

Transformational Leadership and Organisational Performance in the Public Healthcare Sector: The Role of Organisational Learning and Intellectual Capital



HADI ABDUL-WAHAB AL-ABRROW*

ABSTRACT

This study aims to investigate the influence of transformational leadership (TL) style on organisational performance (OP) depending on both the organisational learning (OL) and intellectual capital (IC) in the public healthcare sector in the United Arab Emirates (UAE). To accomplish this, a questionnaire survey was used to gather individual-level quantitative data from 189 employees within 10 hospitals located in the United Arab Emirates. The survey data were analysed with the use of structural equation modelling to test for relationships among the main constructs of the conceptual framework of the study, and results demonstrated that transformational leadership has a significant positive effect on organisational performance, and this relationship was moderated by both organisational learning and intellectual capital. Furthermore, the study demonstrated a significant positive relationship between organisational learning, intellectual capital and organisational performance.

Key Words: Transformational leadership; organisational performance; organisational learning; intellectual capital

INTRODUCTION

Transformational leadership (TL) can be defined as 'the style of leadership that heightens consciousness by the organisation's members of a collective interest and helps them to achieve it' (García-Morales et al., 2008: 189). TL has been hailed as highly effective, producing positive effects for individuals, groups and organisational performance (Bass

* Business Administration Department, College of Administration and Economics, University of Basrah