Understanding the Impact of Leadership and Organizational Culture on Nonprofit Employees’ Commitment and Turnover Intention

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Understanding the Impact of Leadership and Organizational Culture on Nonprofit Employees’ Commitment and Turnover Intention

A dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at Virginia Commonwealth University.

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Abstract

UNDERSTANDING THE IMPACT OF LEADERSHIP AND ORGANIZATIONAL CULTURE ON NONPROFIT EMPLOYEES’ COMMITMENT AND TURNOVER INTENTION

A dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at Virginia Commonwealth University.

Nancy Toscano
Virginia Commonwealth University, 2015

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Child and family nonprofit organizations are essential for the implementation of United States public policy in their role as service providers. Human service nonprofit organizations held approximately 20,000 government contracts, totaling more than $100 billion in 2009 (Boris, deLeon, Roeger, & Nikolva, 2010). Almost 33,000 human service nonprofit organizations contract with the government to deliver services (Boris, et al., 2010). The services provided by these organizations are critical to the lives of vulnerable American citizens. These organizations depend on committed employees to serve this group, carry out the mission, and reach organizational goals. Employees are nonprofit organizations’ greatest resource, investment, and also expense (Rutowski, Guiler, & Schimmel, 2009), thus turnover is considered a critical problem facing the nonprofit sector (Salamon, 2012).

Retaining highly committed employees in this important work has been of interest to those studying the nonprofit sector because it is a significant problem particularly in the area of
human services (Mor Barak, Levin, Nissly, & Lane, 2006). This study asks if leadership and organizational culture have an impact on nonprofit employees’ commitment to their workplace. This quantitative research uses a quota sample of 103 nonprofit employees to understand the relationships between their perceptions of their managers’ transformational leadership, their perceptions of their organizations’ culture types (clan, adhocracy, hierarchy, market) and two important and distinct employee outcomes, affective commitment and turnover intention.

The findings indicate that perceived transformational leadership matters to nonprofit employees as it positively predicts their affective commitment and negatively predicts their turnover intentions. The majority of respondents reported that they perceived their organizations as clan cultures, which are known to be friendly, personal places where belonging and connectedness is high. The findings also reveal that hierarchical cultures play a role in this predictive relationship, having a moderating effect on the relationship between transformational leadership and affective commitment. In contrast, the findings reveal that compared to clan cultures, hierarchical and market cultures may be problematic in that they positively predict employees’ turnover intentions. Further, perceived hierarchical cultures negatively predict the employees’ affective commitment.
Chapter 1: Introduction

The United States has the largest nonprofit sector of any nation in the world (Salamon, 2012), playing an integral role in the lives of American citizens. In 2011, there were 2.3 million nonprofit organizations in the U.S., with 1.6 million registered with the IRS—an increase of 21 percent from 2001 (Roeger, Blackwood, & Pettijohn, 2012). Those reporting organizations account for $2.06 trillion in revenue and $4.49 trillion in assets in 2010 (Roeger, et al., 2012). The sector accounts for $836.9 billion of the U.S. economy, or 5.6 percent of the gross domestic product (GDP) and 8.3 percent of wages and salaries paid in the United States. Voluntary contributions of time and money are another way of measuring the nonprofit sector’s size. In 2011, private giving from individuals, businesses and foundations exceeded $300 billion. Furthermore, 26.8 percent of adults in the United States volunteered with a nonprofit organization, and these volunteers contributed 12.7 billion hours, worth an estimated $259 billion (Roeger, et al., 2012).

In addition to the unique size, the U.S. nonprofit sector plays a distinctive public role and embodies the democratic principles of civic engagement and pluralism. French political philosopher Tocqueville identified the sector as “one of the most distinctive and critical features of American life” (1840, as cited in Salamon, 1999, p.7), noting that citizens joined “voluntary associations” when addressing social problems instead of turning to the government. In fact, virtually all American social movements, such as those related to civil rights, children’s rights, environmentalism, and women’s rights had their roots in nonprofit organizations (Salamon, 1994, p. 109).

Nonprofit organizations serve a wide range of public purposes and have a unique and important relationship with the government. They enhance the arts, promote sports, protect
animals, and provide critical human services. These organizations fall under the Internal Revenue Code 501(c)(3), reserved for organizations that operate for religious, charitable, scientific, or educational purposes (Nonprofit Almanac, 2012). Of the registered nonprofit organizations, 501(c)(3) public charities accounted for three-quarters of the sector’s revenue and expenses and three-fifths of the assets in 2011. The government relies on the nonprofit sector to deliver government funded human services. Almost 33,000 human service nonprofit organizations contract with the government to deliver services (Boris, et al, 2010). Human service nonprofit organizations held approximately 200,000 government contracts totaling more than $100 billion in 2009 (Boris, et al., 2010). In fact, nonprofit organizations receive more income from the government than from any other single source (Salamon, 2010).

**Problem Statement**

The United States depends heavily on the nonprofit sector, not only for public services, but to provide citizens with critical human services. For example, child and family nonprofit organizations, which are one subset with the human services subsector, serve some of the most vulnerable citizens. Public support for these organizations is evident by their federal tax-exempt status as a result of their orientation toward public purposes (Nonprofit Almanac, 2012). Historically, nonprofit organizations have played an important role as the nation embraced a democratic form of government. Involvement in the nonprofit organizations provides a means through which individuals can address the complex needs of society and avoid total reliance on the government to meet communities’ problems.

Just as the public policies of human services depend on a portion of nonprofit organizations, the nonprofit sector depends on committed employees to achieve their mission and organizational goals. Employees are nonprofit organizations’ greatest resource, investment,
and expense (Rutowski, Guiler, & Schimmel, 2009), so turnover is considered a critical problem facing the nonprofit sector (Salamon, 2012). Retaining highly committed employees in this important work has been of interest to those studying the nonprofit sector because it is a significant problem particularly in the area of human services (Mor Barak, Levin, Nissly, & Lane, 2006). Employees’ commitment and turnover intentions matter to nonprofit organizations as they relate to progress toward the organizations’ mission and productivity (Harter, Schmidt, Killham, & Agrawal, 2009) to the financial expense of turnover to the organization, and potentially to organizational effectiveness (Abbasi & Hollman, 2000; Gray, Phillips, & Normand, 1996). Turnover can have grave implications for vulnerable children and families served within these human service organizations (Mor Barak et al., 2006). Affective commitment and retention within nonprofit human service organizations are important factors of success in public policy implementation for those citizens in greatest need.

**Purpose of the Study**

The purpose of this study is to examine the effects of transformational leadership and organizational culture on two important issues facing the nonprofit sector: turnover intentions of employees and their level of commitment to their organization. Employees who work within child and family nonprofit organizations are the subjects of this study. The sampling frame consists of employees from member organizations of the Alliance for Strong Families and Communities, a national membership association for child and family nonprofit organizations. The study does not intend to measure the impact of leadership and organizational culture on overall effectiveness of nonprofit organizations.

Specifically, this quantitative cross-sectional study focuses on the perceptions and attitudes of nonprofit employees who work with child and family nonprofit organizations using a
survey design. First, this study examines the nonprofit employees’ perception of their manager’s transformational leadership behaviors and the relationship to affective commitment, and then to turnover intention. Second, the study investigates the relationship of nonprofit employees’ perceived organizational culture type with their affective commitment and turnover intention. Finally, the study examines whether there is a moderating effect of organizational culture types on the relationship between transformational leadership and affective commitment, and then to turnover intention.

**Significance of Study**

Staff turnover is “perhaps the most important problem” facing the wider nonprofit sector. It is an ongoing and costly problem that negatively affects staff morale, teamwork, and ultimately organizational success (Abassi & Hollman, 2000; Moynihan & Landuyt, 2008). Turnover intention has implications for the organization even before an employee’s departure, including negative employee attitudes, lowered commitment, absenteeism, and desire to leave the human-services field (Blankertz & Robinson, 1997; R. Lee & Ashforth, 1996; Mor Barak, Nissly, & Levin, 2001). Conversely, findings from the for-profit sector demonstrate that high affective commitment is known to be positively associated with beneficial outcomes for the organization (Mathieu & Zajac, 1990; Meyer & Allen, 1997; Mowday, Porter, & Spears, 1982).

The important relationship between public policy implementation and the nonprofit sector explains why nonprofit organizations are exempt from federal income taxes by virtue of their orientation toward public purposes (Nonprofit Almanac, 2012). Nonprofit organizations, especially human services, have an integral role in implementing public policy where government provisions of public goods and services are inadequate or nonexistent (Boris, 1999; Young, 2006). The government relies on the nonprofit sector to deliver government-funded
human services. Employees of the government-funded nonprofit sector are, in essence, third-party actors on behalf of government. Therefore, studies focused on the nonprofit sector are increasing the need to know more about them for the effective implementation of policy.

There are several significant ways to study the nonprofit sector. For example, there has been growing scholarly interest in the crossover between for-profit businesses and nonprofit organizations, as the distinction between for-profit and nonprofit organizations is less evident than in the past (Harris, 2012). Nonprofit organizations may engage in market-driven practices to achieve financial sustainability and for-profits may engage in social causes (Harris, 2012). This study explores the roles of leadership and organizational culture from the literature of for-profit organizations and applies them to nonprofit organizations. A manager’s transformational leadership strengthens organizational commitment and loyalty of followers (Bass, 1999), and strengthened organizational commitment can decrease turnover intentions (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002; Stinglhamber & Vandenbergh, 2003). Additionally, unlike other studies, this study examines both leadership and organizational culture, instead of one or the other. Studying the relationship between leadership, organizational culture, and the perceptions of the employees who work within them adds to the nonprofit literature.

**Theoretical Framework**

Four central concepts undergird this study: transformational leadership theory, competing values framework, turnover intention and organizational commitment. Each of these concepts is thoroughly reviewed in chapter two. This brief description serves to introduce the questions and hypotheses of the study.
Transformational Leadership

Transformational leadership is defined as a leadership approach that supports the personal and professional growth in others through the use of inspiration, consideration for the individual, intellectual stimulation, motivation, and influence. It intends to develop leadership in others (Bass & Riggio, 2005). There are several reasons to examine transformational leadership. Most importantly, research in the for-profit sector has found that it is a factor in employees’ intention to stay or leave an organization (Hughes, Avey, & Nixon, 2010; Rafferty & Griffin, 2004) and in their organizational commitment (Bycio, Hackett, & Allen, 1995).

Evidence has accumulated to demonstrate that transformational leadership can move employees to exceed expected performance as well as lead to high levels of employee satisfaction and commitment to the group and organization (Dvir, Eden, Avolio, & Shamir, 2002; Judge & Piccolo, 2004). Transformational leadership is a widely tested and well-developed model of leadership. The most commonly used instrument in studies is the Multifactor Leadership Questionnaire (MLQ-Form 5X), which asks employees to rate the managers on transformational leadership behaviors. Leadership studies have found that compared to transactional managers, more transformational managers achieve greater improvements and are considered to be more effective with regard to employee effort, commitment, and performance (Bass & Avolio, 1990). However, these studies do not address the organizational culture through which the employees experience the leadership.

Competing Values Framework

At the root of any organization are the core values that most members share, and these values drive the way acceptable behavior, decision-making, and success are defined and measured. Organizational culture has been defined as “the set of shared, taken-for-granted
implicit assumptions that a group holds and determines how [the group] perceives, thinks about and reacts to its various environments” (Schein, 1996, p.236). Organizational culture influences the myriad actions and decisions employees make on a daily basis. The culture consists of the unspoken rules and norms—simply put; it is the way things are done around here (Schein, 2010). One way to examine organizational culture is through the competing values framework.

The competing values framework (CVF) organizing taxonomy (Quinn, Cameron, DeGraff, & Thakor, 2006; Quinn & Rohrbaugh, 1983) is widely used in scholarly work on organizational culture. The CVF was originally derived from several studies on organizational effectiveness measures (Quinn et al., 2006; Quinn & Rohrbaugh, 1983) that focused on making sense of effectiveness criteria and has since been validated and expanded upon (Cameron & Quinn, 2006; Helfrich, Li, Mohr, Meterko, & Sales, 2007; Howard, 1998). The dimensions were purported to represent competing core values that “represent what people value about an organization’s performance” (Cameron & Quinn, 2011, p. 31).

The CVF posits that organizations experience competing demands and tensions along two key dimensions: flexibility vs. stability and control, and internal maintenance vs. external competitive positioning (Cameron & Quinn, 2006). These two dimensions provide cross sections along two axes, creating four sets of values associated with one of four types of organizational cultures: clan, adhocracy, hierarchy, and market. Through the CVF, an organization’s cultural values can be determined and dominant culture type identified. When no dominant culture emerges, the dominant culture is considered balanced.

Each of the four culture types has a cluster of characteristics that represent the organization’s values that are communicated and reinforced with employees. While organizations span all or most of the four types, each typically has a dominant culture. Clan
cultures, also referred to as *collaborate cultures* (Cameron & Quinn, 2006; Cameron & Quinn, 2011), combine a focus on flexibility and internal maintenance. Clan cultures are typically friendly places to work and are associated with high morale and job satisfaction (Cameron & Quinn, 2006; Cameron & Quinn, 2011). *Adhocracy cultures*, also referred to as *create cultures*, combine a focus on flexibility with an external focus on competitive positioning. Adhocracy teams are comfortable responding to changing external demand and dealing with ambiguous situations. They also tend to be flexible and creative (Cameron & Quinn, 2006; Cameron & Quinn, 2011). *Market cultures*, also referred to as *compete cultures*, combine a focus on stability and control with external competitive market positioning. *Hierarchical cultures*, also referred to as *control cultures*, emphasize stability and internal maintenance (Cameron & Quinn, 2006; Denison & Spreitzer, 1991), and strong centralized management control (Cameron & Quinn, 2011).

**Organizational Commitment**

Organizational commitment is viewed as a stable attachment to the organization by the employee over time, where the employee strongly identifies with, is involved in, and enjoys membership in the organization (Meyer & Allen, 1991). Employees who are committed to the organization internalize the organizational goals. An employee’s organizational commitment relies upon his or her prediction of continued identification with and involvement in the organization (Cooper-Hakim & Viswesvaran, 2005). However, it should be noted that employees are committed to their organizations in different ways and for different reasons, and this led scholars to investigate different types of organizational commitment.

Meyer and Allen (1991) developed a model of organizational commitment to provide a framework and aid in interpreting research on organizational commitment. The model comprises
three different types of commitment: affective, continuance, and normative commitment. Affective commitment is evident when an employee becomes emotionally attached to the organization and perceives congruence between personal goals and the organization’s goals. Employees with a strong affective commitment continue employment with the organization because they want to (Meyer & Allen, 1997). Continuance commitment is evident when an employee sees the relationship with the organization as a calculated view of exchanges. Employees with a strong continuance commitment remain in the organization because they need to do so (Meyer & Allen, 1997). Finally, normative commitment is demonstrated when an individual commits to and remains with the organization because of feelings of obligation. Employees with a strong level of normative commitment feel they ought to remain with their organization (Meyer & Allen, 1997).

Affectively committed employees are seen as having a sense of belonging and identification that increases their involvement in the organization’s goals and thus desire to remain with the organization (Meyer & Allen, 1991; Mowday et al., 1982). Affective commitment is known to be positively associated with beneficial outcomes for the organization (Mathieu & Zajac, 1990; Meyer & Allen, 1997; Mowday et al., 1982); therefore, it is used as a dependent variable in this study.

**Turnover Intention**

Turnover intention is defined as a conscious and deliberate willingness to leave an organization (Tett & Meyer, 1993). One reason turnover intention is used is that it is a strong and consistent predictor of actual turnover (Griffeth, Hom & Gaertner, 2000; Vandenberg & Nelson, 1999). The intention to leave has implications for the organization even before the employee’s actual departure. Shaw (2011) noted that high turnover rates have substantial
negative implications for organizations. While there is little data on the exact turnover rates in nonprofit child and family organizations, it has been noted in the literature that child welfare organizations have experienced high turnover rates, resulting in staff shortages, high caseloads, and discontinuity in service, negatively impacting service to vulnerable youth and families (American Public Human Services Association, 2005). A 2003 General Accounting Office (GAO) report documented that staff shortages, high caseloads, high staff turnover, and low salaries negatively affected the delivery of services to support the well being of children. This report noted that staff turnover in child welfare organizations (both public and nonprofit) is estimated to be 30 to 40 percent annually nationwide; the average length of employment is less than 2 years. Others report turnover rates as high as 57 percent for some private agencies and 45 percent for some public child welfare agencies nationally (Williams, Nichols, Kirk, & Wilson, 2011).

Staff turnover is costly and can negatively affect staff morale, team performance, productivity, and, potentially, organizational effectiveness (Abbasi & Hollman, 2000; Argote et al., 1995; Gray et al., 1996; Shaw, 2011). Previous research has found that transformational leadership is negatively associated with turnover intention (Bycio et al., 1995; Hughes et al., 2010; Rafferty & Griffin, 2004). Intention to leave has consistently been linked to negative employee attitudes, including commitment, absenteeism, and desire to leave the human services field (Blankertz & Robinson, 1997; R. Lee & Ashforth, 1996; Mor Barak et al., 2001)
Research Questions and Hypotheses

This study takes the research supporting these concepts from the for-profit sector and applies them to the non-profit sector. It expands the scope of previous research by looking at perceptions of transformational leadership and organizational culture in the same sample and their relationship with turnover and commitment. Unlike previous research, this study also looks at the transformational leadership and organizational culture for their combined influences on turnover and commitment. Thus, the questions driving this study and their related hypotheses are:

1. Do employees’ perceptions of transformational leadership impact turnover intention and organizational commitment in the nonprofit workplace?

   H1: Perceived transformational leadership will positively predict organizational affective commitment by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.

   H2: Perceived transformational leadership will negatively predict turnover intention by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.

2. Do employees’ perceptions of organizational culture impact turnover intention and organizational commitment in the nonprofit workplace?
H₃: Perceived organizational culture types (clan, hierarchy, adhocracy, market, balanced) are predictive of employee’s turnover intention, controlling for position tenure, time supervised by manager, gender, age, and position level.

H₄: Perceived organizational culture types (clan, hierarchy, adhocracy, market, balanced) are predictive of employee’s organizational affective commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.

3. Do employees’ perceptions of organizational culture change how transformational leadership impacts organizational commitment and turnover intention?

H₅: Perceived organizational culture type is a statistically significant moderator of the relationship between perceived transformational leadership style and employees’ affective commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.

H₆: Perceived organizational culture type is a statistically significant moderator of the relationship between perceived transformational leadership style and employees’ turnover intention, controlling for position tenure, time supervised by manager, gender, age, and position level.

Outline of Remaining Chapters

Chapter one introduces the study and outlines the problem statement, purpose, research questions, research significance, key term definitions, and underlying theories. Chapter two reviews the pertinent literature through four sections: (a) nonprofit sector, (b) transformational
leadership, (d) organizational culture and competing values framework, and (e) organizational commitment and affective commitment. Chapter three outlines the methodology, explaining the procedures used to investigate the variables in five sections: (a) research design, (b) sample, (c) instrumentation, (d) data collection, and (e) data analysis. Chapter four provides the response rate, description of the data preparation, sample characteristics, and descriptive statistics. Additionally, chapter four presents the results of the regression analyses and findings. Chapter five provides a discussion of the findings, interpretations of both descriptive and hypotheses findings, an examination of the benefits and limitations of the study, recommendations for further study and a discussion of policy and practice implications.
Chapter 2: Literature Review

This chapter will provide a thorough review of the literature related to the nonprofit sector, leadership, organizational culture, organizational commitment, and turnover intention. The first section provides an overview of the nonprofit sector, focusing on its unique role in American society and relationship to the government. The second section gives a review of several leadership definitions and theories, with particular attention to transformational leadership theory. The third section describes organizational culture, including the theory of the competing values framework. The fourth section provides a review of the employee outcome variables: organizational commitment and turnover intention. The fifth section outlines the literature pertaining to all these variables and relates them to the questions and hypotheses of the study.

The United States Nonprofit Sector

Nonprofit organizations have a rich and important history in American society. Salamon (2002) characterized the nonprofit sector as “the life force that has long been a centerpiece of American culture” (p. 3). The underpinnings of America’s relationship with the nonprofit sector can be traced to the espoused core beliefs of its founding fathers. The United States Constitution, with its ideals and desired aims, was a vast departure from the once familiar British monarchy. This movement away from a strong central government and an emphasis on self-reliance, self-responsibility, and individual rights of its people led to the beginnings of a democracy and development of “voluntary associations” or early nonprofit organizations (Salamon, 2002). The prominence of nonprofit organizations was due in part to this emphasis and to the fact that American society came into existence before government was established. The hostility toward centralized authority felt by many immigrants made a virtue of joining
volunteer groups to address public problems (Salamon, 2002). Currently, the nonprofit sector provides a means for citizens to connect to the democratic processes of our society. The nonprofit sector epitomizes the American values of democratic pluralism, civic engagement, and individualism (Boris & Steuerle, 2006). Involvement in the nonprofit sector can provide a means through which individuals can address and express the complex needs of society and avoid total reliance on the government to meet the communities’ problems (Eikenberry & Kluver, 2004).

Similar to government institutions, nonprofit organizations serve public purposes and addresses critical human needs. Frenchman Alexis de Tocqueville wrote about Americans’ propensity for addressing these needs and solving problems through voluntary associations, which were early forms of nonprofit organizations, in Democracy in America in 1840, stating:

Americans of all ages, all conditions, and all dispositions constantly form associations. They have not only commercial and manufacturing companies, in which they take part, but associations of a thousand other kinds, religious, moral, serious, futile, general or restricted, enormous or diminutive. The Americans make associations to give entertainments, to found seminaries, to build inns, to construct churches, to diffuse books, to send missionaries to antipodes; in this manner they found hospitals, prisons, and schools. If it is proposed to inculcate some truth or foster some feeling by the encouragement of a great example, they form a society. Wherever the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association. (1840/1945, p.106)
Historically, the U.S. has had a penchant for encouraging voluntary action to address public problems. Nonprofit organizations allow citizens to organize themselves around a social mission and focus on complex social problems with some freedom in how to address them. The variety of nonprofit organizations suggests that Americans have availed themselves of the opportunity to organize, generally, and in response to human service needs in particular. Human service organizations make up the largest share of the reporting public charities with 35 percent of the total. Child and family organizations, a type of human service nonprofit organization play a critical role in serving disadvantaged and vulnerable groups, enriching the life of local communities and satisfying various other human needs. These organizations have a worthy purpose, but are also operations that require funding and have concerns similar to that of the for-profit business sector.

The similarities between the nonprofit sector and the business sector are evident in that they both must be financial viable, stay competitive and produce outcomes in order to stay relevant. Businesses are engaging in social ventures and have missions beyond just the profit. The clear line between business and nonprofit sectors has become blurred (Harris, 2012). Dees and Anderson (2003) called this phenomenon “sector bending,” purporting that the traditional association of for-profit and nonprofit is not as clearly evident as it had been decades ago. For example, while the work of the child and family nonprofit organization is historically rooted in charity and volunteerism, the revenue streams of this sector suggest blurred boundaries of the for-profit and nonprofit sectors. In reality, only 10 percent of the revenue of nonprofit organizations generated is from philanthropic donations, while 52 percent is generated from fee-for-service, and the remaining 38 percent comes from the government, often through a competitive bidding process or contracts (Salamon, 2012). Government contracts are not only
competitive but are also increasingly performance based, with pay being tied to outcomes. These nonprofit organizations are businesses that have challenges and tensions that, in many ways, are similar to their for-profit counterparts.

Child and family nonprofit organizations, like other nonprofit and for-profit organizations, have pressures related to financial health and sustainability, attracting and retaining the best talent, and accountability to and producing for their funders and referral sources. In fact, the role of the nonprofit sector has evolved to address market pressures such as competition for clients, marketing, attracting highly qualified and effective employees, and attracting investors (Salamon, 1999). The financial pressures are mounting from a political and economic standpoint as well. In addition to a competitive market, proposals to cap federal tax deductions for philanthropic contributions and a growing number of tax deductions imposed by various states have led to this financial pressure (Salamon, Gellar, & Newhouse, 2012).

**Defining Leadership**

Perspectives on and definitions of leadership have evolved as scholarly attention has focused on the topic over the past 60 years. Leadership has been conceptualized in terms of leaders’ personal traits and characteristics, power, authority, position, and skills. Further, perspectives on leadership have moved to a focus on the leader–follower relationship as well as emerging theories related to the nonhierarchical process orientation of leadership. The shift was highlighted when Heifetz (1994) stressed that while leadership can be exhibited from a person in authority, it is not required, nor does the position or traits define a leader; leadership involves the dynamic and influential relationship between the person exhibiting leadership and groups of people, where power and leadership are shared and dynamic. Various scholars have offered their perspectives on leadership resulting in various definitions (see Table 1).
Northouse (2012) drew upon the various components central to leadership including leadership (a) as a process, (b) involving influence, (c) occurring in a group context, and (d) involving goal attainment. From this, he developed a concise definition of “a process whereby an individual influences a group of individuals to achieve a common goal” (p. 3). This definition is important because it represents movement through the evolution of leadership theories to a more modern conceptualization. As much as the definition describes what leadership is, it also implies what leadership is not, including a position, authority, or power.
Table 1

Definitions of Leadership

<table>
<thead>
<tr>
<th>Source</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Bass, 1999</td>
<td>“Transformational leadership refers to the leader moving the follower beyond immediate self-interests through idealized influence (charisma), inspiration, intellectual stimulation, or individualized consideration” (p. 11).</td>
</tr>
<tr>
<td>Burns, 1978</td>
<td>“Leadership is the reciprocal process of mobilizing…various economic, political and other resources…in order to realize goals…mutually held by both leaders and followers” (p. 425).</td>
</tr>
<tr>
<td>Ciulla, 1998</td>
<td>Leadership is not a person or a position. It is a complex moral relationship between people based on trust, obligation, commitment, emotion, and a shared vision of the good.</td>
</tr>
<tr>
<td>Greenleaf, 1977</td>
<td>“The servant-leader is a servant first…Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society; will they benefit or at least, not be further deprived? (p. 7).</td>
</tr>
<tr>
<td>Heifetz, 1994, 2002</td>
<td>Leadership involves the dynamic and influential relationship between leader (with or without positional authority) and groups of people.</td>
</tr>
<tr>
<td>Kouzes &amp; Posner, 2011</td>
<td>“Leadership is a relationship between those who aspire to lead and those who choose to follow. It’s the quality of relationship that matters most when we’re engaged in getting extraordinary things done” (p. 24).</td>
</tr>
<tr>
<td>Northouse, 2012</td>
<td>“Leadership is a process whereby an individual influences a group of individuals to achieve a common goal” (p. 3).</td>
</tr>
<tr>
<td>Pearce &amp; Conger, 2003</td>
<td>“Shared leadership is a dynamic, interactive influence process among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals. This process can involve peer, lateral influence as well as upward or downward hierarchical influence” (p. 1).</td>
</tr>
<tr>
<td>Rost, 1993</td>
<td>“Leadership is an influence relationship among and followers who intend real changes that reflect their mutual purposes” (p. 102)</td>
</tr>
<tr>
<td>Cohen &amp; Tichy, 1997</td>
<td>“Leadership is the capacity to get things done through others by changing people’s mindset and energizing them to action” (p. 44).</td>
</tr>
<tr>
<td>Yukl, 2006</td>
<td>“Leadership is the process of influencing others to understand and agree on what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives” (p. 8).</td>
</tr>
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</table>
Transformational Leadership

This study focuses on one type of leadership, called transformational leadership. Transformational leadership focuses on raising the level of one’s awareness, influencing others and self to transcend self-interest for the benefit of the team, and to motivate others to achieve more than they thought possible (Arnold, Turner, Barling, Kelloway, & McKee, 2007; Bass, 1998; Bass & Riggio, 2005). Transformational managers are those who stimulate and inspire others to both achieve extraordinary outcomes and, in the process, develop their own leadership capacity as well. Transformational leadership concentrates on long-term rather than short-term goals and places value on developing a vision or inspiring and encouraging followers to pursue this vision (Bass & Riggio, 2005). Those leading are also transformed also in this reciprocal relationship. Transformational managers support others to grow and develop their leadership by responding to their individual needs. These managers align the objectives and goals of the individual employees, the manager, the group, and the larger organization (Bass & Riggio, 2005).

Burns (1978) first introduced the concept of transforming leadership in his descriptive research focused on political leaders in his seminal book Leadership. This concept was later applied to managers and supervisees in organizational behavioral studies as well (Bass & Riggio, 2005). Burns described transforming leadership stresses the mutual, reciprocal relationship between a leader and followers whereby the motivation and the morality of both the leader and the followers are raised to higher levels (Burns, 1978). This relationship results in higher potential in both parties as well as greater capacity for change. Transforming leadership is contrasted with transactional leadership, which describes the relationship based on a transaction or exchange between a leader and follower, such as giving a raise for meeting certain
performance standards. A key belief of transactional managers is that employees are motivated by rewards and avoidance of punishment. According to Burns, the transforming approach creates significant change in the life of people and organizations by influencing employees’ perceptions and values, and changing expectations and aspirations.

Burns noted the differentiation between management and leadership and claimed that the differences are in characteristics and behaviors. He established two concepts: *transforming leadership* and *transactional leadership*. According to Burns, the transforming approach creates significant change in the life of people and organizations by influencing perceptions and values, and it changes expectations and aspirations of employees. Unlike the transactional approach, transforming leadership is not based on a give-and-take relationship but on the leader’s personality, traits, and ability to make a change through setting an example, articulating an energizing vision, and establishing challenging goals. Transforming leadership is a process in which those leading and those following help each other to advance to a higher level of morale and motivation (Burns, 1978). This relationship results in higher potential in both parties as well as a greater capacity for personal and professional growth. Transforming leadership is contrasted with transactional leadership, which describes the relationship based on a transaction or exchange between a leader and a follower, such as giving a monetary raise for meeting certain performance standards.

Bernard Bass (1985, 1998), an academician trained in industrial psychology, was influenced by Burns and by House’s theory (1971) of charismatic leadership. Bass is largely credited with further developing and influencing the theory of transformational leadership (Hunt, 1999; Miner, 2005; Yukl, 2013). As opposed to Burns, Bass did not see transformational and transactional leadership as mutually exclusive; instead, he identified a range of leadership
behaviors and recognized that managers will exhibit varied leadership behaviors. Transactional and transformational leadership are two of the primary components of Bass and Avolio’s full-range leadership theory (Antonakis & House, 2002). The full range of leadership extends from passive to laissez-faire, transactional, and transformational leadership. Passive leadership is the least and transformational leadership the most effective and satisfying (Antonakis & House, 2002). Both types of leadership have been defined primarily in terms of their component behaviors: intellectual stimulation, individualized consideration, inspirational motivation, and idealized influence.

Bass (1985) also indicated that there are four different components of transformational leadership:

1. *Intellectual stimulation*: Those exhibiting transformational leadership not only challenge the status quo; they also encourage creativity, new ways of doing things, and new opportunities to learn.

2. *Individualized consideration*: Transformational leadership also involves offering support and encouragement to individual followers. In order to foster supportive relationships, managers who exhibit transformational leadership keep lines of communication open so that others feel free to share ideas and receive recognition for their unique contributions.

3. *Inspirational motivation*: Those exhibiting transformational leadership have a clear vision that they are able to articulate well. They help others to use their passion and motivation to fulfill common goals.
4. *Idealized influence*: Those exhibiting transformational leadership serve as a role model for others. Because trust and respect is established, others emulate these individuals and internalize his or her ideals.

Transformational leadership is a widely tested and highly developed model of leadership. The Multifactor Leadership Questionnaire (MLQ Form 5X-short) is the most commonly employed measure of transformational and transactional leadership styles (Avolio, Bass, & Zhu, 2004). The manager’s effect on both the personal and intellectual development of self and others is measured. The current version of the MLQ Form 5X includes 36 items that are broken down into 9 scales with 4 items measuring each scale (see Table 2). For this study, only the transformational questions were used (20 items) to determine the perceived level of transformational qualities of the manager.

Table 2

*MLQ scales and subscales*

<table>
<thead>
<tr>
<th>Multifactor Leadership Questionnaire 5x Short (Transformational Measures)</th>
<th>Subscale Description</th>
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<tbody>
<tr>
<td><strong>Transformational Measures</strong></td>
<td></td>
</tr>
<tr>
<td>Idealized influence (attribute)</td>
<td>Motivates pride and respect from associating with her or him</td>
</tr>
<tr>
<td>Idealized influence (behavior)</td>
<td>Shares values, mission, and vision</td>
</tr>
<tr>
<td>Inspirational motivation</td>
<td>Exhibits enthusiasm and optimism about goals and vision</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>Exhibits new and innovative ways of resolving issues and achieving goals</td>
</tr>
<tr>
<td>Individualized consideration</td>
<td>Understands and treats each individual uniquely</td>
</tr>
</tbody>
</table>

The body of research supporting the benefits of transformational leadership is extensive. Leadership studies have found that compared to transactional managers, more transformational managers achieve greater improvements and are considered more effective with regard to employee effort attitudes and performance (Bass & Avolio, 1990). Studies have indicated positive relationships between transformational leadership and perceived leader effectiveness and employee satisfaction with the leader (Bono & Judge, 2004; Viator, 2001). Studies have also confirmed that transformational leadership is positively related to willingness to put forth extra effort in job performance (Bono & Judge, 2003; Dvir et al., 2002; Fuller, Patterson, Hester, & Stringer, 1996; Hater & Bass, 1988; D. Jung & Sosik, 2002; Keller, 1992; McColl-Kennedy & Anderson, 2002; Sosik, Potosky, & D. Jung, 2002; Viator, 2001). Oberfield (2014) performed a 7-year longitudinal study across public organizations with findings supporting increased organizational improvement with increased transformational leadership behaviors.

There has been some criticism of transformational leadership including observations that some effective managers do not necessarily conform to a transformational leadership style and that their behaviors are not fully captured in any currently identified styles (Avolio, Gardner, Walumbwa, Luthans, & May, 2004). Weaknesses of the transformational theory include some problems in methodology, lack of clarity on how followers respond to the leaders’ vision, and failure to explain the nature of effective strategic leadership in organizations (Northouse, 2012; Yukl, 2006). Another weakness is that virtually all the studies examined the leadership style of a person within a position of authority. While this is likely a product of hierarchical structure in most organizations, it does not address the leadership without authority. Additionally, most of these studies did not address the organizational culture through which employees experienced the leadership and might have gleaned their commitment to the organization and desire to remain in
their organization. Transformational leadership has rarely applied to the nonprofit sector (Riggio, Bass, & Orr, 2004).

Organizational Culture

Scholars have not reached consensus on how to define or measure organizational culture (Cooke & Rousseau, 1988; Hofstede, Neuijen, Ohayv, & Sanders, 1990; Schein, 2010). However, researchers seem to agree that organizational culture is likely an important factor in employee workplace behaviors (e.g., Cameron & Quinn, 2011; Denison & Mishra, 1995; Schein, 1990). Organizational culture is broadly understood and conceptualized as being shared among members (Glisson & James, 2002), existing at multiple levels, including group and organizational levels (Detert, Schroeder, & Mauriel, 2000) and influencing employees’ attitudes and behaviors (Schein, 1990, 2010; Smircich, 1983).

Drawing on these components, organizational culture has been defined as the shared basic assumptions, values, and beliefs that characterize a setting and are taught to newcomers as the way to think and feel, communicated by myths and stories people tell about how the organization came to be the way it is and how they solve problems (Schein 2010, Trice & Beyer, 1993). It is within the organizational culture that values are embedded and behaviors are reinforced or reproved, subtly or overtly (Schein, 2010).

The construct of culture has its roots in the study of anthropology, sociology, and psychology (O’Reilly, Chatman, & Caldwell, 1991; Trice & Beyer, 1993). It was later found to be a central concept in organizational behavior studies. The term organizational culture first appeared in management academic literature in 1979 in the article “On Studying Organizational Culture,” by Andrew Pettigrew in Administrative Science Quarterly, and has been studied extensively since. Pettigrew (1979) provided a perspective on organizations, describing the
culture as the amalgam of beliefs, identity, rituals and myths within an organization. This early conceptualization has clearly influenced the evolution of the study of organizational culture today.

Schein (1990, 2010) highlighted the issue of organizational culture having levels, proposing three: (a) artifacts and symbols, (b) espoused values, and (c) underlying assumptions. The first layer, artifacts, represents the outer layer of the culture and is most visually identifiable. Artifacts include rituals, language, myths, dress, and the organization of space (Schein, 2010). Symbols are demonstrated through the interactions, words, gestures, and pictures that have a specific meaning to organizational members (Hofstede, 2010; Schein, 2010). The second layer, espoused values, involves the values purported by management as core to the organization (Schein, 2010). Organizational values are the broad tendencies that are preferred among its members (Hofstede, 2001). Espoused values are those values that are typically written and set by the top managers of the organization but may or may not reflect the values of the members (Bourne & Jenkins, 2013). The most influential values of an organization are unwritten and are often unconsciously held beliefs that guide decisions (Bourne & Jenkins, 2013). Similarly, Schein (2010) referred to these as assumptions. The third layer involves the underlying assumptions of an organization. This involves the reasons why members go about their day-to-day work, how they interpret what they experience, and what they should pay attention to (Schein, 2010). They are so ingrained that they are difficult to articulate, requiring in-depth interviewing to draw out from members.

Researchers have been widely considered organizational culture to be one of the most important factors to influence an organization and its employees (Kloot & Martin, 2007; Mannion, Davies, & Marshall, 2005; Morgan & Ogbanna, 2008). There have been several
instruments developed to measure various aspects (Cameron & Quinn, 2011; T. Jung et al., 2009). One way to distinguish among methodological approaches to measuring culture is to understand the two perspectives that organizations *have* cultures and organizations *are* cultures (Schneider, Ehrhart, & Macey, 2013; Smircich, 1983). When a researcher views an organization as having or possessing a culture, the research is focused on description and depth of understanding about the way in which organizations function. These types of studies are almost exclusively qualitative in nature (Ott & Shafritz, 1996) and studied in the anthropological and sociological tradition of a single-organization case study. The time intensiveness and limited generalizability of these qualitative methods are challenges to this qualitative approach.

When the research lens is framed as organizations *are* or *embody* cultures, the studies have focused more on how the divergent cultures impact specific measures, such as organizational effectiveness or employee attitude and behaviors (Cameron & Quinn, 2011; Denison & Mishra, 1995; Schein, 1990). These studies have typically accessed quantitative methods of research. Current research on organizational culture has been dominated by quantitative studies, and some have utilized a mixed method. The most common method for quantitatively capturing culture information has been through the use of survey assessments, as is the case with this study.

**Competing Values Framework**

Competing values framework offers one method that approaches organizations as embodying culture with a particular emphasis on cultural characteristics and organizational outcomes. Competing values framework is a widely cited approach and organizing taxonomy to examining organizational culture (Quinn et al., 2006; Quinn & Rohrbaugh, 1983). This framework was originally derived from several studies on organizational effectiveness measures
to organize and make sense of effectiveness criteria (Quinn & Rohrbaugh, 1983). The dimensions of culture were purported to represent competing core values that represent the values held about an organization’s performance (Cameron & Quinn, 2006), and the model has been further developed to capture the complexities of organizational culture (Cameron & Quinn, 2006).

The competing values framework posits that organizations experience competing demands and tensions along two key dimensions: flexibility vs. stability and control, and internal maintenance vs. external competitive positioning (Cameron & Quinn, 2006). These two dimensions provide cross sections along two axes to create four sets of values associated with one of four types of organizational cultures: clan, adhocracy, hierarchy, and market cultures. Instruments have been created to measure organizational culture based on this framework. One such tool is the organizational culture assessment tool (OCAI) (Cameron & Quinn, 2011). An organization’s cultural values can be determined and a dominant culture type identified. The four culture types each have a cluster of characteristics that represent the organization’s values and thus what they communicate and reinforce to employees. While organizations span all or most of the four types, each typically has a dominant culture type.

**Clan cultures.** Organizations with clan cultures, also referred to as collaborate cultures, group, or team cultures (Helfrich et al., 2007) are typically friendly places to work, emphasizing teamwork, attachment, membership, and collaboration, and they combine a focus on flexibility and internal maintenance (Cameron & Quinn, 2006; Zammuto & O’Connor, 1992). Clan cultures are associated with high morale, commitment, and job satisfaction (Cameron & Quinn, 2011). In clan cultures, there is the pervasive belief that “organizations succeed because they hire, develop, and retain their human resource base” (Cameron & Quinn, 2006, p. 38). Group
dynamics and belonging to the group are strongly held values of this culture type. Organizational practices focus on strengthening organizational commitment, team cohesion, employee engagement, and development. Organizations that have a dominant clan culture encourage participation and involvement and thus are associated with positive employee-level attitudinal outcomes (Hartnell, Ou, & Kinicki, 2011).

**Adhocracy cultures.** Adhocracy cultures have an externally focused emphasis on flexibility (Cameron & Quinn, 2006). Employees are oriented toward change and adaptation with an eye toward competitive positioning and growth. Employees are encouraged to push the boundaries, break rules, and go against conventional wisdom to build future success. The underlying assumption in an adhocracy culture is that innovation and constant change are the keys to becoming a market leader (Cameron & Quinn, 2006). Leadership supports entrepreneurial ventures and risk-taking, and inspires creativity in employees. Adhocracy cultures have a positive effect on aggregated employee attitudes related specifically to the central value of autonomy (Hartnell et al., 2011). Autonomy through job design is a motivating work characteristic that indirectly enhances employees’ attitudes toward the organization (Humphrey, Nahrgang, & Morgeson, 2007).

**Hierarchical cultures.** Hierarchical cultures, also referred to as control cultures, emphasize internally focused control and combine a focus on stability with internal maintenance (Cameron & Quinn, 2006; Zammuto & O’Connor, 1992). Organizational strategies are inwardly focused. The key assumption is that control and efficiency lead to success (Cameron & Quinn, 2006). Organizational practices focus on standardization, minimizing errors and uncertainty, and increasing consistency. Strict guidelines tend to regulate behaviors, and employees value job security in this somewhat rigid environment (Gregory, Harris, Armenakis, & Shook, 2009).
Conservative, cautious, and logical leadership and decision-making styles that encourage predictability are encouraged (Cameron & Quinn, 2006; Zammuto & O’Connor 1992).

**Market cultures.** Market cultures, also referred to as compete cultures, emphasize an orientation toward competitive positioning and a focus on stability with external market positioning (Cameron & Quinn, 2006; Zammuto & O’Connor, 1992). Goal attainment is highly valued in this culture. Organizational practices emphasize a focus on satisfying customer demands, competing aggressively to expand market share and rapidly responding to the demands of the marketplace (Cameron & Quinn, 2006). These cultures value productivity, achievement, competence, and beating the competition. Some of the behaviors associated with market cultures include planning, centralized decision making, and articulation of clear goals. Leadership styles encouraged in market cultures are hard driving, aggressive, directive, and goal oriented (Cameron & Quinn, 2006).

![Competing values framework culture types](image)

*Figure 1.* Competing values framework culture types. Adapted from Cameron and Quinn, 2006.
Schein (2010) recognizes that cultures are developed, in part, based on the members’ (or employees’) espoused core values. Members of the organization demonstrate their core and shared values, in response to the competing demands and tensions. Salamon (2012) acknowledges these tensions exist, suggesting nonprofit organizations are operating with conflicting identities and are forced to adapt to several internal and external demands.

These tensions and demands exist for a variety of reasons. Nonprofit organizations have a rich tradition based in grassroots efforts, volunteerism and social movements. The sector has historically addressed adaptive challenges – that is, complex civic challenges that are not easily solvable (Heifetz, 2010). This requires a level of external focus as well as flexible and adaptable thinking. But as the community needs, funding sources, and regulations change, the sector has had to adapt (Salamon 2012). For example, there are changes related to regulations demanded by various funding sources, such as Medicaid and commercial insurance. This has led to need for organizations to respond with and create some value for internal controls and bureaucracy in order to survive. There is more competition from both for-profit and nonprofit human service providers, leading to a market-based or commercialism impulse. These internal and external demands, in some ways, mirror the internal and external tensions that Cameron and Quinn suggest is central to the competing values framework (2006).

Salamon (2012) highlighted the competing tensions in the nonprofit sector by suggesting four impulses of the sector related to volunteerism, commercialism, civic activism, and professionalism:

1. **Volunteerism impulse:** The impulse of volunteerism reflects the role of the sector to transform individuals and alleviate suffering through counseling, material assistance
and other support. The leadership style of the manager is informal, paternalistic, spiritual, and volunteer dominant. The informal, paternalistic management style reflects clan cultures from the competing values framework.

2. **Professionalism impulse:** The professionalism impulse, contrary to volunteerism, emphasizes specialized, formal training of paid professionals who deliver treatment often through a medical model resulting from funding mechanisms (e.g., Medicaid). The professionalism management style is formal, rule bound, and bureaucratic. The management style mirrors that of a hierarchical culture from the competing values framework.

3. **Commercialism impulse:** The commercialism impulse relates to the sector’s relationship to the market and the need to operate efficiently and effectively. The commercialism leadership style of the manager is often entrepreneurial, efficiency oriented, profit focused, and measurement driven. The profit-oriented approach indicated in this management style is reminiscent of the style in a market culture.

4. **Civic activism impulse:** The civic activism impulse emphasizes economic, political, and social power differentiation and its impact on individuals. The focus of the work is on mobilizing social and political pressure to address the imbalances of opportunities among citizens. The management style is participatory, consensual and conflict engaging. This style is reflective of the adhocracy culture.
Figure 2. Four Impulses of Nonprofit Organizations. Adapted from Salamon, 2012.

**Employee Variables**

Whether in for-profit or nonprofit organizations, employees’ commitment and turnover intention potentially impact organizational effectiveness (Abbasi & Hollman, 2000; Argote et al., 1995; Gray et al., 1996). The relationships among employee turnover, organizational commitment, and organizational performance are most often explained using human and social capital theories (Shaw, Duffy, Johnson, & Lockhart, 2005) that contend that more experienced employees accumulate knowledge and skills through extended practice, training, and experience (Kacmar, Andrews, Van Rooy, Steilberg, & Cerrone, 2006). In addition, committed employees with the intention to stay, build networks of interpersonal relationships and quality social ties to other employees and stakeholders, which provide the potential to unite groups around collective organizational goals. Human and social capital is believed to be particularly critical to the effectiveness of human services nonprofit organizations because they often rely on relationship-
based techniques and technologies to achieve goals (Collins-Camargo, Ellet, & Lester, 2012). Therefore, turnover intention and affective organizational commitment was used as dependent variables for this study.

**Organizational Commitment**

Organizational commitment has been the subject of considerable research over the past two decades (Klein, Molloy, & Cooper, 2009) and it has been associated with several organizational outcomes impacting performance (Cooper-Hakim & Viswesvaran, 2005; Mathieu & Zajac, 1990; Meyer et al., 2002). Organizational commitment is viewed as a stable attachment to the organization by the employee over time, where the employee strongly identifies with, is involved in, and enjoys membership with the organization (Allen & Meyer, 1996). Luthans (2006) stated that organizational commitment is “an attitude reflecting employees’ loyalty to their organization and is an ongoing process through which organizational participants express their concern for their organization and its continued success and well-being” (p. 147). It has sometimes been referred to as the psychological tie between the employee (Verkhohlyad & McLean, 2012) and the organization that impacts the likelihood that an employee will remain at the organization and become a high performer (Allen & Meyer, 1996; Meyer et al., 2002).

Organizational commitment is of high interest to those involved in the nonprofit sector because highly committed employees are more likely to exhibit desirable workplace behaviors, including willingness to remain, and to potentially become high performers and exert extra effort (Organ & Ryan, 1995). Employees who are committed to the organization internalize the organizational goals. An employee’s organizational commitment relies upon his or her prediction of continued identification with and involvement in the organization (Cooper-Hakim & Viswesvaran, 2005). However, it should be noted that employees are committed to their
organizations in different ways and for different reasons, and this has led scholars to investigate different types of organizational commitment.

Meyer and Allen (1991) developed the three-component model of organizational commitment to provide a framework for and aid in interpreting research on organizational commitment. They contended that there are three different types of commitment: affective, continuance, and normative. Each corresponds with three different mindsets related to emotional attachment, perceived costs, and obligation to the organization. Meyer and Allen (1991) developed the Organizational Commitment Questionnaire (OCQ) that measures these three types of commitment. Affective commitment is evident when employees become emotionally attached to the organization, and they perceive congruence between personal goals and organizational goals. Employees with a strong affective commitment continue employment with the organization because they want to (Meyer & Allen, 1997). Continuance commitment is evident when an employee sees the relationship with the organization as a calculated view of exchanges. Employees with a strong continuance commitment remain in the organization because they need to do so or the cost of leaving is seen as too high (Meyer & Allen, 1997). Finally, normative commitment is demonstrated when an individual commits to and remains with the organization because of feelings of obligation. Employees with a strong level of normative commitment feel they ought to remain with the organization (Meyer & Allen, 1997).

Research has consistently demonstrated that those with high affective commitment who want to stay tend to perform at a higher level than those with lower affective commitment scales (e.g., Allen & Meyer, 1996, 2000; Meyer et al., 2002). Affective commitment has been defined as “an attitude of emotional dedication to organizations” (Grant, Dutton, & Rosso, 2008, p. 898). The employees who remain because they feel obligated (high normative commitment)
outperform those who feel no such obligation (low normative commitment); the effect is not as strong as those with a desire to stay (high affective commitment). Lastly, employees who stay because of the costs associated with leaving (e.g., benefits, salary, no better opportunities) often have little incentive to do anything more than are required of them to retain their positions.

Affectively committed employees are seen as having a sense of belonging and identification that increases their involvement in the organization’s goals and thus desire to remain with the organization (Meyer & Allen, 1991; Mowday et al., 1982). There has been empirical support demonstrating that affective commitment is linked with job satisfaction, competence, loyalty, and job performance more so than continuance or normative commitment. Allen and Meyer (1996) reported extensive evidence linking affective commitment to turnover intention and turnover behavior. Overall, affective organizational commitment is the most widely studied form of commitment because this form has greater reliability and validity than normative and continuance (Lavelle et al., 2009).

Commitment theorists have often identified leadership as a factor in the development of employees’ organizational commitment (Meyer & Allen, 1997; Wayne, Coyle-Shapiro, Eisenberger, Liden, Rousseau, & Shore, 2009). Because affective organizational commitment is known to be most positively associated with positive outcomes for the organization, this form of commitment was used for this study as a dependent variable.

**Turnover Intention**

Turnover intention is defined as the degree to which the respondent intends to leave his or her position in an organization in the near future (Tett & Meyer, 1993). Actual turnover may be involuntary or due to external factors (e.g., moving out of the area, spouse’s job change); however, most turnover is related to job-related factors (Mor Barak et al., 2001). It has been
confirmed that turnover intention is a strong and consistent predictor of actual turnover, at least in the for-profit sector (Griffeth et al., 2000; Vandenberg & Nelson, 1999).

Staff turnover is costly and can negatively affect staff morale, team performance, productivity, and, potentially, organizational effectiveness (Abbasi & Hollman, 2000; Argote et al., 1995; Gray et al., 1996). As Egan, Yang, and Bartlett (2004) noted, decreased turnover may lead to increased organizational performance and a reduction in costs associated with job-specific knowledge, hiring, and the retraining of replacement employees. Further, this retraining of new employees requires additional time for the managers to support them and typically diminishes productivity for a period of time for the manager as they support the new employee. Studies of the relationship between turnover and performance in organizational literature support this view, noting that turnover rates are negatively and linearly associated with a wide range of organizational outcomes (Shaw et al., 2005; Strober, 1990). The financial expense of turnover to the organization is another reason nonprofit managers care about these measures. Previous research has found that transformational leadership is negatively associated with turnover intention (e.g., Bycio et al., 1995; Hughes et al., 2010; Rafferty & Griffin, 2004) and moderates the effect of organizational climate on turnover intention (Aarons & Sawitzky, 2011).

Implications of the Literature

Previous studies have linked transformational leadership to organizational commitment and worker engagement (Zhu, Avolio, & Walumbwa, 2009) and to turnover intention (Bycio et al., 1995; Hughes et al., 2010; Rafferty & Griffin, 2004). Yukl (2013) noted that transformational leadership brings changes in the attitudes and behaviors of organizational members and induces commitment to the organization’s mission and goals. Kim (2014) found that transformational leadership had a significant positive effect on affective organizational
commitment for employees of local governments in South Korea. Jackson, Meyer, and Wang (2013) also found a positive relationship between transformational leadership and affective organizational commitment in a meta-analytic study across different cultures.

Research on transformational leadership has been robust but primarily focused on the for-profit and governmental sectors. Transformational leadership theory is relevant and has value for the nonprofit sector. Riggio and Smith-Orr (2004) called for more research focused on transformational leadership and the nonprofit sector, yet there has been just a few studies conducted since this call. One such study investigated the leadership of nonprofit human service chief executive officers (Mary, 2005).

Researchers have used the competing values framework (Cameron & Quinn, 2006, 2011) to identify organizational culture types with an aim to analyze the relationship between culture types and organizational effectiveness measures. There has been a small body of empirical support for the effects of organizational culture on positive outcomes in both nonprofit and for-profit organizations (Fey & Denison, 2003; Hartnell et al., 2011; Jaskyte, 2004 Van & Wilderom, 2004).

Transformational leadership and organizational culture have been theoretically and empirically linked to employee attitudes and perceptions (Judge & Piccolo, 2004; Lowe et al., 1996; Xenikou & Simosi, 2006; Wang, Tsui, & Xin, 2011). Furthermore, Schein (2010) notes that it is critical to understand both organizational culture and leadership in the study of organizations, because they have reciprocal influences on each other, provide similar functions in organizations (Bass & Avolio, 1994; Schein, 2010; Schneider, 1987; Trice & Beyer, 1993), and each reinforces how employees meet organizational goals (Schein, 2010). Leadership and organizational culture may be so interconnected that it is possible to observe a transformational
culture in an organization (Bass & Avolio, 1993). Further, numerous researchers have suggested that there is constant interaction between organizational culture and leadership (Bass & Avolio, 1993; Schein, 2010; Trice & Beyer, 1993; Waldman & Yammarino, 1999), and yet there are limited empirical studies examining the moderating effect of organizational culture types on the relationship between transformational leadership and important employee outcomes.

There have been a few studies on incorporating both leadership and organizational culture in the nonprofit literature. Jaskyte (2004) studied a group of chapters of the nonprofit organization Association for Retarded Citizens (ARC) and examined linkages between transformational leadership, organizational culture, and innovativeness. She found that transformational leadership was important in understanding how organizational cultures were developed to promote innovation. Similarly, Sarros, Cooper, and Santora (2008) investigated the relationship between leadership vision, organizational culture types, and innovation. They examined these variables by comparing the for-profit and nonprofit sectors. They found that nonprofit organizations scored higher on the socially responsible culture orientation, while their for-profit counterparts scored higher on the competitive culture orientation. However, the authors did not find a significant difference between the two sectors in the strength of the relationships amongst leadership vision, organizational culture types, and innovation. Recently, Mahalinga Shiva and Suar (2012) studied Indian nongovernmental organizations (NGO), which are similar to nonprofit organizations, examining the interplay between transformational leadership, organizational culture, and program outcomes. Findings from this study reveal that transformational leadership builds organizational culture that, in turn, impacts effectiveness measures.
Building upon this research, this study approaches the nonprofit sector with analytical concepts and measures developed in the for-profit sector. Because of its concerns with the policy implications of staff turnover and organizational commitment in human service agencies, the study focuses on them rather than dependent variables other studies have used.

This study breaks new ground in examining the relationship of transformational leadership and organizational culture measures on turnover and commitment. Similarly, although considerable attention has been given to the interplay between organizational culture and leadership, there have been only a few empirical studies related to the moderating effect of organizational culture on the relationship between leadership and employee variables. This study examines this effect.

**Chapter Summary**

The United States depends on the nonprofit sector to implement public policy designed to serve vulnerable and disadvantaged citizens. To do this, nonprofit organizations need to retain committed employees to carry out these critical services effectively. This study draws from concepts typically applied to the for-profit business sector and utilizes them with nonprofit organizations. The for-profit and nonprofit sectors have important similarities and

This study draws upon literature on the evolution of the leadership theories and applies transformational leadership to the nonprofit sector. Transformational leadership was chosen because of the theoretical and empirical evidence demonstrating the impact it has on employees. This theory has infrequently been applied to the nonprofit sector, thus important insights can be gained. A valuable contribution of this study relates to the investigation of another factor known to impact employees, organizational culture. The study uses the competing values framework to study organizational culture, which also has been infrequently applied to the nonprofit
organizations. This study is unique because it examines both organizational culture and leadership on nonprofit employees’ retention and commitment. Significant contributions were made to leadership, nonprofit, turnover and commitment bodies of literature by jointly examining leadership and organizational culture.

Chapter three will focus on the research methods and procedures for the study, including instrumentation, data collection, sampling, and data analysis plan.
Chapter 3: Methodology

This chapter outlines the procedures used to investigate the relationship between the transformational leadership nonprofit employees perceived about their managers, the perceived organizational culture types, and employees’ turnover intentions and affective commitment. This chapter presents material in six sections: (a) Survey Design, (b) Sample, (c) Instrumentation, (d) Data Collection, and (e) Data Analysis Plan.

Survey Design

This quantitative cross-sectional study focuses on the perceptions and attitudes of nonprofit employees who work with child and family nonprofit organizations. The survey along with the consent form was administered via a web-based survey, measuring transformational leadership of the manager, organizational culture, affective organizational commitment, and turnover intention. The survey was designed to measure the respondent’s perception of their manager’s transformational leadership and their organization’s culture. The survey also collected information about the respondents’ intention to leave (turnover intention), and their feelings of commitment to the organization (affective commitment). The survey collected demographic information such as gender, tenure, position level, organizational budget size, and the organization’s geographic location as well. The independent variables for this study are the respondents’ perceptions of their manager’s transformational leadership and dominant organizational culture. The dependent variables are affective commitment and turnover intention. The control variables are tenure, length of time supervised by manager, age and gender. A summary of the variables and tools are listed in Table 3 below.
### Table 3

**Measurement of Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Type</th>
<th>Hypotheses</th>
<th>Measurement</th>
<th>Number of Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>IV</td>
<td>H₁, H₂, H₅, H₆</td>
<td>MLQ-5x short—overall transformational score was assessed by averaging the results of the subscales</td>
<td>20 items</td>
</tr>
<tr>
<td>Dominant Organizational Culture Type</td>
<td>IV</td>
<td>H₃, H₄, H₅, H₆</td>
<td>OCAI—consists of 6 questions, each with 4 alternatives, thus making a total of 24 items.</td>
<td>24 items</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>DV</td>
<td>H₁, H₄, H₆</td>
<td>Affective commitment was measured using items from Allen and Meyer (1990, 1993; 1996)</td>
<td>6 items</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>DV</td>
<td>H₂, H₃, H₆</td>
<td>3 questions related to their intentions to leave on a 5-point scale (Aryee &amp; Tan, 1992)</td>
<td>3 items</td>
</tr>
<tr>
<td>Tenure</td>
<td>Control</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
<tr>
<td>Length of Time Supervised by Manager</td>
<td>Control</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
<tr>
<td>Age</td>
<td>Control</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
<tr>
<td>Gender</td>
<td>Control</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
<tr>
<td>Position Level</td>
<td>Control</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
<tr>
<td>Organizational Budget Size</td>
<td>Used for Quota Sample</td>
<td>H₁–H₆</td>
<td>Demographic question</td>
<td>1</td>
</tr>
</tbody>
</table>

**Measuring Employees’ Perceptions and Attitudes**

The Multifactor Leadership Questionnaire 5X (MLQ-5X) (Avolio, Bass, & Zhu, 2004) was used to assess participants’ attitudes and perceptions of their supervisors’ leadership behaviors. Participants were asked to report on the extent to which their manager engaged in
specific behaviors (e.g., spends time teaching and coaching). Each behavior was rated on a 5-point scale ranging from 0, “Not at all” to 4, “To a very great extent.” The following four subscales: idealized influence (8 items), inspirational motivation (4 items), intellectual stimulation (4 items), and individualized consideration (4 items) were used to assess the respondents’ perceptions of their managers’ transformational leadership. Overall transformational leadership was calculated as the summed score across all items in these four subscales (20 items). The MLQ 5X survey is designed to measure the full range of leadership behavior, including transactional leadership behaviors to transformational ones. However, for the purposes of this study and because of extensive literature on the benefits of transformational leadership, only the 20 questions measuring the extent of perceived transformational leadership qualities were measured (e.g., Xenikou & Simosi, 2006).

The Multifactor Leadership Questionnaire (MLQ Form 5X-short) is a widely used measure of transformational and transactional leadership styles (Avolio et al., 2004a). The tool is used to measure the impact of the leader’s effect on both the personal and intellectual development of the respondent. There are two forms of the MLQ. The first is the Leader Form, which asks the leader to rate the frequency of his or her own leader behavior. Research has shown that self-ratings of one’s own leader behavior are prone to bias and would not be useful for the purposes of this study (Avolio, Bass, & Zhu, 2004). The MLQ Rater Form is more commonly used and was selected for this study to measure the nonprofit employees’ perceptions.

Strong evidence supports the validity and reliability the current version of the Multifactor Leadership Questionnaire (MLQ) Form 5X (Antonakis, Avolio, & Sivasubramaniam, 2003). Researchers confirmed the validity of the proposed nine-factor MLQ model using two very large samples (Study 1: N = 3368; Study 2: N = 6525) (Antonakis et al., 2003). Still, there have been
criticisms of the MLQ, particularly related to the first version of the instrument, regarding the wording of items. Most items in the scale of charismatic leadership described the result of leadership instead of specific actions of the leader that can be observed and that, in turn, lead to the results. In response to the critics, Bass and Avolio (1990) included in the revised, and now subsequent versions with items that describe leadership actions, which are directed observed. They also split out attributions of leadership associated with idealized influence and behaviors and actions into two separate scales.

In addition to leadership, organizational culture is an important factor in understanding nonprofit employees’ turnover intentions and their commitment to their respective nonprofit organizations. Employees are influenced by leadership, but it is also the daily interactions, exchanges, and ways of doing things—or the organizational culture—that also impact their attitudes and should be considered as well (Cameron & Quinn, 2006; Schein, 2010; Jaskyte, 2004; Sarros, Cooper, & Santora, 2008). A manager may set the tone for the organization, but the organizational culture is the means through which employees are socialized and how they conduct their work (Cameron & Quinn, 2006; Schein, 2010).

Organizational Culture Assessment Instrument (OCAI) was the second tool utilized. This instrument is based on the competing values framework and is designed to provide researchers with a tool to quantitatively assess organizational culture (Cameron & Quinn, 2006). The competing values framework differentiates organizational cultures into four culture types: clan, adhocracy, hierarchy, and market. An organization’s overall cultural profile and dominant characteristics can be determined using the OCAI through a self-reported survey. Studies using this approach to examine organizational culture have revealed that an organization often has one
dominant culture type but demonstrates varying degrees of each of the other types (Goodman, Zammuto, & Gifford, 2001; Kwan & Walker, 2004; Prajogo & McDermott, 2005).

For this study, one of the independent variables was the employee’s perception of dominant organizational culture (clan, hierarchy, adhocracy, and market), measured by the OCAI instrument. The organizational culture was determined by calculating the number of points awarded to a particular cultural dimension. The dominant cultural orientation was indicated by highest score of the four types. The OCAI tool consists of six questions, and each question had four alternatives, thus making a total of 24 items. Each question was worth 100 points, and the respondents were required to divide the 100 points among these four alternatives, depending on the extent to which each alternative was similar to their own organization. The respondents were expected to award a higher number of points to the alternative that was perceived most similar to their organization.

The OCAI tool was utilized in part due to its simplicity and practical application. Simple arithmetic calculations are required to score the OCAI. The first step was to add together all A (clan) responses and divide by six, computing an average score for the A alternatives. This step was repeated for B (adhocracy), C (market), and D (hierarchy) alternatives (Cameron & Quinn, 2011). Several studies have indicated that the OCAI is a valid and reliable instrument in measuring organizational culture (Cameron & Quinn, 2011). Quinn and Spreitzer (1991) reported a Cronbach’s alpha coefficient for reliability that was greater than .70 using a sample size of 800 participants from 86 public organizations. In addition to Cameron and Quinn’s (2011) findings, numerous other studies relating to human resources (e.g., Boggs, 2004; Goodman et al., 2001; Kwan & Walker, 2004; Prajogo & McDermott, 2005) found the instrument to be valid. Tests conducted by Quinn and Spreitzer, 1991; Yeung, Brockbank, and

This study focused on respondents’ perceptions of leadership and organizational culture because they are factors that are theoretically and empirically linked to the employees experience in the workplace (e.g. Bass & Avolio, 1993; Schein, 2010; Trice & Beyer, 1993; Waldman & Yammarino, 1999). This study used the OCAI and MLQ-5X instruments to measure the employee’s perceptions of their manager’s transformational leadership and their organizational and these scores. They were the independent variables for this study. This study examined each concept separately with employee-related outcomes, then jointly with these outcomes to understand the moderating effect of organizational culture. The two employee-related dependent variables were turnover intention and affective commitment. Demographic variables were collected and used as either control variables or for the chosen sampling method.

Turnover intention was measured using a three-item scale (Aryee & Tan, 1992). Respondents rate their desire to quit (1 = strongly disagree, 5 = strongly agree; “I often think about quitting”); the likelihood of looking for another employer (1 = highly unlikely, 5 = extremely likely; “How likely is it that you will actively look for a new organization to work with in the next year?”); and their intention to quit (1 = strongly disagree, 5 = strongly agree; “I will probably look for a new organization to work within the next year”). The turnover intention measure has a high reliability score of .85 as noted in prior research (Aryee & Tan, 1992).
Lastly, affective commitment was measured using six items from Meyer and Allen (1996). Meyer and Allen (1991) developed an eight-item survey that they later reduced to six (Meyer & Allen, 1993). The two items eliminated from the original affective commitment scale had the lowest factor loading in previous studies (Meyer & Allen, 1993). Items include “This organization has a great deal of personal meaning for me” and “I feel like the organization’s problems are my own.” Researchers who have used this instrument have reported that this scale, when computed and reported with a single factor, and has a high reliability (Allen & Meyer, 1996; Hackett, Bycio, & Hausdorf, 1994). When the responses were combined and reported in a single factor, the affective commitment scale also has a high reliability (Allen & Meyer, 1996; Hackett, Bycio, & Hausdorf, 1994; Meyer et al., 1990).

In addition, the survey asked for demographic data from respondents and some used as control variables to avoid potentially spurious relationships. Age, gender, and position level have been identified as potentially related to commitment and turnover intentions (Griffeth et al., 2000; Mossholder, Settoon, & Henagan, 2005) and may influence the strength of the relationship between variables. Organizational tenure was controlled because the length of time a person was employed at an organization will impact their impression of the organizational culture (Schein, 2010); so too will the length of time a person has been supervised by a manager impact his or her perception of leadership. “Honeymoon biases” occur at the start of one’s tenure, where “overly positive” attitudes about the organization or leader may prevail; and the “hangover effect” describes the decline and eventual stability in positive attitudes about managers and organizations (Boswell, Boudreau, & Tichy, 2005 p. 884).
The demographic variables collected are:

- **Gender:** This was a dichotomous variable measured by asking the respondent to select male (0) or female (1). This variable was measured for descriptive statistical information and was used as a control variable as it might impact turnover intention or affective commitment.

- **Age:** The respondent’s age was offered in five categories: (1) under 29, (2) 30–39, (3) 40–49 (4) 50–59, (5) 60 or older.

- **Organizational tenure:** This was categorized in terms of years employed in the organization. Five options were offered to respondents: (1) less than one year, (2) 1 year to less than 3 years, (3) 3 years to less than 5 years, (4) 5 years to less than 7 years, (5) 7 years or more. This was used in descriptive information and a control variable for the study’s findings.

- **Position level:** This was categorical data offered in three categories: (1) senior management, (2) management or supervisory, (3) non-management. This was used as a control variable as it might impact turnover intention, perception of the culture, or affective commitment.

- **Time supervised:** This was derived from a question asked about how long the respondent has been supervised by their current supervisor. Five options were offered: (1) less than one year, (2) 1 year to less than 3 years, (3) 3 years to less than 5 years, (4) 5 years to less than 7 years, (5) 7 years or more. This was used in descriptive information and as a control variable as it might impact turnover intention, perception of the organizational culture, or affective commitment.
• Organization size (annual revenue): This was categorized based on the organizational dues structure of the Alliance. Six options were given to respondents: (1) under $500,000, (2) $1,500,000–$3,000,000, (3) $3,000,001–$5,000,000, (4) $5,000,001–$7,000,000, (5) $7,000,001–$20,000,000, (6) $20,000,001 and above. This was used to establish quotas so that there was not under- or overrepresentation of any one budget size category. It was used for descriptive statistics.

• Location of organization: This was categorized into regions of the US and Canada. The eight options given were the categories of geographic regions and numbers of respondents as follows: (1) East North Central (OH, IN, IL, MI, WI); (2) Mid-Atlantic (NY, NJ, PA); (3) Mountain (MN, ID, WY, CO, NM, AZ, UT, NV); (4) New England (ME, NH, VT, MA, RI, CT); (5) Pacific (WA, OR, CA, AK, HW); (6) South Atlantic (DE, MD, DC, VA, WV, NC, SC, SC, GA, FL); (7) West North Central (MN, IA, MS, ND, SD, NE, KS); (8) West South Central (AR, LA, OK, TX).

According to Dillman (2011), the use of web surveys reduces various costs related to paper printing, postage, package-mailing processes, and data entry. Cost efficiency is another advantage of web surveys because, compared to mail surveys (which could take at least a few weeks to complete data collection), much less time is needed for data collection (Singleton & Straits, 2005). Dillman (2011) also mentioned another advantage—that web surveys enable researchers to survey a larger sample size and cover broader geographical areas with lower cost because the cost of access to additional subjects is very small compared to traditional mail or interview methods. This consideration was relevant for this study, given the respondents were drawn from all over the United States. However, Couper (2000) stated that web surveys usually
show lower response rates compared to traditional mail surveys and literature shows this rate is traditionally lower for nonprofit organizational research (Hager et al., 2003).

Sample

The sample for this study was drawn from a national nonprofit membership organization, the Alliance for Strong Families and Communities, also known as the Alliance, which represents over 500 member organizations and an estimated 138,000 employees across the United States and Canada. Members include private, nonprofit child and family organizations. The member organizations provide an array of programs and services to children, families, and communities and are both religiously affiliated and secular. According to their website, Alliance members provide an array of programs and services, including domestic abuse counseling and shelters; adoption, foster care, and aging-out-of-foster care services; credit counseling and financial literacy; Head Start and after-school programs; crisis management; a variety of counseling services; and in-home health and youth residential treatment.

The Alliance suggests that their members represent a significant force in the nonprofit human service sector with an important public purpose. Collectively they:

- Serve more than 4.6 million clients annually;
- Operate with a combined $6.3 billion budget;
- Employ approximately 138,300 full-time employees;
- Operate in 2,200 locations;
- Are governed by more than 8,600 board members;
- Benefit from roughly 200,000 volunteers; and
- Receive support from approximately 296,000 individual donors.
The Alliance provided thousands of employees who work within the child and family nonprofit sector from across the country as a pool of potential participants. The analysis focused on employees at all levels of the organization from these child and family nonprofit 501(c)(3) organizations. Focusing on one type of organization helps to isolate other factors, such as laws, regulations, and diverse funding opportunities that may vary from one set of nonprofit organizations to another (e.g., Jaskyte, 2004).

I was employed in a senior management position at a child and family nonprofit organization, United Methodist Family Services (UMFS) in Virginia at the time of recruitment of the study participants. UMFS is a member of the Alliance. I am also a graduate of the Executive Leadership Institute co-sponsored by the Alliance and the University of Michigan. These connections allowed me better access to member organizations from across the country for recruitment for this study. Respondents participated via self-selection rather than recruited via known contact information. This may have potential advantages regarding accessibility and potential disadvantages related to response bias and generalizability. These will be discussed further in the limitations section in chapter five.

Research shows that nonprofit studies have been often plagued by low response rates (Hager, Wilson, Pollak, & Rooney, 2003), so recruitment methods should be multifaceted. Participants were recruited for this study through three main methods. These methods included invitations to participate: (a) via Alliance’s “communities of practice” e-mail groups, b) from referrals from respondents, and c) through an invitation to participate on the Alliance E-news, email announcements to members. There are 2,390 employees of various levels of the organization who are registered on twelve Alliance communities of practice e-mail groups (personal communication, L. Pinsoneault, July 1, 2014). These groups are centered on a
particular topic (e.g., performance excellence, civic engagement, residential services, or health and wellness). Alliance members (nonprofit employees) opt in by registering their name and then send and receive information from colleagues who have also registered. The names and contact information of those in the groups were not available to me. However, an invitation to participate was sent to each group. The second method was to use a snowball method of sampling by requesting respondents to refer other potential participants. The third method was through an invitation to participate on the Alliance E-news to solicit voluntary participation.

Sample Size

For this study, the unit of analysis is the individual employee. A unit of analysis is the actual source of information, which may be a person, an organization, or a group (Creswell, 2013). Depending on the research questions and purpose the unit of analysis may be the individual or the organization, in organizational research (Babbie, 1990). If the study had been focused on organizational outcomes, such as financial stability or organizational effectiveness, the unit of analysis would be the organization. The focus instead was on nonprofit employees’ affective commitment and turnover intention, so the individual was used.

Sample size is a critical element in ensuring that a study’s findings represent the population as a whole (Dattalo, 2008). To determine the appropriate sample size, the researcher conducted a power analysis to ensure its findings would represent the population as a whole (Dattalo, 2008). A statistical power analysis can be conducted during the study’s design (a priori) or after the data has been collected (a posteriori). The researcher chose to conduct the power analysis during the study’s design, thus providing a target number of respondents, before implementing survey. An a priori power analysis requires: (a) the type of statistical treatment, (b) the alpha value or significance level, (c) the expected effect size, (d) the desired power, and
(e) the number of predictor variables. This provides an estimate of the minimum number of required cases. For this study, the type of statistical treatment was multiple regression. The alpha level, or error rate, was set at .05, as is accepted within the social sciences field (Frankfort & Nachmias-Frankfort, 2000). The expected effect size was set at a moderate level of .15. The power was set at the generally accepted level of .8. The web-based statistical calculator, G*Power, illustrated in Figure 3 below, determined the sample size, for this study was between 103 and 153, with 103 being the minimum required number of cases to obtain the desired power of .8.

Figure 3. Power analysis.
Sample Method

This study used a nonprobability sampling method called quota sampling. Nonprobability samples are used by social scientists when all units of the population are not precisely known (Frankfort-Nachmias & Nachmias, 2008), as is the case with the full employee population of Alliance Member Organizations. In quota sampling, a population is first segmented into mutually exclusive sub-groups. For this study, the sub-groups were budget sizes of the organizations. This grouping was chosen because it was data collected and supplied by the Alliance to the researcher from their membership dues structure. The percentages of member organizations in each of the membership dues category allowed the researcher to develop quota targets. The use of quota sampling is particularly useful for this study because there is no known database of all individuals employed in Alliance’s member organizations. Therefore quotas could not be set based on employees’ characteristics. Nonprobability samples are widely used by social scientists in certain circumstances such as conducting exploratory studies or when convenience and economy outweigh the benefits of probability sampling (Frankfort-Nachmias & Nachmias, 2000). For these reasons, quota sampling based on budget size was the chosen sampling method for this study.

Although the unit of analysis is the individual employee, it is beneficial to have an array of organizations so that the population is more closely represented. According to Cooper and Schindler (2011), the ultimate test of a sampling design is how well it represents the characteristics of the population it purports to represent. In order to get this array of organizations of different sizes, the researcher contacted the director of research and evaluation at the Alliance, who provided the aggregated data on the size of member organizations in Table 4 below.
Table 4

Budget Sizes of Alliance Member Organizations

<table>
<thead>
<tr>
<th>Budget Size</th>
<th>Percentage of Alliance Membership (2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $500,000</td>
<td>6.9</td>
</tr>
<tr>
<td>$500,000 to $1,500,000</td>
<td>15.8</td>
</tr>
<tr>
<td>$1,500,001 to $3,000,000</td>
<td>15.3</td>
</tr>
<tr>
<td>$3,000,001 to $7,000,000</td>
<td>21.3</td>
</tr>
<tr>
<td>$7,000,001 to $20,000,000</td>
<td>25.1</td>
</tr>
<tr>
<td>$20,000,000 and above</td>
<td>15.6</td>
</tr>
</tbody>
</table>

No other data were available regarding the makeup of employees’ ages, genders, tenure, or ratio of management staff to non-management employees of Alliance members. These factors were added as questions on the survey instrument.

Survey Administration

Pretesting of the survey was conducted prior to implementation of the data collection. This allowed issues to be worked out related to readability and understanding of the questions. The pilot survey was administered to a group knowledgeable about the nonprofit sector. Adjustments were then made based on the feedback from the pilot group. The next step involved pre-notification to administrators and request for support from administrators. Then, a pre-notification e-mail was sent out informing Alliance members of the study. This was done because, for both mail and e-mail surveys, pre-notification has been seen to increase the response speed (Sheehan & McMillan, 1999). Mehta and Sivadas (1995) suggested that pre-notification is imperative because the practice of sending unsolicited e-mail surveys is unacceptable. The general topic of the study was offered to potential respondents, but the nature of the hypotheses was not shared.
The survey instrument was administered using the Survey Monkey© electronic survey tool. This web-based instrument was chosen based on recommendations and because of ease of use, multiple features, and the free limited subscription. The survey link was sent to self-identified participants who had responded to the invitation to participate.

There were three phases involved in the invitation to participate. The first phase involved sending the invitation with the link to the survey to the communities of practice e-mail groups, which included approximately 2,390 (with some duplication) employees who registered for one or more of twelve topic-focused e-mail groups. The second phase involved an e-mail reminder to communities of practice e-mail group participants. The third phase involved a final reminder to participate three weeks after the initial e-mail invitation.

The study’s findings can be shared through a webinar format and/or conference presentation to Alliance members. The study’s findings can also be shared through a report shared electronically if requested. Additionally, an incentive of entry into a raffle for eight $25 Amazon gift cards was offered and distributed to assist with a higher response rate.

**Data Analysis**

The data analyses plan for this study involved using ordinary least squares (OLS) regression with moderation analyses. Ordinary least squares regression, also referred to as multiple regression, is used to predict the variance in a dependent variable based on the linear combinations of the independent variables. OLS can establish that the predictor variables explain a proportion of the variance in a dependent variable at a statistically significant level and establish the relative predictive importance of the independent variable (Berry, 1993). Moderation analysis was also used in conjunction with OLS for this study to determine the
statistical interaction of dominant organizational culture on the relationship between transformational leadership and employees’ commitment and turnover intention.

Extensive data preparation was conducted prior to hypotheses testing which involved several steps to prepare for analysis. The data were exported from the Survey Monkey© survey software into the Statistical Package of the Social Science (SPSS) Version 21. SPSS was used to create a dataset and to prescreen and statistically analyze the data. The response rate, completion rate, and criteria for the quota sample were determined and reported. The data were then prescreened. This prescreening involved examining the dataset for accuracy, input errors, missing data, extreme values, or outliers. The absence of outliers was analyzed using Cook’s D to estimate the influence of a data point when performing OLS regression analysis. Other important assumptions were assessed to include the absence of multicollinearity, normality, linearity, and homoscedasticity.

The analysis included the use of descriptive statistics, beginning with a univariate statistical analysis. Descriptive statistics provides a way to summarize the data in a meaningful way, though no conclusion can be drawn regarding hypothesis testing. An analysis of frequencies and minimum and maximum values for categorical data was conducted. Frequency distributions described the composition of the budget sizes of participants’ organizations, respondents’ genders, position tenures, time supervised by manager, and position levels. Organizational data was analyzed including budget sizes, geographic location of respondents’ organizations, and a summary of the perceived organizational culture types.

The next stage of data analysis was the examination of bivariate relationships between variables, which were first examined using a chi square test for significance with the categorical variables as an initial analysis of the variables. Before hypothesis testing, bivariate analysis was
conducted to examine any significant relationships between the independent and dependent variables. The bivariate correlation coefficient, or Pearson’s $r$, would show the degree of a linear relationship between variables with no distinction necessary between independent and dependent variables (Tabachnick & Fidell, 2013). The resulting coefficient would demonstrate the strength of the relationship with criteria drawn from the literature, indicating $r = .20$ as a weak relationship and $r = .70$ as a strong relationship (Drake & Jonson-Reid, 2007). A multicollinearity test was performed for both the independent as well as the control variables to ensure that assess correlation strength between the variables.

The third stage of data analysis involved testing the six hypotheses. Multiple linear regression is widely used for predicting the value of one dependent variable from the value of one of two or more independent variables. This regression analysis was used for this study because there was more than one explanatory variable for each hypothesis. While there were two dependent variables, each hypothesis denoted only one so that the researcher could isolate the impact on leadership and organizational culture on each separately. There were several control variables, and in linear regression, these are treated like independent variables in the statistical manipulation using this method.

Moderation analysis, using multiple regressions was conducted for $H_5$ and $H_6$ to determine if the perceived dominant organizational type was a statistically significant moderator between perceived transformational leadership and the employee’s affective commitment and turnover intention.

The models developed for each hypothesis are as follows:

$H_1$:  
$$AC = a + b_1 (TL) + b_2 (gender) + b_3 (position tenure) + b_4 (yrs supervised) + b_5 (position level) + b_6 (time supervised) + b_7 + (age) + b_0 (culture type)$$
H2: \( TI = a + b_1(TL) + b_2(\text{gender}) + b_3(\text{position tenure}) + b_4(\text{yrs supervised}) + b_5(\text{position level}) + b_6(\text{time supervised}) + b_7(\text{age}) + b_9(\text{culture type}) \)

H3: \( TI = a + b_1(\text{OC}) + b_2(\text{gender}) + b_3(\text{position tenure}) + b_4(\text{yrs supervised}) + b_5(\text{position level}) + b_6(\text{time supervised}) + b_7(\text{age}) + b_9(\text{TL}) \)

H4: \( AC = a + b_1(\text{OC}) + b_2(\text{gender}) + b_3(\text{position tenure}) + b_4(\text{yrs supervised}) + b_5(\text{position level}) + b_6(\text{time supervised}) + b_7(\text{age}) + b_9(\text{TL}) \)

H5: \( TI = a + b_1(\text{OC}) + b_2(\text{TL}) + b_3(\text{position tenure}) + b_4(\text{yrs supervised}) + b_5(\text{position level}) + b_6(\text{time supervised}) + b_7(\text{age}) + b_8(\text{gender}) + b_9(\text{OC*TL}) \)

H6: \( AC = a + b_1(\text{OC}) + b_2(\text{TL}) + b_3(\text{position tenure}) + b_4(\text{yrs supervised}) + b_5(\text{position level}) + b_6(\text{time supervised}) + b_7(\text{age}) + b_8(\text{gender}) + b_9(\text{OC*TL}) \)

**Chapter Summary**

The general aim of this study was to investigate the effect of transformational leadership and organizational culture types on important employee outcomes—affective commitment and turnover intention within child and family nonprofit organizations. This chapter provided an overview of the research methods, data collection, and data analysis plan. An overview of the instruments that were used to develop the survey was provided as well.
Chapter 4: Results

The purpose of this study is to better understand the relationship between transformational leadership, organizational culture, and employees’ affective commitment and turnover intention in child and family nonprofit organizations. Specifically, the study tested the relationship between nonprofit employees’ perceptions of their manager’s transformational leadership and their affective commitment to their workplace and turnover intention. The study also examined the predictive relationship of organizational culture on affective commitment and turnover intention. Finally, the study investigated the moderating effect of organizational culture on these two relationships. Each test used several control variables including: gender, age, tenure, position level, and the length of time supervised by manager. The methodology, outlined in chapter three, utilized a quantitative, cross-sectional survey design. The analysis was conducted using ordinary least squares regression and moderation analysis. This chapter presents the results of the data collection and analysis.

Sample

Nonprofit employees of child and family service organizations were the participants for this study. Their organizations were current members of the Alliance for Strong Families and Communities, an association for child and family nonprofit organizations. This study design was intended to reach a wide range of respondents while protecting their anonymity. The researcher obtained access to employees through Alliance e-mail groups and Alliance e-news notifications. Then, the researcher sent a request to participate with a further request to forward the request to other employees in their respective organizations. There is no record of how many potential respondents received the invitation. Therefore, a response rate for the actual survey cannot be calculated.
Survey Monkey© software, has several capabilities, which include providing information on the number of respondents starting and completing the surveys. The survey was started 219 times with 176 surveys completed for an overall completion rate of 80.3 percent. Based on an \textit{a priori} power analysis, the study’s minimal data collection target was 103 responses.

The research method incorporated quota sampling to obtain a representative sample of Alliance member organizations. The quota categories were based on budget size of the organizations and were obtained from receiving the Alliance’s membership dues structure. The target numbers were set for each category. The organizational budget sizes and percentage of overall membership are outlined in Table 5 below.

An error became apparent after about 60 surveys were completed. Instead of six budget categories, five options were given. The survey question on the organization’s budget size collapsed the second and third categories. The two categories were ($500,000 to $1,500,000) and ($1,500,001 to $3,000,000), which were condensed into the category ($500,000 to $3,000,000). Since 60 participants had already responded, changing the survey would have caused validity problems. It would have been impossible to determine which of the two collapsed categories the organization of the first 60 respondents fit. A new quota number for each category was created, based on the percentages of the five budget categories that are outlined below in Table 5. The error was problematic for true representation, but not detrimental to the overall study.

In order to achieve the quota targets for each category, the survey remained open for three weeks past the original deadline because of challenges with obtaining survey responses from employed in smaller organizations. The researcher sent reminder e-mails through e-mail groups in an effort to gather responses from smaller (under $500,000) organizations. By the end
of the third additional week, the quota of seven respondents was met for that category. Meeting the quota target was critical to obtain some form of representation with a nonprobability sampling method.

Table 5
*Quota Sample Breakdown*

<table>
<thead>
<tr>
<th>Revised Budget Size</th>
<th>Percentage (%) of Alliance Membership (2014)</th>
<th>Quota Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $500,000</td>
<td>6.9</td>
<td>7</td>
</tr>
<tr>
<td>$500,000–$3,000,000</td>
<td>31.1</td>
<td>32</td>
</tr>
<tr>
<td>$3,000,001–$7,000,000</td>
<td>21.3</td>
<td>22</td>
</tr>
<tr>
<td>$7,000,001–$20,000,000</td>
<td>25.1</td>
<td>26</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>15.6</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>103</strong></td>
</tr>
</tbody>
</table>

**Sample Characteristics**

All of the respondents were employees of child and family nonprofit organizations, and their organizations were members of the Alliance for Strong Families and Communities. Table 7 below provides an overview of the demographic characteristics of the participants. Respondents were from all position levels of the organization with the exception of the senior-most manager, such as the chief executive officer or executive director. The requirements for participation were shared on the first page of the survey, and participants were required to agree before proceeding. This measure offered clarity about the intended target respondent group for the study. The link
was sent to the target group, but since the survey link could be sent to others, it was important to be clear.

The majority of the respondents were female at 78 percent. Gender was a control variable for this study.

![Gender Breakdown of Sample](image)

*Figure 4. Gender of respondents*

Just over half, 51 percent of the respondents, were in senior management positions in their organization, while 20 percent were in non-management roles, and 29 percent were in supervisory or mid-management positions.
Data on the age of participants were collected via five age categories: under 29, between 30 and 39, between 40 and 49, between 50 and 59, and 60 and over. The ages of respondents varied, with the largest percentage, 37 percent, falling between 40 and 49 years old. The smallest percentage was of respondents under the age of 29.
With 103 total respondents, the largest percentage of respondents with 50.5 percent, were employed 7 years or more. Lastly, the length of the time supervised by manager varied. The largest percentage, 28.2 percent, were those supervised by a manager less than one year, followed closely by those supervised between 1 and 3 years at 27.2 percent.

*Figure 7. Tenure of Respondents*

*Figure 8. Length of time supervised*
The survey asked some organizational characteristics to illustrate the breadth of organizations included in the study. This included the location and budget size of the organizations. All nine regions of the United States were represented in this study. The highest percentage of respondents with 28 percent, were from the Mid-Atlantic region, followed closely by respondents from the East North Central region (23 percent). Table 6 provides a full description of the regional locations represented. Figure 9 outlines the budget sizes of the organizations, which were representative of the quota sample earlier.

Table 6
Descriptive Statistics for Organizational Characteristics

<table>
<thead>
<tr>
<th>Variable</th>
<th>n=103</th>
<th>Frequency %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization Location</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East North Central</td>
<td>23</td>
<td>22.3</td>
</tr>
<tr>
<td>East South Central</td>
<td>5</td>
<td>4.9</td>
</tr>
<tr>
<td>Mid-Atlantic</td>
<td>28</td>
<td>27.2</td>
</tr>
<tr>
<td>Mountain</td>
<td>1</td>
<td>1.0</td>
</tr>
<tr>
<td>New England</td>
<td>4</td>
<td>3.9</td>
</tr>
<tr>
<td>Pacific</td>
<td>4</td>
<td>3.9</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>16</td>
<td>15.5</td>
</tr>
<tr>
<td>West North central</td>
<td>18</td>
<td>17.5</td>
</tr>
<tr>
<td>West South Central</td>
<td>4</td>
<td>3.9</td>
</tr>
</tbody>
</table>
Figure 9. Breakdown of Organizational Budget Sizes

Data Preparation

All survey data were downloaded from Survey Monkey© and exported into Excel then into Statistical Package of the Social Sciences (SPSS) version 21. When the data was exported to SPSS all of the data was separated into multiple variables representing each question response. The researcher calculated scores for four variables used for this study: transformational leadership, dominant organizational culture, affective commitment, and turnover intention. The researcher then screened survey responses for missing data since this can be a major dilemma in data analysis (Tabachnick & Fidell, 2013). A complete set of responses was found for all participants. Thus, the researcher proceeded to the next stage of data preparation, which was dummy coding the categorical variables and selecting a reference category for the categorical independent variable.
Coding

Dummy coding variables is a way of adding the values of nominal or ordinal variables to a regression equation. Dummy coding uses only ones and zeros to convey all of the necessary information on group membership. The researcher uses dummy coding when comparing other groups of the predictor variable with one specific group of the predictor variable. The specific group is often called the reference group or category. For this study, one of the independent variables, dominant organizational culture types was categorical data. This included a category, called balanced culture, wherein no dominant culture was found, because two or more categories were evenly scored. Gender was coded as dichotomous data (0,1). Additionally, this study involved several control variables, some of which were nominal and required transformation. Using SPSS, these variables were transformed into dummy variables. Table 7 provides a summary of this coding.
Table 7
**Dummy Coding for Categorical Data**

<table>
<thead>
<tr>
<th>Dominant Org Culture</th>
<th>Clan</th>
<th>Adhocracy</th>
<th>Hierarchical</th>
<th>Market</th>
<th>Balanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Hierarchical</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Market</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Balanced</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Position Level</th>
<th>Senior Manager</th>
<th>Supervisor or Manager</th>
<th>Non-manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Manager</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Non-manager</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Under 1 yr</th>
<th>1 - 3 yrs</th>
<th>3 – 5 yrs</th>
<th>5 - 7yrs</th>
<th>7 yrs or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1 yr</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1 - 3 yrs</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3 – 5 yrs</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5 - 7yrs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>7 yrs or more</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Length of Time Supervised</th>
<th>Under 1 yr</th>
<th>1 - 3 yrs</th>
<th>3 – 5 yrs</th>
<th>5 - 7yrs</th>
<th>7 yrs or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1 yr</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1 - 3 yrs</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3 – 5 yrs</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5 - 7yrs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>7 yrs or more</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Budget Size of Org</th>
<th>&gt;$500K</th>
<th>$500K - $3M</th>
<th>$3M - $7M</th>
<th>$7M - $20M</th>
<th>Above $20M</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;$500K</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$500K - $3M</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$3M - $7M</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$7M - $20M</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Above $20M</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>29 &amp; under</th>
<th>30-39</th>
<th>40-49</th>
<th>50-59</th>
<th>60 &amp; older</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 &amp; under</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>30-39</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>40-49</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>50-59</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>60 and older</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>
Reference Category

Dummy coding is used when the researcher wants to compare other groups of the independent variable with a reference group. A reference group was required for the predictor variable, dominant organizational culture. Garson (2006) suggests that researchers should choose a reference category based on frequency of responses or theoretical framework. In this case, clan culture is the obvious choice as the reference category because the majority of respondents perceived their organizations’ cultures as clan. Theoretically, clan cultures research (Cameron & Quinn, 2006; Quinn et al. 2007; Zammuto and O’Connor 1992) suggests that clan cultures have a positive impact on employees in the workplace thus supporting the theoretical underpinning of this study. Therefore, for the hypotheses testing that involved organizational culture, clan culture was the category by which all other cultures were compared.

Pre-Screening

Data analysis and hypothesis testing for this study utilized ordinary least squares (OLS). The method of OLS was based on several statistical assumptions. To address these assumptions several steps were taken to ensure the data was ready for analysis. First, the model was screened for the absence of outliers. Second, multicollinearity was assessed to ensure the residuals were not correlated with one another over time. Third, linearity was determined by examining patterns in the data. Fourth, homoscedasticity was assessed to ensure the residuals (errors) reflected a constant variance. These assumptions are addressed next.

Absence of Outliers. The researcher screened the data for outliers, which are unusual or extreme values that appear inconsistent with observations in the full data set (Dattalo, 2013). Outliers can occur by chance, but may also stem from data entry error. Outliers can cause results to appear significant when, in fact, removing the outlying values renders them insignificant.
Outliers can overstate the coefficient of determination ($R^2$), producing erroneous values for slope and intercept (Dattalo, 2013). Ordinary least squares (OLS) regression analysis is also sensitive to outliers. Researchers often use Cook’s distance, or Cook’s $D$, to estimate the influence of a data point when performing least squares regression.

Opinions vary on what criterion or cut-off value one should use to identify outliers, which are also considered highly influential points. Some authors have suggested that values of $D$ greater than 1 indicate influential cases (Bollen, Kenneth, & Jackman, 1990; Dattalo, 2013). Others have recommended $D$ values greater than $4/(n-k-1)$, where $n$ is the number of cases and $k$ the number of independents. In this case, $D$ would equal .0412. A third option is to add the aforementioned quantities and divide by two. The following equation illustrates this: $(.0412 + 1)/2 = .5206$. Using .5206 for Cook’s $D$ reveals that no outliers appear in this sample.

**Multicollinearity.** Multicollinearity occurs when a model includes multiple factors that are highly correlated not just to the dependent variable, but also to each other. In other words, it results when you have factors that are redundant. A possible solution to this problem is eliminating the variables from the study, or transforming the data by weighting them differently. Multicollinearity issues were assessed through bivariate correlations as well as tolerance value. When bivariate correlation $r \geq .8$ or tolerance is close to 0 (Mertler & Vannatta, 2005). The researcher conducted correlation analysis summarized in Table 8. A moderate correlation did occur for one pair: clan and hierarchical ($r = .597$). There were no pairs of the independent variables with Pearson’s $r$-value exceeds .50. The control variables were also assessed for multicollinearity, with two pairs with Pearson’s $r$-value exceeding .50, in the moderate range. These were Senior Manager and Supervisor and Manager at ($p = .647$) and Supervisor and
Manager with Non-manager (p=.511). Collectively, such correlations suggest the absence of multicollinearity. Therefore, transformations of the data were unnecessary.

Table 8
*Correlation matrix for independent variables.*

<table>
<thead>
<tr>
<th></th>
<th>Adhocracy</th>
<th>Market</th>
<th>Hierarchical</th>
<th>Clan</th>
<th>TL score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corr.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adhocracy</td>
<td>1</td>
<td>-.095</td>
<td>-.156</td>
<td>-.412*</td>
<td>.014</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.339</td>
<td>.116</td>
<td>.000</td>
<td>.885</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
</tr>
<tr>
<td>Market</td>
<td>-.095</td>
<td>1</td>
<td>-.138</td>
<td>-.112</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.339</td>
<td>.164</td>
<td>.000</td>
<td>.259</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
</tr>
<tr>
<td>Hierarchical</td>
<td>-.156</td>
<td>-.138</td>
<td>1</td>
<td>-.276*</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.116</td>
<td>.164</td>
<td>.000</td>
<td>.005</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
</tr>
<tr>
<td>Clan</td>
<td>-.412*</td>
<td>-.364*</td>
<td>-.597**</td>
<td>1</td>
<td>.264**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.007</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
</tr>
<tr>
<td>TL score</td>
<td>.014</td>
<td>-.112</td>
<td>-.276*</td>
<td>.264*</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.885</td>
<td>.259</td>
<td>.005</td>
<td>.007</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
<td>103</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).**

**Linearity.** Ordinary least squares analysis is a linear procedure. Linearity is the assumption that variables possess a straight-line relationship. When nonlinearity is present, predictions are likely to produce large residuals, leading to underestimated relationships. One can use scatterplots to assess linearity. In this case, the scatterplot exhibited no extreme values and, in fact, displayed a random pattern. Therefore, the linearity assumption was met.
**Homoscedasticity.** Homoscedasticity means that the variance around the regression line is the same for all the values of the predictor variable. Violations in homoscedasticity may cause one to overestimate the goodness of fit as measured by the Pearson coefficient. To prescreen for homoscedasticity, the researcher inspected a plot of the standardized predicted values as a function of the standardized residual values. The researcher examined histogram graphs, P-P plots, and scatterplots for each model of this study and it revealed no outliers, indicated normality across the DVs, and displayed only slight deviation from homoscedasticity. The model did not perfectly meet the homoscedasticity criterion, but that slight deviation did not warrant transformation of the variables.

**Dominant Organizational Culture**

Respondents were asked to assess six key aspects of their organizational culture. They were asked to divide 100 points over four statements. Each of the set of four statements represented the organizational culture type (clan, adhocracy, market and hierarchy). Using an excel spreadsheet, the scores were calculated to determine the set of statements that yielded the highest scores for each respondent. This provided the respondent’s perceived dominant organizational culture. If the scores were equally distributed between two or more culture types, culture was considered balanced.

The majority of respondents (61%) perceived their organizational culture as clan cultures. Clan cultures are friendly places to work, emphasizing teamwork, attachment, membership, and collaboration (Cameron & Quinn, 2006; Zammuto & O’Connor, 1992). In clan cultures, there is the pervasive belief that “organizations succeed because they hire, develop, and retain their human resource base” (Cameron & Quinn, 2006, p. 38). Group dynamics and belonging to the group are strongly held values of this culture type. Clan cultures encourage participation and
involvement and thus are associated with positive employee-level attitudinal outcomes (Hartnell, Ou, & Kinicki, 2011). Noteworthy, eighty-four percent of those from smaller organizations (under $50,000 budget) perceived a clan culture in their organization. Only eight respondents in total, perceived their organization as market culture, six of which were from large organizations (above $20,000,000 budget). Just three respondents perceived their organization’s culture as balanced. While hierarchical was the second-most frequently perceived culture types, just 18 percent of the total respondents perceived their culture as hierarchical.

![Pie chart showing perceived organizational culture types](image)

*Figure 10. Perceived Organizational Culture Types*

**Data Analysis: Hypotheses Testing**

After screening all the data and determining the culture types, the researcher conducted an analysis to test the six hypotheses of this study.
The first hypothesis tested was:

\[ H_1: \text{Perceived transformational leadership will positively predict organizational affective commitment by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.} \]

This hypothesis is in response to the question: *Do employee’s perceptions of transformational leadership impact turnover intention and organizational commitment in the nonprofit workplace?*

Specifically, the researcher conducted multiple regression analysis to examine the relationship between affective commitment and transformational leadership, with various control variables taken into account. Tables 9, 10, and 11 below summarize the descriptive statistics and analysis results. Affective commitment (dependent variable) was regressed on transformational leadership (independent variable) and the control variables (treated as independent variables in multiple regression) of position tenure, time supervised by manager, gender, age, and position level. Affective commitment is positively and significantly correlated with transformational leadership, indicating those who perceive higher levels of transformational leadership have higher levels of affective commitment. The multiple regression model for all variables produced \( R^2_{\text{adj}} = .293 \), which was statistically significant \( (F_{19, 83} = 3.227, p < .05) \). With all other variables held constant, affective commitment scores were positively related to transformational leadership scores \( (p < .05) \). Only one of the control variables, a tenure category (Tenure one – three years) contributed to the model with statistically significance \( (p > .05) \). Tenure was negatively correlated, which suggests that shorter tenure is predicted of lowered affective commitment. In other words, those who have not been employed long do not feel the deep sense
of belonging and connection to the workplace (affective commitment) compared to those who
have been employed longer.

Table 9

Model Summary $H_1$

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R</th>
<th>Std. Error of the Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.652$^a$</td>
<td>.425</td>
<td>.293</td>
<td>4.369</td>
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</tbody>
</table>

a. Predictors: (Constant), Above $20,000,000$, 40–49, TL score, Tenure5to7yrs, time Sup Under 1 yr, Under $500K$, Supervisor or Manager, Tenure3to5yrs, Tenure 1-3 years, 60 and over, $3,00001 - $7,000,000, Time Sup 5 to 7 yrs, Non-managers, Tenure less than 1 yr, 30-39, Time Sup 3 to 5 yrs, $7,000,001 - $20,000,000, Under 29, Time Sup 7 yrs or more

Table 10

ANOVA$^a$ $H_1$

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1170.140</td>
<td>19</td>
<td>61.586</td>
<td>3.227</td>
<td>.000$^b$</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>1584.093</td>
<td>83</td>
<td>19.085</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2754.233</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment

b. Predictors: (Constant), Above $20,000,000$, 40–49, TL score, Tenure5to7yrs, time Sup Under 1 yr, Under $500K$, Supervisor or Manager, Tenure3to5yrs, Tenure 1-3 years, 60 and over, $3,00001 - $7,000,000, Time Sup 5 to 7 yrs, Non-managers, Tenure less than 1 yr, 30-39, Time Sup 3 to 5 yrs, $7,000,001-$20,000,000, Under 29, Time Sup 7 yrs or more
<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>15.177</td>
<td>2.484</td>
<td>6.109</td>
<td>.000</td>
</tr>
<tr>
<td>TL score</td>
<td>.152</td>
<td>.031</td>
<td>.426</td>
<td>4.831</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>-.355</td>
<td>1.147</td>
<td>-.031</td>
<td>-.310</td>
</tr>
<tr>
<td>Non-managers</td>
<td>-.291</td>
<td>1.317</td>
<td>-.023</td>
<td>-.221</td>
</tr>
<tr>
<td>Under 29</td>
<td>-2.180</td>
<td>2.259</td>
<td>-.106</td>
<td>-.965</td>
</tr>
<tr>
<td>30-39</td>
<td>1.038</td>
<td>1.428</td>
<td>.076</td>
<td>.727</td>
</tr>
<tr>
<td>40-49</td>
<td>.597</td>
<td>1.197</td>
<td>.056</td>
<td>.499</td>
</tr>
<tr>
<td>60 and over</td>
<td>2.610</td>
<td>1.621</td>
<td>.162</td>
<td>1.610</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
<td>1.268</td>
<td>2.221</td>
<td>.057</td>
<td>.571</td>
</tr>
<tr>
<td>Tenure 1-3 years</td>
<td>-3.382</td>
<td>1.654</td>
<td>-.243</td>
<td>-2.045</td>
</tr>
<tr>
<td>Tenure 3 to 5 yrs</td>
<td>-.909</td>
<td>1.573</td>
<td>-.064</td>
<td>-.578</td>
</tr>
<tr>
<td>Tenure 5 to 7 yrs</td>
<td>-.775</td>
<td>1.509</td>
<td>-.048</td>
<td>-.514</td>
</tr>
<tr>
<td>Time Sup Under 1 yr</td>
<td>-1.476</td>
<td>1.358</td>
<td>-.128</td>
<td>-1.087</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
<td>-1.307</td>
<td>1.651</td>
<td>-.092</td>
<td>-.792</td>
</tr>
<tr>
<td>Time Sup 5 to 7 yrs</td>
<td>1.646</td>
<td>1.809</td>
<td>.098</td>
<td>.910</td>
</tr>
<tr>
<td>Time Sup 7 yrs or more</td>
<td>-.242</td>
<td>1.604</td>
<td>-.018</td>
<td>-.151</td>
</tr>
<tr>
<td>Under $500K</td>
<td>-.167</td>
<td>2.021</td>
<td>-.008</td>
<td>-.083</td>
</tr>
<tr>
<td>$3,000,001 - $7,000,000</td>
<td>.966</td>
<td>1.295</td>
<td>.077</td>
<td>.746</td>
</tr>
<tr>
<td>$7,000,001 - $20,000,000</td>
<td>1.370</td>
<td>1.273</td>
<td>.115</td>
<td>1.076</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>-1.568</td>
<td>1.501</td>
<td>-.110</td>
<td>-1.045</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment
The second hypothesis tested was:

\[ H_2: \text{Perceived transformational leadership will negatively predict turnover intention by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.} \]

This hypothesis was in response to the question: *Do employee’s perceptions of transformational leadership impact turnover intention and organizational commitment in the nonprofit workplace?*

The researcher conducted multiple regression analysis to examine the relationship between turnover intention and transformational leadership, with various control variables taken into account. Table 12, 13, and 14 below summarizes the descriptive statistics and analysis results. Turnover intention (dependent variable) was regressed on transformational leadership (independent variable) and the control variables of position tenure, time supervised by manager, gender, age, and position level. As can be seen, turnover intention is negatively and significantly correlated with transformational leadership, indicating those who perceive higher levels of transformational leadership in their supervisor have higher levels of affective commitment. The multiple regression model for all variables produced \( R^2_{adj} = .244 \), which was statistically significant \( F_{19, 83} = 2.737, p < .05 \). With all other variables held constant, turnover intention scores were negatively related to transformational leadership scores \( (p < .05) \). The control variable, age, specifically those between the ages of (30 to 39), and (60 and above) also contributed to the model \( (p < .05) \). The age group 30-39 demonstrated a positive correlation with turnover intention compared to the reference category of 50-59 years old. This means respondents from 30-39 years old were more likely to express an intention to leave their job. Conversely, the age group of 60 and older demonstrated a negative correlation to turnover
intention, meaning those respondents were less likely to express an intention to leave their job. The rest of the control variables: gender, tenure, position level and length of time supervised did not contribute to the model with statistically significance (p > .05).

Table 12

*Model Summary H2*

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R</th>
<th>Std. Error of the Square</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.621*</td>
<td>.385</td>
<td>.244</td>
<td>2.287</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Above $20,000,000, 40-49, TL score, Tenure5to7yrs, time Sup Under 1 yr, Under $500K, Supervisor or Manager, Tenure3to5yrs, Tenure 1-3 years, 60 and over, $3,00001 - $7,000,000, Time Sup 5 to 7 yrs, Non-managers, Tenure less than 1 yr, 30-39, Time Sup 3 to 5 yrs, $7,000,001-$20,000,000, Under 29, Time Sup 7 yrs or more

Table 13

*ANOVA* H2

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>272.107</td>
<td>19</td>
<td>14.321</td>
<td>2.737</td>
<td>.001b</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>434.301</td>
<td>83</td>
<td>5.233</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>706.408</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover intention

b. Predictors: (Constant), Above $20,000,000, 40-49, TL score, Tenure5to7yrs, time Sup Under 1 yr, Under $500K, Supervisor or Manager, Tenure3to5yrs, Tenure 1-3 years, 60 and over, $3,00001 - $7,000,000, Time Sup 5 to 7 yrs, Non-managers, Tenure less than 1 yr, 30-39, Time Sup 3 to 5 yrs, $7,000,001-$20,000,000, Under 29, Time Sup 7 yrs or more
<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>Std. Error</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>8.157</td>
<td>1.301</td>
<td></td>
<td>6.271</td>
<td>.000</td>
</tr>
<tr>
<td>TL score</td>
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<td>.016</td>
<td>-.382</td>
<td>-4.186</td>
<td>.000</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>-.374</td>
<td>.601</td>
<td>-.065</td>
<td>-.623</td>
<td>.535</td>
</tr>
<tr>
<td>Non-managers</td>
<td>-.754</td>
<td>.690</td>
<td>-.116</td>
<td>-1.093</td>
<td>.278</td>
</tr>
<tr>
<td>Under 29</td>
<td>.790</td>
<td>1.183</td>
<td>.076</td>
<td>.668</td>
<td>.506</td>
</tr>
<tr>
<td>30-39</td>
<td>1.498</td>
<td>.747</td>
<td>.217</td>
<td>2.004</td>
<td>.048</td>
</tr>
<tr>
<td>40-49</td>
<td>.197</td>
<td>.627</td>
<td>.036</td>
<td>.314</td>
<td>.754</td>
</tr>
<tr>
<td>60 and over</td>
<td>-1.881</td>
<td>.849</td>
<td>-.230</td>
<td>-2.216</td>
<td>.029</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
<td>-.865</td>
<td>1.163</td>
<td>-.077</td>
<td>-.744</td>
<td>.459</td>
</tr>
<tr>
<td>Tenure 1-3 years</td>
<td>1.359</td>
<td>.866</td>
<td>.193</td>
<td>1.569</td>
<td>.121</td>
</tr>
<tr>
<td>Tenure 3 to 5 yrs</td>
<td>.471</td>
<td>.824</td>
<td>.065</td>
<td>.572</td>
<td>.569</td>
</tr>
<tr>
<td>Tenure 5 to 7 yrs</td>
<td>1.453</td>
<td>.790</td>
<td>.178</td>
<td>1.839</td>
<td>.070</td>
</tr>
<tr>
<td>Time Sup Under 1 yr</td>
<td>.536</td>
<td>.711</td>
<td>.092</td>
<td>.754</td>
<td>.453</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
<td>.259</td>
<td>.864</td>
<td>.036</td>
<td>.299</td>
<td>.766</td>
</tr>
<tr>
<td>Time Sup 5 to 7 yrs</td>
<td>-.631</td>
<td>.947</td>
<td>-.074</td>
<td>-.666</td>
<td>.507</td>
</tr>
<tr>
<td>Time Sup 7 yrs or more</td>
<td>1.368</td>
<td>.840</td>
<td>.203</td>
<td>1.628</td>
<td>.107</td>
</tr>
<tr>
<td>Under $500K</td>
<td>-.057</td>
<td>1.058</td>
<td>-.005</td>
<td>-.054</td>
<td>.957</td>
</tr>
<tr>
<td>$3,000,001 - $7,000,000</td>
<td>-.745</td>
<td>.678</td>
<td>-.117</td>
<td>-1.099</td>
<td>.275</td>
</tr>
<tr>
<td>$7,000,001 - $20,000,000</td>
<td>-.469</td>
<td>.667</td>
<td>-.078</td>
<td>-.703</td>
<td>.484</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>.939</td>
<td>.786</td>
<td>.130</td>
<td>1.195</td>
<td>.236</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover intention
The third hypothesis tested was:

\[ H_3: \text{Perceived organizational culture types (clan, hierarchy, adhocracy, market, balanced)} \]

are predictive of the employee’s turnover intention, controlling for position tenure, time supervised by manager, gender, age, and position level.

This hypothesis was in response to the question: *Do employee’s perceptions of organizational culture impact turnover intention and organizational commitment in the nonprofit workplace?*

The researcher used multiple regression analysis to examine the relationship between turnover intention and the potential predictor, dominant organizational culture types, and with various control variables taken into account. Table 15, 16, and 17 below summarizes the descriptive statistics and analysis results. Turnover intention (dependent variable) was regressed on dominant organizational culture types (independent variable) and the control variables of position tenure, time supervised by manager, gender, age, and position level. The multiple regression model for all variables produced \( R^2_{\text{adj}} = .426 \), which was statistically significant (\( F_{22, 80} = 4.442, p < .05 \)). With all other variables held constant, turnover intention scores were related hierarchical and market cultures when compared to the clan reference group (\( p < .05 \)). In other words, those employees who perceived their organization to be hierarchical or market, were more likely to think about leaving their workplace.

Consistent with the second hypothesis, the age group (30-39), with a positive correlation, and (60 and older), with a negative correlation also contributed to the model (\( p < .05 \)) with turnover intention. This suggests respondents in their thirties were more likely to express an intention to leave their job. Conversely, the age group of 60 and older demonstrated a negative correlation to turnover intention, meaning those respondents were less likely to express an
intention to leave their job. The rest of the control variables: gender, tenure, position level and length of time supervised did not contribute to the model with statistically significance (p > .05).

Table 15

<table>
<thead>
<tr>
<th>Model Summary $H_3$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Above $20,000,000, Hierarchical, Tenure less than 1 yr, 60 and over, Time Sup 3 to 5 yrs, Balanced, Tenure5to7yrs, Supervisor or Manager, Under 29, Adhocracy, $3,00001 - $7,000,000, 30-39, Time Sup 5 to 7 yrs, Under $500K, Time Sup 7 yrs or more, Non-managers, 50-59, Tenure3to5yrs, Market, $7,000,001-$20,000,000, Time Sup 1 to 3 yrs, Tenure 1-3 years

Table 16

<table>
<thead>
<tr>
<th>ANOVA$^a$ $H_3$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover intention
b. Predictors: (Constant), Above $20,000,000, Hierarchical, Tenure less than 1 yr, 60 and over, Time Sup 3 to 5 yrs, Balanced, Tenure5to7yrs, Supervisor or Manager, Under 29, Adhocracy, $3,00001 - $7,000,000, 30-39, Time Sup 5 to 7 yrs, Under $500K, Time Sup 7 yrs or more, Non-managers, 50-59, Tenure3to5yrs, Market, $7,000,001-$20,000,000, Time Sup 1 to 3 yrs, Tenure 1-3 years
Table 17

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
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<td>(Constant)</td>
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<td>.747</td>
<td>5.793</td>
<td>.000</td>
</tr>
<tr>
<td>Adhocracy</td>
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<td>.756</td>
<td>-.118</td>
<td>-1.384</td>
</tr>
<tr>
<td>Market</td>
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<td>.943</td>
<td>.334</td>
<td>3.463</td>
</tr>
<tr>
<td>Hierarchical</td>
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<td>.575</td>
<td>.514</td>
<td>6.036</td>
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<tr>
<td>Balanced</td>
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<td>1.306</td>
<td>.145</td>
<td>1.723</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>-0.332</td>
<td>.527</td>
<td>-.058</td>
<td>-.630</td>
</tr>
<tr>
<td>Non-managers</td>
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<td>.632</td>
<td>-.055</td>
<td>-.561</td>
</tr>
<tr>
<td>Under 29</td>
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<td>.119</td>
<td>1.311</td>
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<tr>
<td>30-39</td>
<td>1.407</td>
<td>.648</td>
<td>.204</td>
<td>2.169</td>
</tr>
<tr>
<td>50-59</td>
<td>-0.898</td>
<td>.557</td>
<td>-.153</td>
<td>-1.613</td>
</tr>
<tr>
<td>60 and over</td>
<td>-2.768</td>
<td>.722</td>
<td>-.339</td>
<td>-3.834</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
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<td>1.023</td>
<td>-.163</td>
<td>-1.784</td>
</tr>
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<td>Tenure 1-3 years</td>
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<td>.760</td>
<td>.009</td>
<td>.086</td>
</tr>
<tr>
<td>Tenure 3 to 5 yrs</td>
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<td>.384</td>
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<tr>
<td>Tenure 5 to 7 yrs</td>
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<td>.733</td>
<td>.077</td>
<td>.857</td>
</tr>
<tr>
<td>Time Sup 1 to 3 yrs</td>
<td>-.288</td>
<td>.629</td>
<td>-.049</td>
<td>-.458</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
<td>-.693</td>
<td>.763</td>
<td>-.096</td>
<td>-.907</td>
</tr>
<tr>
<td>Time Sup 5 to 7 yrs</td>
<td>-.235</td>
<td>.846</td>
<td>-.028</td>
<td>-.278</td>
</tr>
<tr>
<td>Time Sup 7 yrs or more</td>
<td>.543</td>
<td>.746</td>
<td>.080</td>
<td>.728</td>
</tr>
<tr>
<td>Under $500K</td>
<td>.884</td>
<td>.932</td>
<td>.085</td>
<td>.949</td>
</tr>
<tr>
<td>$3,000,001 - $7,000,000</td>
<td>-.560</td>
<td>.609</td>
<td>-.088</td>
<td>-.919</td>
</tr>
<tr>
<td>$7,000,001 - $20,000,000</td>
<td>.249</td>
<td>.598</td>
<td>.041</td>
<td>.416</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>.484</td>
<td>.799</td>
<td>.067</td>
<td>.606</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover intention
The fourth hypothesis to be tested is:

\[ H_4: \text{Perceived organizational culture types (clan, hierarchy, adhocracy, market, balanced) are predictive of employee’s organizational affective commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.} \]

This hypothesis was in response to the question: *Do employee’s perceptions of organizational culture impact turnover intention and organizational commitment in the nonprofit workplace?*

The researcher conducted multiple regression to examine the relationship between affective commitment and the potential predictor, dominant organizational culture types, and accounting for various control variables. Table 18, 19, and 20 below summarizes the descriptive statistics and analysis results. Affective commitment (dependent variable) was regressed on dominant organizational culture types (independent variable) and the control variables of position tenure, time supervised by manager, gender, age, and position level. The multiple regression model for all variables produced \( R^2_{adj} = .282 \), which was statistically significant (\( F_{22, 80} = 2.825, p < .05 \)). With all other variables held constant, affective commitment scores were negatively related to hierarchical culture types (\( p < .05 \)) when compared with the reference group, clan cultures. This indicates that hierarchical cultures may be a factor in an employee’s lowered affective commitment. This has implications for nonprofit organizations that have high levels of controls, formality and hierarchical chain of command.

None of the other dominant culture types when compared to the reference group, clan cultures, predicted affective commitment with statistical significance (\( p < .05 \)). None of the control variables: gender, tenure, budget size, position level and length of time supervised, contributed to the model with statistically significance (\( p > .05 \)).
### Table 18

**Model Summary** $H_4$

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.661$^a$</td>
<td>.437</td>
<td>.282</td>
<td>4.402</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Above $20,000,000$, Hierarchical, Tenure less than 1 yr, 60 and over, Time Sup 3 to 5 yrs, Balanced, Tenure5to7yrs, Supervisor or Manager, Under 29, Adhocracy, $3,00001 - $7,000,000, 30-39, Time Sup 5 to 7 yrs, Under $500K, Time Sup 7 yrs or more, Non-managers, 50- 59, Tenure3to5yrs, Market, $7,000,001-$20,000,000, Time Sup 1 to 3 yrs, Tenure 1-3 years

### Table 19

**ANOVA** $H_4$

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1204.202</td>
<td>22</td>
<td>54.736</td>
<td>2.825</td>
<td>.000$^b$</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>1550.031</td>
<td>80</td>
<td>19.375</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2754.233</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment

b. Predictors: (Constant), Above $20,000,000$, Hierarchical, Tenure less than 1 yr, 60 and over, Time Sup 3 to 5 yrs, Balanced, Tenure5to7yrs, Supervisor or Manager, Under 29, Adhocracy, $3,00001 - $7,000,000, 30-39, Time Sup 5 to 7 yrs, Under $500K, Time Sup 7 yrs or more, Non-managers, 50- 59, Tenure3to5yrs, Market, $7,000,001-$20,000,000, Time Sup 1 to 3 yrs, Tenure 1-3 years
Table 20

Coefficients* $H_4$

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>23.711</td>
<td>1.648</td>
<td>14.386</td>
<td>0.000</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>-0.394</td>
<td>1.669</td>
<td>-0.236</td>
<td>0.814</td>
</tr>
<tr>
<td>Market</td>
<td>-2.730</td>
<td>2.082</td>
<td>-1.311</td>
<td>0.194</td>
</tr>
<tr>
<td>Hierarchical</td>
<td>-6.157</td>
<td>1.270</td>
<td>-4.850</td>
<td>0.000</td>
</tr>
<tr>
<td>Balanced</td>
<td>-3.392</td>
<td>2.884</td>
<td>-1.176</td>
<td>0.243</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>-0.682</td>
<td>1.163</td>
<td>-0.586</td>
<td>0.559</td>
</tr>
<tr>
<td>Non-managers</td>
<td>-1.091</td>
<td>1.396</td>
<td>-0.781</td>
<td>0.437</td>
</tr>
<tr>
<td>Under 29</td>
<td>-3.926</td>
<td>2.092</td>
<td>-1.877</td>
<td>0.064</td>
</tr>
<tr>
<td>30-39</td>
<td>0.569</td>
<td>1.432</td>
<td>-0.397</td>
<td>0.692</td>
</tr>
<tr>
<td>50-59</td>
<td>0.665</td>
<td>1.229</td>
<td>-0.541</td>
<td>0.590</td>
</tr>
<tr>
<td>60 and over</td>
<td>2.985</td>
<td>1.594</td>
<td>1.873</td>
<td>0.065</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
<td>2.815</td>
<td>2.260</td>
<td>1.246</td>
<td>0.217</td>
</tr>
<tr>
<td>Tenure 1-3 years</td>
<td>-0.943</td>
<td>1.678</td>
<td>-0.562</td>
<td>0.575</td>
</tr>
<tr>
<td>Tenure 3to5yrs</td>
<td>-0.063</td>
<td>1.652</td>
<td>-0.038</td>
<td>0.970</td>
</tr>
<tr>
<td>Tenure 5to7yrs</td>
<td>1.113</td>
<td>1.619</td>
<td>0.688</td>
<td>0.494</td>
</tr>
<tr>
<td>Time Sup 1 to 3 yrs</td>
<td>1.235</td>
<td>1.388</td>
<td>0.889</td>
<td>0.376</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
<td>0.709</td>
<td>1.686</td>
<td>0.421</td>
<td>0.675</td>
</tr>
<tr>
<td>Time Sup 5 to 7 yrs</td>
<td>2.456</td>
<td>1.867</td>
<td>1.315</td>
<td>0.192</td>
</tr>
<tr>
<td>Time Sup 7 yrs or more</td>
<td>2.622</td>
<td>1.647</td>
<td>1.591</td>
<td>0.115</td>
</tr>
<tr>
<td>Under $500K</td>
<td>-1.603</td>
<td>2.057</td>
<td>-0.779</td>
<td>0.438</td>
</tr>
<tr>
<td>$3,000,001 - $7,000,000</td>
<td>0.797</td>
<td>1.345</td>
<td>0.592</td>
<td>0.555</td>
</tr>
<tr>
<td>$7,000,001- $20,000,000</td>
<td>0.401</td>
<td>1.320</td>
<td>0.304</td>
<td>0.762</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>-1.738</td>
<td>1.765</td>
<td>-0.985</td>
<td>0.328</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment
The fifth hypothesis to be tested was:

H₅: Perceived organizational culture type is a statistically significant moderator of the relationship between perceived transformational leadership style and employee’s affective commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.

This hypothesis was in response to the question: *Do employee’s perception of organizational culture change how transformational leadership impacts how organizational commitment and turnover intention?*

The researcher used multiple regression to investigate whether the relationship between transformational leadership and affective commitment depended on the perceived dominant organizational culture type in the nonprofit employee’s workplace, controlling for various variables: gender, age, tenure, position level, length of time supervised by manager. To do this, an interaction effect was added to the model to incorporate the effect of two variables on the dependent variable over and above their separate effects (Dattalo, 2013). However, multicollinearity is common when creating interaction terms, so transformations are often done. This involves centering variables, or subtracting the individual variable value from the mean of the set of variables to create a centered value. Centering constituent continuous independent variables before computing the interaction term can minimize the multicollinearity (Aiken & West, 1991). New variables were created in SPSS to create interaction terms (TL_Clan_Centered; TL_Adhocracy_Centered; TL_Hierarchical_Centered; TL_Market_Centered; and TL_Balanced_Centered) by calculating the product of the transformational leadership variable and each of the dominant organizational culture types.
The centered variables were entered with other variables in a simultaneous regression model. This produced $R^2_{adj} = .320$, which was statistically significant ($F_{26, 76} = 2.848, p < .05$). With all other variables held constant, the interaction term, TL_Hierarchical_Centered was a statistically significant moderator on the relationship between transformational leadership and affective commitment scores ($p > .05$) presenting a negative correlation between the variables. This means that hierarchical cultures impacted the relationship between the respondent’s perception of transformational leadership and their affective commitment with significance. Another way of looking at this, is hierarchical cultures were negatively related to affective commitment. However, when jointly considered, hierarchical cultures and transformational leadership scores are statistically significant and positively correlated with affective commitment. This change and statistical significance, supports the hypothesis. The results also suggest that while hierarchical cultures are problematic to nonprofit employee’s commitment, those hierarchical cultures with leaders perceived to be transformational, still demonstrate a positive relationship with the employee’s affective commitment.

Consistent with the above hypothesis, the control variable age category (60 y/o and over), also contributed to the model, with a statistically significant correlation ($p < .05$). The rest of the control variables: gender, tenure, position level and length of time supervised did not contribute to the model with statistically significance ($p > .05$). Tables 21, 22, and 23 provide the model summary, ANOVA and coefficients outlining the results of $H_5$. 
Table 21

*Model Summary $H_5$*

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.702$^a$</td>
<td>.494</td>
<td>.320</td>
<td>4.284</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), TL_Balanced_Centered, TL_Adhocracy_Centered, TL_Market_Centered, TL_Hierarchical_Centered, Supervisor or Manager, Under $500K, 60 and over, Tenure 1-3 years, time Sup Under 1 yr, Tenure5to7yrs, $7,000,001-$20,000,000, Adhocracy, 50- 59, Market, Balanced, Time Sup 5 to 7 yrs, $3,00001 - $7,000,000, Tenure3to5yrs, Tenure less than 1 yr, Under 29, Non-managers, 30-39, Hierarchical, Time Sup 3 to 5 yrs, Time Sup 7 yrs or more, Above $20,000,000

Table 22

*ANOVA $H_5$*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig. $^b$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1359.223</td>
<td>26</td>
<td>52.278</td>
<td>2.848</td>
<td>.000$^b$</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>1395.010</td>
<td>76</td>
<td>18.355</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2754.233</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment
b. Predictors: (Constant), TL_Balanced_Centered, TL_Adhocracy_Centered, TL_Market_Centered, TL_Hierarchical_Centered, Supervisor or Manager, Under $500K, 60 and over, Tenure 1-3 years, time Sup Under 1 yr, Tenure5to7yrs, $7,000,001-$20,000,000, Adhocracy, 50- 59, Market, Balanced, Time Sup 5 to 7 yrs, $3,00001 - $7,000,000, Tenure3to5yrs, Tenure less than 1 yr, Under 29, Non-managers, 30-39, Hierarchical, Time Sup 3 to 5 yrs, Time Sup 7 yrs or more, Above $20,000,000
<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>23.994</td>
<td>1.795</td>
<td>13.366</td>
<td>.000</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>-.544</td>
<td>1.633</td>
<td>-.333</td>
<td>.740</td>
</tr>
<tr>
<td>Market</td>
<td>-2.670</td>
<td>2.068</td>
<td>-1.291</td>
<td>.201</td>
</tr>
<tr>
<td>Hierarchical</td>
<td>-4.261</td>
<td>1.456</td>
<td>-2.926</td>
<td>.005</td>
</tr>
<tr>
<td>Balanced</td>
<td>-3.233</td>
<td>2.993</td>
<td>-1.080</td>
<td>.283</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
<td>-.426</td>
<td>1.136</td>
<td>-.375</td>
<td>.709</td>
</tr>
<tr>
<td>Non-managers</td>
<td>-.920</td>
<td>1.431</td>
<td>-.643</td>
<td>.522</td>
</tr>
<tr>
<td>Under 29</td>
<td>-3.306</td>
<td>2.106</td>
<td>-1.570</td>
<td>.121</td>
</tr>
<tr>
<td>30-39</td>
<td>-.052</td>
<td>1.470</td>
<td>-.035</td>
<td>.972</td>
</tr>
<tr>
<td>50- 59</td>
<td>.633</td>
<td>1.243</td>
<td>.509</td>
<td>.612</td>
</tr>
<tr>
<td>60 and over</td>
<td>3.163</td>
<td>1.583</td>
<td>1.999</td>
<td>.049</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
<td>1.551</td>
<td>2.310</td>
<td>.672</td>
<td>.504</td>
</tr>
<tr>
<td>Tenure 1-3 years</td>
<td>-1.471</td>
<td>1.648</td>
<td>-.893</td>
<td>.375</td>
</tr>
<tr>
<td>Tenure3to5yrs</td>
<td>-.181</td>
<td>1.632</td>
<td>-.111</td>
<td>.912</td>
</tr>
<tr>
<td>Tenure5to7yrs</td>
<td>.586</td>
<td>1.602</td>
<td>.366</td>
<td>.716</td>
</tr>
<tr>
<td>time Sup Under 1 yr</td>
<td>-.062</td>
<td>1.444</td>
<td>-.043</td>
<td>.966</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
<td>.094</td>
<td>1.716</td>
<td>.055</td>
<td>.956</td>
</tr>
<tr>
<td>Time Sup 5 to 7 yrs</td>
<td>1.541</td>
<td>1.869</td>
<td>.824</td>
<td>.412</td>
</tr>
<tr>
<td>Time Sup 7 yrs or more</td>
<td>1.142</td>
<td>1.646</td>
<td>.693</td>
<td>.490</td>
</tr>
<tr>
<td>Under $500K</td>
<td>-.686</td>
<td>2.048</td>
<td>-.335</td>
<td>.738</td>
</tr>
<tr>
<td>$3,00001 - $7,000,000</td>
<td>1.714</td>
<td>1.364</td>
<td>1.256</td>
<td>.213</td>
</tr>
<tr>
<td>$7,000,001-$20,000,000</td>
<td>1.541</td>
<td>1.359</td>
<td>1.134</td>
<td>.260</td>
</tr>
<tr>
<td>Above $20,000,000</td>
<td>-.759</td>
<td>1.787</td>
<td>-.425</td>
<td>.672</td>
</tr>
<tr>
<td>TL_Adhocracy_Centered</td>
<td>.064</td>
<td>.127</td>
<td>.504</td>
<td>.616</td>
</tr>
<tr>
<td>TL_Market_Centered</td>
<td>.068</td>
<td>.080</td>
<td>.854</td>
<td>.396</td>
</tr>
<tr>
<td>TL_Hierarch_Centered</td>
<td>.205</td>
<td>.080</td>
<td>2.565</td>
<td>.012</td>
</tr>
<tr>
<td>TL_Balanced_Centered</td>
<td>.412</td>
<td>.501</td>
<td>.822</td>
<td>.414</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Affective commitment
The sixth hypotheses to be tested was:

\[ H_6: \text{Perceived organizational culture type is a statistically significant moderator of the} \]

\[ \text{relationship between perceived transformational leadership style and employees’ turnover} \]

\[ \text{intention, controlling for position tenure, time supervised by manager, gender, age, and} \]

\[ \text{position level.} \]

The sixth hypothesis analyzes the moderating effect of dominant organizational culture
types on the relationship between transformational leadership on turnover intention, controlling
for various variables: gender, age, tenure, position level, length of time supervised by manager.
Using the centered interaction terms (TL_Clan_Centered; TL_Adhocracy_Centered;
TL_Hierarchical_Centered; TL_Market_Centered; and TL_Balanced_Centered) the moderation
analysis was conducted to incorporate the effect of two variables on the dependent variable over
and above their separate effects (Dattalo, 2013).

The multiple regression model for all variables produced \( R^2_{adj} = .422 \), which was
statistically significant \( (F_{26, 76} = 3.862, p < .05) \). Consistent with the second hypothesis, market
and hierarchical cultures are negatively related to turnover intention. However, the sixth
hypothesis was not supported in this model. Upon examining the interaction between each of
the culture types and transformational leadership, none of the relationships showed any statistical
significance. Tables 24, 25, and 26 below outline the results. The control variable age groups
(30-39 and 60 and over) also contributed to the model, with a statistically significant correlation
\( (p < .05) \). This means respondents in thirties age group were more likely to express an intention to
leave their job. Conversely, the age group of 60 and older demonstrated a negative correlation to
turnover intention, meaning those respondents were less likely to express an intention to leave
their job. The rest of the control variables: gender, tenure, position level and length of time supervised did not contribute to the model with statistically significance (p > .05).

Table 24

*Model Summary H₆*

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.754</td>
<td>.569</td>
<td>.422</td>
<td>2.001</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), TL_Balanced_Centered, TL_Adhocracy_Centered, TL_Market_Centered, TL_Hierarchical_Centered, Supervisor or Manager, Under $500K, 60 and over, Tenure 1-3 years, time Sup Under 1 yr, Tenure5to7yrs, $7,000,001-$20,000,000, Adhocracy, 50-59, Market, Balanced, Time Sup 5 to 7 yrs, $3,00001 - $7,000,000, Tenure3to5yrs, Tenure less than 1 yr, Under 29, Non-managers, 30-39, Hierarchical, Time Sup 3 to 5 yrs, Time Sup 7 yrs or more, Above $20,000,000

Table 25

*ANOVA* H₆

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regressio  n</td>
<td>402.078</td>
<td>26</td>
<td>15.465</td>
<td>3.862</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>304.330</td>
<td>76</td>
<td>4.004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>706.408</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover intention

b. Predictors: (Constant), TL_Balanced_Centered, TL_Adhocracy_Centered, TL_Market_Centered, TL_Hierarchical_Centered, Supervisor or Manager, Under $500K, 60 and over, Tenure 1-3 years, time Sup Under 1 yr, Tenure5to7yrs, $7,000,001-$20,000,000, Adhocracy, 50-59, Market, Balanced, Time Sup 5 to 7 yrs, $3,00001 - $7,000,000, Tenure3to5yrs, Tenure less than 1 yr, Under 29, Non-managers, 30-39, Hierarchical, Time Sup 3 to 5 yrs, Time Sup 7 yrs or more, Above $20,000,000
<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>4.135</td>
<td>.838</td>
<td>4.931</td>
<td>.000</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>-1.079</td>
<td>.763</td>
<td>-1.414</td>
<td>.161</td>
</tr>
<tr>
<td>Market</td>
<td>3.238</td>
<td>.966</td>
<td>3.352</td>
<td>.001</td>
</tr>
<tr>
<td>Hierarchical</td>
<td>3.089</td>
<td>.680</td>
<td>4.542</td>
<td>.000</td>
</tr>
<tr>
<td>Balanced</td>
<td>2.458</td>
<td>1.398</td>
<td>.158</td>
<td>.175</td>
</tr>
<tr>
<td>Supervisor or Manager</td>
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<td>.531</td>
<td>-0.772</td>
<td>.443</td>
</tr>
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<td>Non-managers</td>
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<td>.668</td>
<td>-.410</td>
<td>.683</td>
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<td>Under 29</td>
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<td>.984</td>
<td>1.352</td>
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<tr>
<td>30-39</td>
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<td>2.533</td>
<td>.013</td>
</tr>
<tr>
<td>50-59</td>
<td>-.758</td>
<td>.580</td>
<td>-1.306</td>
<td>.196</td>
</tr>
<tr>
<td>60 and over</td>
<td>-2.702</td>
<td>.739</td>
<td>-3.655</td>
<td>.000</td>
</tr>
<tr>
<td>Tenure less than 1 yr</td>
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<td>1.079</td>
<td>-1.261</td>
<td>.211</td>
</tr>
<tr>
<td>Tenure 1-3 years</td>
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<td>.770</td>
<td>.216</td>
<td>.829</td>
</tr>
<tr>
<td>Tenure 3 to 5 yrs</td>
<td>.322</td>
<td>.762</td>
<td>.423</td>
<td>.674</td>
</tr>
<tr>
<td>Tenure 5 to 7 yrs</td>
<td>.736</td>
<td>.748</td>
<td>.984</td>
<td>.328</td>
</tr>
<tr>
<td>Time Sup Under 1 yr</td>
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<td>.674</td>
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<td>.969</td>
</tr>
<tr>
<td>Time Sup 3 to 5 yrs</td>
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<td>.557</td>
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<td>Time Sup 5 to 7 yrs</td>
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<td>.087</td>
<td>.931</td>
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<tr>
<td>Time Sup 7 yrs or more</td>
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<td>.769</td>
<td>1.119</td>
<td>.267</td>
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<td>.549</td>
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<td>.047</td>
<td>.962</td>
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<td>.834</td>
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<td>.892</td>
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<td>TL_Adhocracy_Centered</td>
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<td>.059</td>
<td>.050</td>
<td>.579</td>
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<tr>
<td>TL_Market_Centered</td>
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<td>.037</td>
<td>-.083</td>
<td>.911</td>
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<tr>
<td>TL_Hierarch_Centered</td>
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<td>.037</td>
<td>-.117</td>
<td>.244</td>
</tr>
<tr>
<td>TL_Balanced Centered</td>
<td>-.206</td>
<td>.234</td>
<td>-.075</td>
<td>.880</td>
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</table>

a. Dependent Variable: Turnover intention
Chapter Summary

The purpose of this study is to examine the relationship of nonprofit employees’ perceived transformational leadership and perceived organizational culture types (clan, adhocracy, hierarchy, market) on two important and distinct employee outcomes, affective commitment and turnover intention. Upon completion of the multiple linear regression analysis, several findings were demonstrated. First, this study indicates that perceived transformational leadership does positively predict nonprofit employees’ affective commitment. Second, perceived transformational leadership negatively predicts turnover intention in nonprofit employees. Third, certain perceived organizational culture types (hierarchical and market) do positively predict employees’ turnover intentions. Fourth, perceived hierarchical cultures negatively predict the employee’s affective commitment. While hierarchical cultures, considered alone, negatively predicted affective commitment, the relationship changes when this culture type is considered jointly with perceived transformational leadership. Therefore, fifth finding was that hierarchical culture was a statistically significant moderator on the relationship between transformational leadership and affective commitment scores. Lastly, none of the dominant organizational cultures were statistically significant moderators on the relationship between transformational leadership and affective commitment scores when compared to the reference variable, clan culture.
Chapter 5: Discussion and Implications of Study

This chapter synthesizes the material developed in the first four chapters and offers a discussion of findings, which provides interpretations of both descriptive and hypotheses results. The chapter outlines the benefits and limitations related to the chosen research design, followed by recommendations for future research. The last section provides policy and practical implications for this study.

Discussion of Findings

Three research questions guided this research and led to the six hypotheses for this study. The questions were: (a) Do employees’ perceptions of transformational leadership impact turnover intention and organizational commitment in the nonprofit workplace? (b) Do employees’ perceptions of organizational culture impact turnover intention and organizational commitment in the nonprofit workplace? (c) Do employees’ perceptions of organizational culture change how transformational leadership impacts organizational commitment and turnover intention? An overview of the six hypotheses’ tests is provided in Table 27 below.
Table 27

*Hypotheses Testing Summary*

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Supported?</th>
<th>$R^2_{adj}$</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$: Perceived transformational leadership will positively predict</td>
<td>Yes.</td>
<td>.293</td>
</tr>
<tr>
<td>organizational affective commitment by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_2$: Perceived transformational leadership will negatively predict</td>
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<td>.244</td>
</tr>
<tr>
<td>turnover intention by the employee, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_3$: Perceived organizational culture types (clan, hierarchy,</td>
<td>Yes.</td>
<td>.426</td>
</tr>
<tr>
<td>adhocracy, market, balanced) are predictive of employee’s turnover intention, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_4$: Perceived organizational culture types (clan, hierarchy,</td>
<td>Yes.</td>
<td>.282</td>
</tr>
<tr>
<td>adhocracy, market, balanced) are predictive of employee’s affective</td>
<td></td>
<td></td>
</tr>
<tr>
<td>commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_5$: Perceived organizational culture type is a statistically significant moderator of the relationship between perceived transformational leadership style and employees’ affective commitment, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td>Yes.</td>
<td>.320</td>
</tr>
<tr>
<td>$H_6$: Perceived organizational culture type is a statistically significant moderator of the relationship between perceived transformational leadership style and employees’ turnover intention, controlling for position tenure, time supervised by manager, gender, age, and position level.</td>
<td>No.</td>
<td>.422</td>
</tr>
</tbody>
</table>
Impact of Transformational Leadership on Turnover and Commitment

To answer the first question posed, the study tested two hypotheses, using multiple regression to understand the employees’ perceptions of transformational leadership with affective commitment and turnover intention. Figure 11 and Figure 12 illustrate the first two models.

*Figure 11.* Transformational Leadership predicting Affective Commitment.

*Figure 12.* Transformational Leadership predicting Turnover Intention.

The first finding of this study indicated that perceived transformational leadership does positively predict nonprofit employees’ affective commitment. This confirmed the findings from previous leadership studies conducted in the for-profit and government sectors. A previous study positively linked transformational leadership to organizational commitment and worker engagement (Zhu, Avolio, & Walumbwa, 2009). Similarly, in a study focused on the South Korean local government, Kim (2014) found that transformational leadership had a significant positive effect on affective commitment for employees. Jackson, Meyer, and Wang (2013) also found a positive relationship between transformational leadership and affective organizational
commitment in a meta-analytic study across different cultures. This study adds organizational commitment to the positive outcomes of transformational leadership.

The second finding of this study indicated that perceived transformational leadership negatively predicted turnover intention in nonprofit employees. This too confirms previous studies from the for-profit sector that have linked transformational leadership to turnover intention (Bycio et al., 1995; Hughes et al., 2010; Rafferty & Griffin, 2004). These results offer further empirical support for Bass’ theory that transformational leadership leads to employee outcomes, considered important to the employee’s feelings and perceptions about their workplace.

The study responded to the suggestion from Riggio and Orr (2004) over a decade ago, who noted that transformational leadership has relevance for the nonprofit sector and should be explored by scholars. Mary (2005) answered that call, studying the transformational leadership of nonprofit human service chief executive officers. That study found that transformational leadership was positively related to better employee outcomes (extra effort, job satisfaction, satisfaction of leader). This study sought to build upon the limited body of research on transformational leadership within nonprofit organizations and add a new dimension, organizational culture to the analysis.

**Impact of Organizational Culture on Turnover and Commitment**

To answer the second question posed, using multiple regression, the study tested the next second set of hypotheses dealing with how employees’ perceptions of their organizational culture impact their commitment and turnover intention. To answer this question, the study focused on two more regression models, which are illustrated in Figure 13 and Figure 14. These models also used control variables, which will be discussed in a later section. In this study, hierarchy
and market cultures positively predicted employees’ turnover intentions and hierarchical cultures negatively predicted the employee’s affective commitment.

Figure 13. Organizational Culture Type Relationship to Turnover Intention

Figure 14. Organizational Culture Type Relationship to Affective Commitment

This study took models of leadership and organizational culture from the literature of for-profit organizations and applied them to nonprofit organizations. The findings suggested that nonprofit organizations may be better off valuing their volunteerism roots and embracing a collaborative clan culture instead of becoming more like a for-profit business. This notion that organizational culture impacts employees’ commitment challenges Bass’ leader-centric perspective which suggests the manager alone impacts positive employee-related outcomes, such as commitment. The finding also raises questions about nonprofit organizations becoming more like a business. Further, for-profit business may learn about commitment and turnover from the nonprofit sector. The results provided an answer to the second research question with evidence that organizational culture does impact nonprofit employees’ affective commitment and turnover intention. It also raised questions about the potentially problematic nature of hierarchical and
market cultures for employees. The findings suggest that an understanding of cultures in nonprofit organizations is critical to addressing the staff retention crisis in the sector.

This study sought to understand the employees’ perceptions of their organization’s culture type and investigate its relationship to affective commitment and turnover intention. Respondents were asked to score sets of four statements on the survey and each of the four reflected one of the competing values culture types’ values. The culture types are: clan, hierarchy, adhocracy and market. Each culture type represents a shared set of values of the members. These organizational values are influenced by the external demands and changing community needs experienced by its members. Like the respondents’ organizations from this study, Salamon (2012) suggests nonprofit organizations are operating with conflicting identities and are forced to adapt to several internal and external demands. The tension created by these demands stem from the sector’s history rooted in volunteerism, civic activism and philanthropy, competing with the expectations of professionalism, efficiency, and commercialism (Salamon, 2012). These organizations are a part of a market driven sector, yet they are mission-driven and serve an important public purpose (Salamon, 2012).

The notion of these competing impulses shaping the nonprofit sector, led to the adoption of one of the theoretical frameworks of this study, the competing values framework. The competing values framework was not designed for the nonprofit sector, but it does respond to the idea that organizations are confronted by competing tensions which relate to the external demands of the market, the internal needs of its employees, and the degree of formality in the management style and structure. How members respond and resolve these competing tensions lead to espoused values and characteristic culture types.
One surprising finding was that most (61 percent) employees perceived their organizational culture as clan, or collaborative cultures, illustrated in Figure 15. This may support Salamon’s assertion that while nonprofit organizations are more market-driven than in the past, they are at the same time compelled by the impulse of their volunteerism roots. Nonprofit organizations may be better able to balance this with creating an environment by keeping an internal focus on their members, while still responding to the external demands of the market. This implies that the for-profit business sector may be able to learn something from the nonprofit sector, related to workforce retention and commitment. Another noteworthy finding is that eighty-four percent of those from smaller organizations (under $50,000 budget) perceived a clan culture in their organization. Just eight respondents perceived their organization as market culture, six of which were from large organizations (above $20,000,000 budget). This raises questions about the size of the nonprofit and organizational culture. It is possible and logical that as the size of the nonprofit grows, so too does the market driven nature. This is an area for future research.

Figure 15. Breakdown of Dominant Organizational Cultures.
Interaction of Transformational Leadership and Organizational Culture

The last research question seeks to understand the impact of both transformational leadership and organizational culture types with employees’ affective commitment and turnover intention. Therefore, the next two regression models used moderation analysis, to discover whether the relationship between transformational leadership and affective commitment depends on the kind of organizational culture one experiences. Figure 16 and Figure 17 illustrate the models below.

Figure 16. Moderating Effect of Organizational Culture on Transformational Leadership and Affective Commitment.

Figure 17. Moderating Effect of Organizational Culture on Transformational Leadership and Turnover Intention.
The third question of the study asked if organizational culture should be considered and studied in conjunction with transformational leadership. This study asserted that transformational leadership alone does not offer a comprehensive understanding of the nonprofit employee’s experience in the workplace, nor does it tell the complete story about the factors that relate to affective commitment and turnover intention. As we have seen, Schein (2010) recommended studying culture and leadership, because they have reciprocal influences on each other, provide similar functions in organizations, and each reinforces how employees meet organizational goals. Bass and Avolio (1993) also acknowledged that leadership and organizational culture may be so interconnected that it is possible to observe a transformational culture in an organization (Bass & Avolio, 1993), yet most of their studies focus on leadership solely.

As previously stated, the fourth finding showed that hierarchical cultures, considered alone, negatively predicted affective commitment. However, in the fifth finding the relationship changes when hierarchical culture is regressed with perceived transformational leadership on employees; affective commitment and turnover intentions. While there is support for the fifth hypothesis, the finding demonstrates the relative importance of transformational leadership to nonprofit employees. The last two findings showed that the positive predictive relationship of transformational leadership and affective commitment remained and the negative predictive relationship of transformational leadership and turnover intention did not depend on the perceived organizational culture.

In summary, this study demonstrated several findings that can help better address the retention and commitment problem in the nonprofit sector outlined above. The first noteworthy finding was that a majority of respondents perceived their organizations as clan cultures, which
are known to be friendly, personal places where belonging and connectedness is high. This culture type is positively linked to commitment and negatively linked to turnover intention. The findings also revealed that compared to clan cultures, hierarchical and market cultures positively predicted the employees’ turnover intentions. Further, perceived hierarchical cultures negatively predicted the employees’ affective commitment. The study also found that perceived transformational leadership mattered to nonprofit employees as it too, positively predicted their affective commitment and negatively predicted their turnover intentions. The findings also revealed that hierarchical cultures played a role in this predictive relationship. Additionally, the predictive power, as measured by the $R^2_{adj}$, was higher when measuring both organizational culture and transformational leadership with the employee-related outcomes. This is further evidence supporting the importance of considering both the manager’s leadership and the organizational culture when addressing the staff retention problem in the nonprofit sector. Compared to other cultures, clan cultures combined with transformational leadership was positively predictive of affective commitment and negatively predictive of turnover intention. In fact, the $R^2_{adj}$ showed that the combination of organizational culture and transformational leadership had a higher predictive power, then when considering each alone.

**Limitations of Study**

There were several benefits and limitations in the quantitative, cross-sectional survey design that this study employed. Survey research is implemented with the general purpose of investigating characteristics, attitudes, behaviors, or opinions of the targeted population (Frankfort-Nachmias & Nachmias, 2000; Fraenkel & Wallen, 2003; Salant & Dillman, 1994). Since the purpose of this study was to understand the perceptions and attitudes of nonprofit employees, the design choice was logical. One of the advantages of survey research is that it
offers an effective means of social description. Survey research provides detailed information about a large heterogeneous population, and it allows the researcher to reach individuals across a large geographic region in cost-effective and time efficient way (Singleton & Straits, 2005). This was a benefit in this study because it allowed the researcher to gather data from participants in real-world situations from across a wide geographic region relatively easily. Every method of scientific inquiry in the social sciences has inherent limitations and subject to tradeoffs. This study is no exception. The study’s design, sampling method, and statistical techniques had benefits, but also limitations, which are outlined next.

The surveys were self-administered and web-based. On-line, self-administered surveys do not allow for clarification of the questions, so interpretation may differ among respondents. It was also not possible to assess the truthfulness of responses from participants. The depth of information that could have been gained through conducting a qualitative study was also not possible. Survey research describes the associations between variables, but does not probe into the reasons for the relationship. For example, the research findings showed that perceived transformational research was predictive of affective commitment, but did not suggest the reasons for it. The criteria for inferring cause-and-effect relationships cannot be easily established in survey research. Again, the findings offered an understanding of the type of relationship, it did not allow for a causal explanation.

The study used nonprobability sampling, and this has inherent limitations. First, non-response is a challenge in these types of designs and potentially resulting in response bias. Probability samples have strong advantages from a research standpoint because they avoid selection biases, allow the research to generalize findings to larger subsets, and permit a precise estimate of parameters (Frankfort-Nachmias & Nachmias, 2009). However, research in the
social sciences is not typically conducive to the application of this design (Frankfort-Nachmias & Nachmias, 2000; Meier, Brudney, & Bohte, 2011) and was not used for this study. Using control groups or assigning individuals into contingent and traditional groups is impractical and unethical. Response bias is a particular problem when the characteristics of the non-responders differ from the responders. In this study, 80 percent were in positions of formal authority, in supervisory, managerial or senior managerial positions. It appeared that non-management staff members were under-represented in this study. Under-representation may impact the generalizability of the study’s conclusions.

This study used a quota sampling method and the target of 103 was set, based on *a priori* power analysis. This target was met. While random selection with an experimental design is the gold standard in research, this study used a non-probability technique, which made it impossible to determine the sampling error. It also meant it was not possible to make statistical inferences from the sample to the population, leading to problems with generalization. Quota sampling does involve some steps to gain a more representative sample. In this case, the quotas were set based on the Alliance’s dues structure, which were based on budget sizes of the organizations. As noted in chapter four, the researcher found an error after about 60 individuals responded, where the researcher inadvertently collapsed two quotas into one. So, though the researcher adjusted the quota groups, it is not exactly reflective of the dues structure, as planned. This error did not have a significant consequence for the study’s findings. Organizational size was not entered as a control variable for the study, so there were no statistically significant findings sought. However, it does erode the representativeness of the sample group, because the two categories were collapsed. The representativeness of the sample could have been extended, by
adding other quota requirements, but this would have extended the overall sample size as well as cost and time.

Cross-sectional survey research, as was used in this study also has inherent limitations. In this type of research, variables are measured at a point in time. This does not allow for the study to show a change over time. An option for addressing this limitation would be to conduct a longitudinal study, which would have allowed for a more comprehensive examination. However, cost and time would have been a significant challenge in this case.

This study used multiple linear regression analysis. As with any statistical treatment, there are limitations. The conceptual limitation of any regression technique is that one can ascertain relationships, but not determine causality. Several control variables were considered in this model to address potential confounding variables, though very few contributed to the models with statistical significance. There may be other confounding variables that could have contributed to the outcome variables that were not considered. Next, the study’s delimitations are outlined.

This study was delimited to study nonprofit employees’ perceptions of transformational leadership of their manager and their perceptions of their organization’s culture. This study did not use the organization as the unit of analysis or focus of the study; therefore, there were not several raters for the culture or for a particular manager’s leadership. The study did not attempt to assess multiple raters about a particular organization or about a particular manager. Additionally, the study included all respondents who fit the quota and study requirements, including those who were employed at their organization for a short period of time. Six percent of respondents were employed in their organization under one year. Twenty-eight percent of the respondents were supervised by their manager for less than one year. This was relevant because
the length of time a person was employed at an organization will impact their impression of the organizational culture (Schein, 2010); so too will the length of time a person has been supervised by a manager impact his or her perception of leadership. “Honeymoon biases” occur at the start of one’s tenure, where “overly positive” attitudes about the organization or leader may prevail; and the “hangover effect” describes the decline and eventual stability in positive attitudes about managers and organizations (Boswell, Boudreau, & Tichy, 2005 p. 884). There are implications for this study on policy and practical levels. These implications will be addressed next.

**Policy Implications**

Similar to government institutions, nonprofit organizations serve public purposes and address critical human needs. As noted, public support for these organizations is evident by their federal tax-exempt status as a result of their orientation toward public purposes (Nonprofit Almanac, 2012). Nonprofits are often partners in the implementation of public supported human services. The services provided by child and family nonprofit organizations are vital to the lives of vulnerable American citizens. The services include homeless shelters, foster care, child-care centers, and schools for those with special needs.

Issues related to a strong, healthy workforce within these organizations are important to policymakers, because the government depends on the sector for the provision of a multitude of human services. One compelling finding of this study is that, in organizations that have transformational leadership and clan organizational cultures, employees are more likely to feel a deep sense of commitment (affective commitment) and less likely to want to leave (turnover intention). Another important finding is that when considering organizational culture and
transformational leadership together may better model to explain the employee’s affective commitment and turnover intention, than considered separately.

The role of nonprofit organizations as service providers is also significant to the nation’s economy. The United States has the largest nonprofit sector of any nation in the world (Salamon, 2012). In 2011, there were 2.3 million nonprofit organizations in the U.S., with 1.6 million registered with the IRS—an increase of 21 percent from 2001 (Nonprofit Almanac, 2012). Those reporting organizations account for $2.06 trillion in revenue and $4.49 trillion in assets in 2010 (Roeger, Blackwood, & Pettijohn, 2012). The sector accounts for $836.9 billion of the US economy, or 5.6 percent of the gross domestic product (GDP) and 8.3 percent of wages and salaries paid in the United States.

The government’s reliance on nonprofit organizations to provide human services has been increasing since the 1960s (Smith & Lipsky, 1993). Federal, state and local governments have had contractual agreements worth about $100 billion dollars with nearly 33,000 human service nonprofit organizations (Boris, et al., 2010). Human service nonprofit organizations entered into an average of seven contracts or grants per organizations (Pettijohn & Boris, 2014). In fact, nonprofit organizations receive more income from the government than from any other single source (Salamon, 2010). Understanding factors that impact employee retention and affective commitment in nonprofit human service providers may be paramount to achieving the goals of public policies intended to meet the needs of the nation’s most vulnerable groups.

Just as the public policies of human services depend on a portion of nonprofit organizations, the nonprofit sector depends on committed employees to achieve their organizational missions and goals. Employees are nonprofit organizations’ greatest resource, investment, and expense (Rutowski, Guiler, & Schimmel, 2009). Commitment and retention
within nonprofit human service organizations are important factors of success in public policy implementation for those citizens in greatest need.

The government funds nonprofit organizations, and they also regulate them. Every regulation, regardless of its value, involves the employee spending time on meeting and proving their compliance to the requirements. In a study on human services nonprofit organizations conducted in 2009, the most frequently cited problem in both years involved government’s time-consuming regulatory application and reporting requirements. The study was replicated in 2012 with the same cited problem (Pettijohn & Boris, 2014).

It becomes critical for nonprofit managers to create internal controls and compliance reviews in response to these reporting and regulatory requirements. This leads to a level of bureaucracy that may impact the way things are done, where time is spent, and what is valued within the organization, thus impacting the employees’ work experience and the organization’s culture. Internal controls and bureaucracy are related to hierarchical cultures. This study’s findings suggest that hierarchical cultures may be problematic to the employee’s affective commitment and turnover intention. If the manager is not perceived as transformational, the hierarchical culture may be even more problematic to the employee’s feelings of affective commitment. While regulations are an important tool of government in managing service provision, heavy use of these regulatory controls may have an unintended consequence of creating a problematic culture for the workforce that provides critical services for vulnerable citizens.

Heavy regulations may also impact the way in which a nonprofit manager supervises and leads their employees. The supervisor may spend more time ensuring adherence to regulations, than to inspiring and growing their employees, which is the form of professional development
that is a hallmark trait of transformational leaders. The findings show that transformational leadership positively predicted affective commitment and negatively predicted turnover intention. The growing need for managers to invest in their employees’ growth is clear, in the face of growing regulations, external audits and contract requirements set by the government.

**Practical Implications**

This study’s findings have key practical implications related to the management of nonprofit organizations’ greatest resource: employees. Staff turnover is “perhaps the most important problem” facing the wider nonprofit sector, particularly in the area of human services (Howe & McDonald, 2001, as cited in Salamon, 2012, p. 39). It is an ongoing and costly problem that negatively affects staff morale, teamwork, and ultimately organizational success (Abassi & Hollman, 2000; Moynihan & Landuyt, 2008). Therefore, employee commitment and retention are practical issues important to those involved in the nonprofit sector. Consequently, these issues are also important to the government sector, because government entities contract with these organizations to provide critical services.

The implications of turnover intention include negative employee attitudes, lowered commitment, absenteeism, and desire to leave the human-services field (Blankertz & Robinson, 1997; Lee & Ashforth, 1996; Mor Barak, Nissly & Levin, 2001). Additionally, it becomes especially critical that turnover is not a significant problem because vulnerable children and their families could be negatively impacted. The results of this study indicate that perceived transformational leadership negatively predicts turnover intention in those responding in this sample.

In one way, this finding confirms the assertion by Bass (1999) that transformational leadership enhances organizational commitment and loyalty of followers, and may have the
effect of reduced turnover intention. However, when examining the impact of organizational culture on employees, the study’s finding challenges Bass’ leader-centric notion. The findings suggest, it is not just the leader that impacts the employees’ commitment and retention, but also the culture of the organization, which involves the daily interaction and shared espoused values among all members, matters. The findings suggest hierarchical cultures have negative implications for employees. Since one key cause of the staff retention crisis is related to overwhelming accountability requirements and concerns over liability (Salamon, 2012), this is a problem for those in the nonprofit sector. Nonprofit organizations are often licensed and accredited by government bodies in order to provide services and receive funding. The organizations have contract requirements, which may include requirements for performance metrics and reporting expectations. Medicaid has its own set of requirements that organizations must meet in order to receive funding. All of this requires internal controls to ensure compliance and may impact employees’ commitment and desire to stay or leave. Importantly, the study’s findings indicate that market cultures are problematic for staff turnover. This is a caution to nonprofit managers who may seek to be more “business-like” in an effort to respond to the market.

Another practical implication relates to preparation of managers within nonprofit organizations. There has been growth in nonprofit management education and training programs particularly in graduate programs of public policy and administration (Rathgeb Smith, 2012). Graduate programs should consider research-supported leadership practices, such as transformational leadership, in the nonprofit management curriculum. Leadership training and development for nonprofit employees could be created to include aspects of culture-building and transformational leadership. It is a true challenge to foster a clan cultures amid an environment
of choking compliance to mounting government regulations. If nonprofit managers learn to address the challenges of competition in the market and mounting regulation compliance, while creating an environment where employees feel a sense of belonging and connection to the workplace, it would be a true benefit. Additionally, incorporating organizational culture development could be integrated into the nonprofit management curriculum. This would equip potential nonprofit managers with the necessary leadership skills to manage the complex challenges they will inevitably face, including retaining and supporting a highly committed workforce. The findings suggest that some in the nonprofit sector may already be achieving this balance.

**Recommendations for Further Research**

This quantitative, cross-sectional survey design had limitations that include: an inability to establish causality, a lack of generalizability of the findings and lack of comparison between sectors. Some of the recommendations for future research were in response to these limitations. The study’s findings raised several questions, which also introduced possibilities for future research. The areas for future research fall into two categories: organizational research and demographics and employees’ workplace experience.

**Organizational-Level Research**

The study’s survey collected the organizational budget sizes from respondents for sampling purposes. The descriptive findings led to questions about the relationship between organizational size and organizational culture. For example, most (61 percent) employees perceived their organizational culture as clan, or collaborative cultures. Eighty-four percent of those from smaller organizations (under $50,000 budget) perceived a clan culture in their organization. Just eight respondents perceived their organization as market culture, six of which
were from large organizations (above $20,000,000 budget). The differences in perceived culture types and the size of the organization could be theoretically linked and researched from the perspective of organizational life cycle. The basis for this life cycle theory is that, like most systems, organizations go through life cycle stages. The features in each stage have markedly different characteristics, in a similar way that each culture type has different traits. Light (2004) developed one such life cycle model for nonprofit organizations, called the developmental spiral. Light found that the age and budget size of the nonprofit organization were related, though imperfectly, to the movement up and down the life cycle spiral (Light, 2004). This concept could be a framework for future study, whereby the relationship between the size of the organization, culture type and stage of the developmental cycle is studied.

Another organizational-level area for further research relates to organizational effectiveness. Retention of committed employees is undoubtedly an important issue facing the nonprofit sector. Turnover is costly and employees are the primary resource through which organizations achieve their goals. The findings from this study support the relevance of transformational leadership and organizational culture on employee-related outcomes. This raises questions about the relative importance of affective commitment and turnover intention to overall organizational effectiveness. It would be beneficial to research how these employee variables relate to organizational outcomes such as achieved program goals, satisfaction of clients and stakeholders, and financial health. This would be another contribution to the nonprofit literature and invaluable information for practitioners as well.

The last organizational-level research recommendation involves replicating this study. This study incorporated models and frameworks typically applied to the for-profit sector, and occasionally the government sector. The similarities between the nonprofit and the business
sectors are evident in that they both must be financial viable, stay competitive and produce outcomes in order to stay relevant. Businesses are engaging in social ventures and have missions beyond just the profit. The clear line between business and nonprofit sectors has become blurred (Harris, 2012). It would be valuable to create this study across the nonprofit, government and for-profit organizations.

Demographic Characteristics of Nonprofit Employees

This study used several control variables including: age, tenure, gender, position level, and length of time supervised by manager. Two control variables were important in consideration of turnover intention and affective commitment: age and tenure. Tenure mattered when considering the predictive relationship between transformational leadership and affective commitment. Those whose tenure was one to three years, negatively predicted affective commitment, indicating lowered tenure is a consideration in the degree affective commitment employees feel.

Age group (30-39) and (60 and older) was a factor in the relationship between perceived transformational leadership and turnover intention. Those in their thirties were more likely to have an intention to leave, while those in 60 years or older were less likely to intend to leave their jobs. This may relate to the stage in one’s career. Those who are earlier in their career may have other reasons for wanting to leave their jobs, such as higher pay, elevated positions or moving. This was not a focus of the study, and may be an area for future research. Age also mattered when examining the moderating effect of culture. The age group (60 years or older) was the only age group that showed a statistically significant predictive relationship (negative) when hierarchical cultures were considered jointly with transformational leadership. Older staff may be less likely to want to leave a hierarchical culture because of the stability and
predictability that is offered in these types of organizations. Further studies related to the reasons behind the relationship are needed to uncover the reasons.

The contributions of some of these variables led to possibilities for future research, particularly related to gender and age. For example, a majority (79 percent) of the respondents in this study were women. Gender did not appear to play a role in the identification of clan cultures. Fifty-nine percent of male respondents and 61 percent of female respondents perceived their cultures as clan. It raises questions about whether women are more likely to work in organizations that they perceived to be more clan or collaborative. In this study, only the gender of the respondents was collected on the survey, not the gender of the managers. This also leads to questions about whether male or female managers would be more likely to lead in organizations with clan cultures. There have been studies that indicate that women are more likely to be transformational in their management style (e.g., Ross & Offerman, 1997; Carless, 1998). To further this research, another area of study could be an investigation of the relationship between manager’s gender and transformational leadership and the type of organizational culture employees’ experience. Gender of the manager may be related to both the culture of the organization and to leadership style and warrant another related area for future research.

The ages of the respondents were distributed along a bell curve, with the most frequently reported group (37 percent) between ages 40 and 49. Age did appear to be a factor in the respondents’ turnover intentions. Those in their thirties were more likely to think about leaving, while those 60 years or older were less likely to do so. The reasons for this may relate to career paths, pay, promotion possibilities or some other factors. The chosen research design indicated the relationships, but not the reasons behind the link. A qualitative or mixed method approach
might be better suited to make this discovery. A study designed to investigate the relationship between age and retention factors would be another important contribution to the nonprofit and organizational literature.

Conclusion

It has been said that the true measure of a nation is how it treats their most vulnerable citizens. The United States has public policies designed to serve and support these vulnerable groups. The government relies heavily nonprofit organizations to carry out these human service policies. Studies, such as this one, addresses critical issues facing the nonprofit sector, thus support effective policy implementation. The findings from this study demonstrate the importance of transformational leadership and organizational culture in how employees feel about their workplace.

This study was unique for three reasons. First, unlike previous studies, this one examines both transformational leadership and organizational culture and their relationship to the employee, instead of examining one or the other. This importance of this is reflected in the findings. If the study had only looked at the manager’s transformational leadership impact on affective commitment and turnover intention, the conclusion would be that the manager is the primary factor impacting the employee’s experience at work. This study informs the need to consider organizational culture and leadership in the understanding of nonprofit employees’ commitment and turnover intention. Second, this study uses research typically applied to the business sector and applies it to nonprofit organizations. This adds a new perspective to the nonprofit literature and addresses the literature suggesting a blurring of boundaries between the sectors. Third, this study has policy implications, because human services nonprofit organizations serve a public purpose. This study enriches and supports the effective
implementation of human services public policy. It is clear that the government depends on the nonprofit sector to implement public policies as service providers who address important needs for vulnerable citizens. These organizations rely on committed employees to serve this group and reach the organizations’ goals.


