is clear that nurses are easier to work in their organization. In addition, the value of knowledge, experience, understanding of the importance and influence of other colleagues and the organization will make nurses feel more responsible and interested in their assigned work. Then, nurses can achieve the highest efficiency at their work and engage with their organization for a long time. In literature, researchers found similar results that psychologically empowered employees remain for a long time in the organization and perform well at their work (Bakker & Bal, 2010; Bhatnagar, 2012).

The results of this study also showed that empowering leadership was positively related to psychological empowerment, nurse retention and job performance of nurses in health care organizations in Vietnam. It is said that psychological status, the sense of long-term working and performance of nurses in the organization are influenced by many factors. According to the above test results of this study, the author however confirmed that the management style named "empowering leadership" had a positive effect on psychological empowerment, retention and job performance of nurses.

The results implied that when leaders empower and delegate the authority to their nurses, they will experience meaning in their work, have a self-confident attitude to carry out their work and are more engaged in their organization. The results of this study are in line with previous studies (Raub & Robert, 2010; Zhang & Bartol, 2010; Bhatnagar, 2012) and it is noted that empowering leadership is an effective management style for many nurses in health care organizations or hospitals in Vietnam.

The results above confirmed that psychological empowerment partially mediated the relationship between empowering leadership and nurse retention, and fully mediated the relationship between empowering leadership and job performance of nurses. The results mean that when leaders empower their nurses, they can stay with the organization for a long period of time; or they will love their work, organization, make a meaningful contribution to the organization and will result in their retention. Moreover, when leaders delegate the authority to nurses, share useful information, support and coach nurses for innovative performance at work, they can have a great effect on psychological empowerment which, in turn, will increase their job performances.

## VI. Implications, limitations and future directions of research

Based on the test results above, the author can conclude that empowering leadership plays an important role in increasing psychological empowerment, retention intention and job performance of nurses in hospitals in Vietnam. Currently, under high-pressure working environment in health care facilities in Vietnam, it is necessary for supervisors or managers to set up a strategic management approaches to manage and motivate nurses.

The results of this paper have important managerial implications. First of all, the establishment of a suitable working environment in which nurses can work actively, have freedom to handle their tasks, believe their abilities, competencies, have influences on others and be able to get achievement quickly is required. This working condition will make nurses stay with their organization for the maximum period of time.

Second, in terms of retaining core nurses and improving their performances, hospital managers should focus on developing leadership capabilities. Promoting supporting and sharing management styles such as empowering leadership and the prevention of negative leadership behavior or commanding leadership are necessary for hospitals in Vietnam. The author believes that through this management, psychological status, long-time working intention and job performance of nurses are remarkably enhanced.

In the present study, the author also recognizes some limitations as follows.

This study was conducted only in 4 hospitals in the north of Vietnam. Furthermore, due to the differences in the types and characteristics of these hospitals such as salary, working environment, supports, etc... the results of this study can be influenced partly. In order to measure the importance of empowering leadership and psychological empowerment on nurse retention and job performance of all Vietnamese nurses, it is necessary to classify and examine all hospitals in the north of Vietnam by location, facilities and infrastructure, etc.... Further research is needed at hospitals in areas of South and Central Cities in Vietnam.

In addition, in this study the author focused only on empowering leadership to explore its influence on psychological empowerment, retention and job performance of Vietnamese nurses. The author also thinks there is a need to do study based on other factors such as hospital culture, policies, salaries etc... to find out which factors that make nurses become happy, commit for a longer period of time with the organization and enable job performances.



## VII. Conclusion

Under stressful working environment like hospitals and health care organizations, it is necessary for practitioners to set up various strategies to keep nurses for organization's development. This study introduced the model of nurse retention and job performance with some hypotheses for human resource management in the health sector in general, for management of nurse retention and job performance in particular in hospitals in Vietnam. All hypotheses of this study were well supported and proved by the analysis.

The study examined the impact of empowering leadership on psychological empowerment, nurse retention and job performance. The results of research showed that empowering leadership had significant relationship with psychological empowerment, nurse retention and job performance. They mean that nurses of health care organizations and hospitals in Vietnam have ability to work effectively and make long-time contributions if they are supported and empowered by superiors in the form of empowering leadership.

In addition, the study also confirmed that psychological empowerment had significant relationship with nurse retention, job performance, and also played a role as a mediator between empowering leadership and nurse retention, between empowering leadership and job performance of nurses. The results argue that psychological empowerment becomes an essential factor in driving long-term working intentions and performance of nurses when they receive supports from their leaders.

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## APPENDIX

### Measurement Scales

#### Empowering leadership

1. My manager helps me understand how my objectives and goals relate to that of the hospital.
2. My manager helps me understand the importance of my work to the overall effectiveness of the hospital.
3. My manager helps me understand how my job fits into the bigger picture.
4. My manager shows us a shared, realizable vision that we can harness our efforts to achieve
5. My manager helps me to recognize that my day-to-day task is meaningful to my team's vision
6. My manager explains us purpose of assigned task clearly so that we understand his requirement
7. My manager makes many decisions together with me.
8. My manager often consults me on strategic decisions.
9. My manager solicits my opinion on decisions that may affect me.
10. My manager helps me to divide my tasks into many steps to accomplish
11. My manager often looks back plan to reduce working time and limit mistakes
12. My manager helps me to recognize new challenges in assigned work that reflect increased skill level.
13. My manager helps me to establish milestones and celebrate progress.
14. My manager believes that I can handle demanding tasks.
15. My manager believes in my ability to improve even when I make mistakes.
16. My manager expresses confidence in my ability to perform at a high level.
17. My manager provides us some of this knowledge thru relevant training courses
18. My skill, ability are recognized well
19. My manager allows me to do my job my way.
20. My manager makes it more efficient for me to do my job by keeping the rules and regulations simple.
21. My manager allows me to make important decisions quickly to satisfy customer needs.
22. I am delegated the necessary authority to handle work
23. My manager often delegate significant decision to me

#### Psychological empowerment

1. The work I do is very important to me.
2. My work activities are personally meaningful to me.
3. The work I do is meaningful to me.
4. I am confident about my ability to do my jobs.
5. I am self-assured about my capabilities to perform my work activities.
6. I have mastered the skills necessary for my job.
7. I have significant autonomy in determining how I do my job.
8. I can decide on my own how to go about doing my work.
9. I have considerable opportunity for independence and freedom in how I do my job.
10. My impact on what happens in my department is large.
11. I have a great deal of control over what happens in my department.

Retention

1. I am not looking for a new job.
2. I don't think about quitting.
3. I want to work at this hospital for a long time.
4. I don't want to find other opportunity at other hospital.
5. I don't want to move to other hospital.
6. I love working for this hospital

Job performance

1. I maintain high standards of work.
2. I perform all needed work.
3. I make good use of time and resources.
4. I do the job correctly.
5. I exchange information which co-workers to facilitate individual member and group performance.