Transformational Leadership: A Tool to Manage the Complex Environment of Nonprofit Organizations

Gilbert Louis
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Transformational Leadership: A Tool to Manage the Complex Environment of Nonprofit Organizations

Abstract
Nonprofit organizations, particularly within the field of mental retardation and developmental disabilities, are under pressure to perform differently than in years past. Funders currently demand more accountability, donors want results, clients crave evidence-based outcomes, and taxpayers are impatient with waste, abuse, and fraud. This empirical study explored, using Kouzes and Posner’s Leadership Practices Inventory (LPI), the presence of transformational leadership in a primarily urban nonprofit organization, as well as perception alignment within that organization’s supervisory ranks. The study outlines to the members of the supervisory group of this nonprofit organization areas of transformational leadership that could improve as well as areas of relative strength. The supervisory ranks of the organization saw themselves as above average in transformational leadership. However, coworkers rated the same supervisors as below average in transformational leadership. Statistically significant differences were also found in senior staff assessment of their coworkers on the LPI subscale of Enable Others to Act. Department heads assessed executive staff as lower in Model the Way, and higher in the subscale of Challenging the Process than executives saw themselves. It appears that further research in nonprofit organizations, to include the CEO and front-line management, is warranted as is the need to evaluate transformational leadership in nonmanagerial groupings.

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By

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Dedication

To my executive assistant Andrea Thompson, whose attention to detail and willingness to be professionally supportive was unparalleled: I will always be grateful. To Betty Campbell, whose input throughout the process was always insightful, instructive, and kind. I appreciate your friendship. To Bruce Johnson, who helped me find myself as a writer, I thank you for your technical expertise. To Dr. Jerry Willis whose guidance, scholarship, and generosity were key in preparation for this work. I will forever be grateful. To Dr. Ronald Valenti—whose willingness to serve as my committee member and whose courses I truly enjoyed—warm-felt thanks.
Biographical Sketch

Gilbert Louis is currently the Associate Executive Director at the Institutes of Applied Human Dynamics, Inc. (IAHD). Mr. Louis attended Brooklyn College from 1982 to 1987 and graduated with a Bachelor of Science in Business, Management, and Finance 1987. He attended Brooklyn College from 1995 to 1997 and graduated with a Master of Art in Industrial and Organizational Psychology in 1997. He came to St. John Fisher College in the summer of 2009 and began his doctoral study in the Ed. D. program in executive leadership. Mr. Louis pursued his research in transformation leadership within a nonprofit organization under the direction of Dr. Jerry Willis and Dr. Ronald D. Valenti and received the Ed. D. degree in 2011.
Acknowledgment

To the Institutes of Applied Human Dynamics, Inc., thank you for your generosity and commitment to the field of developmental disability.
Abstract

Nonprofit organizations, particularly within the field of mental retardation and developmental disabilities, are under pressure to perform differently than in years past. Funders currently demand more accountability, donors want results, clients crave evidence-based outcomes, and taxpayers are impatient with waste, abuse, and fraud. This empirical study explored, using Kouzes and Posner’s Leadership Practices Inventory (LPI), the presence of transformational leadership in a primarily urban nonprofit organization, as well as perception alignment within that organization’s supervisory ranks. The study outlines to the members of the supervisory group of this nonprofit organization areas of transformational leadership that could improve as well as areas of relative strength. The supervisory ranks of the organization saw themselves as above average in transformational leadership. However, coworkers rated the same supervisors as below average in transformational leadership. Statistically significant differences were also found in senior staff assessment of their coworkers on the LPI subscale of Enable Others to Act. Department heads assessed executive staff as lower in Model the Way, and higher in the subscale of Challenging the Process than executives saw themselves. It appears that further research in nonprofit organizations, to include the CEO and front-line management, is warranted as is the need to evaluate transformational leadership in nonmanagerial groupings.
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Chapter 1: Introduction

Problem Statement

Government and funders are asking nonprofit organizations to do more with less while insisting on objective measures of outcomes. The economy is recovering slowly. Clients are demanding evidence-based treatment programs. Financial accountability is being emphasized by donors. This is the environment in which nonprofit organizations operate today. This research focuses on one type of nonprofit organization, one that supports people with mental retardation and developmental disabilities and primarily funded by Medicaid, Medicare, and Food Stamps. It is estimated that 5% (approximately $652 billion) of the revenues of nonprofit organizations were lost to fraud in 2006 according to the Association of Certified Fraud Examiners (2006). These government programs are under assault and, as currently constituted, may no longer be affordable. The enormity of the problem has confounded political leaders for years and will require leadership at all levels of society including the nonprofit sector.

Over the past century, different forms of leadership have been proposed to address the changing nature of leadership. One form is Downton’s (1973) “rebel leadership,” which was the starting point for transformational leadership, the type of leadership that seems to have significant potential for enhancing the quality and efficiency of nonprofit organizations. This study examined whether transformational leadership was present in a particular New York–based nonprofit organization that serves the needs of adults with mental retardation and developmental delays.
Theoretical Rationale

Transformational leadership first appeared as a concept in scholarly/professional writing in Downton’s *Rebel Leadership* (1973). Retrospectively, it has been practiced for thousands of years; leaders such as Alexander the Great, George Washington, Gandhi, and Martin Luther King exemplified this process. Transformational leadership is sometimes called *charismatic* (Miller, 2007) or *servant* leadership and has now been studied extensively in schools, businesses, government, and nonprofit organizations in the United States and abroad, although not in those supporting people with developmental disabilities. Bielefeld (2006) made the case that the nonprofit sector needs to develop its own research agenda and to develop its own practices that are based on the unique aspects of nonprofit organizations and the unique roles leaders play in such organizations. He made an argument for quantitative research, and the research reported in this document is an example of the type of scholarship that Bielefeld recommended.

The key theories of transformational leadership are currently driven by the work of Burns (1978), Bass (2003), and Kouzes and Posner (1988). Burns was concerned that the study of leadership and followership was often separate and distinct, and that leadership, with its many definitions and divergent viewpoints, resulted in no distinction between leaders and power holders. He was particularly concerned with leadership in the political arena. He acknowledged that leadership has been overstudied and that the concept was eloquently presented by ancients such as Plato and Confucian thinkers, but that it is still misunderstood. Burns claimed that the result of transforming leadership is a relationship that is laced in morality, where both leaders and followers elevate each other to greater mutually beneficial outcomes. Burns further asserted that moral leadership is
an essential adjunct to transformational leadership and that such leadership seeks to serve the fundamental needs of followers. He made it clear that followers are aware of competent alternatives and that leaders honor their commitment.

The transforming leader recognizes and exploits an existing need or demand of a potential follower. But beyond that, the transforming leader looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower. (p. 4)

Bass (2003) explained his concept of transformational leadership as being part of a full-range leadership model. He argued that great transformational leaders almost always do well in judiciously exercising transactional leadership. The model assumes that there are four distinct elements of transformational leadership: individualized consideration, intellectual stimulation, inspirational motivation, and idealized influence.

The Bass model also speaks to transactional leadership made of contingent management and two types if management by exception, one passive and the other active. In contrast, a laissez faire model provides little direction. Bass created an instrument called the Multifactor Leadership Questionnaire (MLQ; Bass & Avolio, 1989) designed to assess the type of leadership a person is practicing. It can be both self-administered and administered to others who judge a colleague or supervisor.

Kouzes and Posner (1988) helped to define the concept of transformational leadership by interviewing successful managers around the world and identifying exemplary practices that they considered universal. They conducted case analyses and administered survey questionnaires. Five common themes, modeling the way, inspiring a
shared vision, encouraging the heart, challenging the process, and enabling others to act, seem to represent the core of transformational leadership.

Kouzes and Posner (2003) argued that transformational leadership can be taught. As a result, they created an instrument called the Leadership Practices Inventory (LPI), which is commonly used in leadership development circles (Eagly, Johannesen-Schmidt, & Van Egen, 2003; Kouzes & Posner, 2003; Zargosek, Stough, & Jaklic, 2006). The LPI measures transformational leadership through self and observer rating. Kouzes and Posner also concluded that leadership could be found at all organizational levels, as does Drucker (2003).

**Significance of Study**

In 2007, the Urban Institute reported that there are more than 1.5 million tax exempt organizations in the United States (Wing, Roeger, Pollak, 2010). In 2006, nonprofit organizations accounted for 8.11% of all wages and salaries paid in the United States (Wing, Pollak, & Blackwood, 2008). Effective leadership in nonprofit organizations is thus an important element of the economy. It is also very important if the growing number of individuals being served by nonprofit organizations are to receive high quality and professional attention. Many of the services provided by nonprofits are paid for by Medicaid and, as of 2009, the average enrollment for Medicaid was estimated at 51 million people or 17% of the population of the United States. About 8 million people are dually eligible, that is, covered by both Medicare and Medicaid (Office of the Medicaid Inspector General of the State of New York, 2008). In New York State, the Office of Mental Retardation and Developmental Disabilities (OMRDD) supports over
800 organizations (OMRDD, 2011) and 140,000 people with an annual budget of $4.8 billion.

These numbers are likely to grow at a rate faster than the population for a number of reasons. For example, there is evidence that, today, 1 of every 91 children are diagnosed with autism spectrum disorder, which falls within the developmental disability category (Kogan et al., 2009). This is a much higher rate than in previous decades, which indicates that this is a serious epidemic that will stretch the system. Strong transformational leadership in nonprofit organizations will be needed to come up with innovative ideas to support this and other populations of developmentally disabled children and adults.

Nonprofit organizations need effective leadership as much as corporations and government agencies, but a case can be made that nonprofit organizations are not the same as, for example, for-profit businesses. Nevertheless, the changing economics of nonprofits may call for a more formal and professional approach to leadership than has been the case in past decades. In difficult economic times efficiency becomes an even more important consideration, however difficult to assess, in nonprofits (Speckbacher, 2003). In addition, nonprofit organizations are facing higher expectations for service while accountability, by and from boards of directors, is becoming more critical (Holland, 2002). As government is reducing its funding to nonprofit organizations, the need to increase private donors is becoming a critical executive director’s task. On the other hand, nonprofit organizations that are privately funded tend to be more stable and require that boards of directors be differently engaged (Hodge & Picccolo, 2005).
Today, nonprofit organizations exist in a difficult and demanding environment and strong leadership is more important now than it ever was. This research was based on that assumption and represented an effort to collect and analyze data that would be helpful in determining the current state of leadership in one nonprofit that services the needs of developmentally disabled citizens. This study served four major purposes: to inform future practices, to fill a void in the literature, to help this organization self-assess, and to investigate an area that has been understudied. The nonprofit industry that supports people with developmental disabilities makes no routine use of any leadership assessment tool that would help with succession planning and leadership development initiatives. With the exception of one study on transformational leadership (Jaskyte, 2004), there has been very little research on leadership in nonprofit organizations that serve the needs of people with developmental disabilities. In summary, the precise topic, along with the broader area of leadership in nonprofit organizations in general, is understudied.

In New York State, nonprofit organizations that help people with developmental disabilities began to develop in the 1970s and grew organically. The push for deinstitutionalization required that community-based organizations take over services previously offered by the state through institutions. That process began in 1975 and has yet to be completed. As recently as January 2010, Governor Paterson announced the closing of the last state-run developmental centers by year 2011. Currently, in New York State, there are approximately 4,000 people living in nonprofit developmental centers. The majority of these community-based organizations were started by people who wanted and needed services for their children. They created this industry out of a desperate need to ameliorate their children’s lives. In the 1980s and 1990s, as the parents
who were the founders retired or passed away, management in these organizations tended to come, educationally and experientially, from leaders with a clinical background. As these organizations continue to grow, the need for professional leadership to steer them through complex regulatory, financial, and strategic issues will become critical. Professional leadership development within the field of mental retardation and developmental disabilities is key to surviving and innovating in this new environment. The commissioner of OMRDD, in her 2010 interim report, wrote of the need to “enhance the capacity of our public, private-sector workforce and organizations and strengthen our partnership with people who have developmental disabilities, families, advocate and nonprofit organizations” (OMRDD, 2011 p. 3). She added that it was necessary to “improve access to supports and services to make the process timelier, more friendly and streamlined for individuals and families, while still assuring appropriate public responsibility and accountability” (OMRDD, 2010, p. 23). One way of achieving those goals is leadership training and Egri and Herman (2000) recommended further research on transformational leadership in social movement organizations.

The research proposed fell within this researcher’s sphere of influence because he had access to all the key stakeholders and had relationships that he called upon to assist in the research process. This study took place in New York State at a medium-size nonprofit organization supporting people with developmental disabilities in a variety of settings including different types of group homes, day habilitation programs, prevocational services programs, schools, and family respite programs. The pseudonym of Nonprofit Agency for Services to the Disabled (NASD) was used in this document to preserve the anonymity of the participants and the organization.
Purpose of the Study

This purpose of the study was to determine the use of transformational leadership in a nonprofit organization supporting people with developmental disabilities as well as perception alignment among and within that organization supervisory ranks. Perception alignment refers to whether the ratings of leaders about their leadership characteristics are the same as the ratings their colleagues and staff give them on those same characteristics. The results of the study pointed to areas of transformational leadership that need to improve and also identified areas of strength in the organization. The results also have implications for planning leadership development initiatives in an industry that desperately needs transformational leaders as it confronts the new economic, regulatory, enforcement, and service environment.

Research Questions

This empirical study addressed one major preliminary question: Is the distribution scores on a measure of transformational leadership characteristics completed by leaders in the nonprofit organization studied similar to that reported for the norm group? This question was addressed in two ways—by comparing the mean ratings for every leader participating in the study to the normative data, and by comparing the mean ratings for members of the three different leadership groups (executives, senior staff/supervisors, department heads) to the norm data. This preliminary question was addressed through an analysis of the self-rating data.

The subsequent and essential research questions were:

1. Do ratings of executives completed by others indicate the use of transformational leadership within the organization?
2. Do supervisory personnel within the organization perceive themselves as transformational leaders?

3.a. Do executives perceive their coworkers as transformational leaders?

3.b. Is there alignment between the self-reports by executives and the reports of their executive coworkers?

3.c. Do senior staff members perceive their coworkers as transformational leaders?

3.d. Is there alignment between the self-reports by senior staff members and the reports of their senior staff coworkers?

4.a. Is transformational leadership perception aligned between the self-reports of executives and perception of them by the senior staff?

4.b. Is transformational leadership perception aligned between the self-reports of executives and perception of them by the department heads?

Conclusion

There is a need for research on the use of transformational leadership in nonprofit organizations, and this study contributes to that literature. Further, it addresses leadership in nonprofit organizations that serves the needs of mentally retarded and developmentally disabled clients, which is an area of study with only a limited amount of research available.

Chapter 2 is a review of the relevant literature that highlights the seminal and critical work on transformational leadership, and notes the role this type of leadership can play in organizations like the one studied. Chapter 3 is a detailed description of how the research questions were studied and how the data collected on transformational
leadership was analyzed and interpreted. Finally, the instrument used to assess the degree and type of transformational leadership being practiced in the organization is introduced and explored in detail in Chapter 3.

The final two chapters present the analysis of the data (Chapter 4) and offer interpretations and implications of that data (Chapter 5).

Definitions of Terms

Consumers. Persons with mental retardation and developmental disabilities receiving services though a nonprofit provider under the auspices of the OMRDD.

Day habilitation program. An OMRDD-funded program that focuses on meeting the needs, dreams, and wishes of people with mental retardation and developmental disabilities.

Department head. Middle managers responsible for key operations or service departments within NASD such as habilitation, children services, residential services, Medicaid service coordination or role impacts on a critical feature of our operation such as day, outreach, payroll, and purchasing.

Developmental center. An institution that supports people with mental retardation and developmental disabilities. This housing option is no longer considered adequate.

Developmental disabilities. Developmental disabilities are a set of mental and physical conditions which impact one’s life and affect one’s capacity to effectively cope with life demands. In most cases such disabilities occur before the age of 18.
Early intervention. A system of intervention which has proved to be effective in uncovering and ameliorating deficits in children. The services are designed for children from birth to 3 years old.

Executive staff. Group of four responsible for the strategic direction of the NASD, who report to the executive director. Includes Associate Executive Director, Director of Human Resources, Director of Quality Assurance and Chief Financial Officer.

Group home. An OMRDD residence providing around-the-clock care as well as partial coverage to people with mental retardation and developmental disabilities.

Interagency Council (IAC). A trade organization started as a way to lend a voice to the provider community with the OMRDD industry. It currently has 120 member agencies operating 900 programs and supporting 75,000 people.

Leadership Practices Inventory (LPI). An instrument designed to measure the transformational leadership of people using five distinct exemplary practices.

New York State Association of Community and Residential Agencies (NYSACRA). A trade association with 400 members that lobbies on behalf of organizations as well as people with developmental disabilities (NYSACRA, n.d.).

Nonprofit organization. A legal entity whose mission is often to help the poor, the disenfranchised, the sick, and the disadvantaged. The ultimate goal is not economic return but the betterment of the human or animal or environmental condition. Nonprofit organizations are often exempted from taxes. This study focused only on agencies of exempt status providing services to people with developmental disabilities, such as NASD.
Prevocational services. An OMRDD program designed to provide people with mental retardation and developmental disabilities the opportunity to pursue goals and outcomes that are geared towards self-actualization.

Respite program. An OMRDD-funded program that provides momentary relief to families of people with mental retardation and developmental disabilities.

Senior staff. Group of seven responsible for the tactical planning, monitoring and leading a major division of NASD. Function has agency-wide impact. Member of the Executive Director’s cabinet. Includes two Directors of Residential Services, Director of Speech and Communication, Director of Adult Day Services, Director of Clinical Services, Director of Family and Social Services, and Director of Fundraising.

Supervisory rank. This group includes executive staff, senior staff and department heads.

The Willowbrook permanent injunction. A legal document that contains the rights of people who were wronged by the State of New York and some special rights and privileges which they must be afforded (New York Civil Liberties Union, 2010).

Transformational leadership. According to Burns (1978), transformational leadership is a process “where both leaders and followers raise one another to higher levels of morality and consciousness by appealing to higher ideals and moral values such as liberty, justice, equality, peace and humanitarianism” (p. 20).

Work Readiness. A program sponsored by the City Department of Mental Hygiene designed to support people with mental retardation and developmental disabilities who have shown a strong interest in working.
Chapter 2: Review of the Literature

Introduction and Purpose

The field of developmental disabilities services is fairly new in New York in its present form. It is a regulated environment where the focus is on compliance. Given the aggressive nature of OPWDD in securing Medicaid funding, it has become a prime target for the Medicaid inspector general. The ethical lapses and illegal activities documented by the Center for Medicaid and Medicare Services are often due to a combination of incompetence, a culture of unethical behavior, poor leadership, a lack of training, and underfunded mandates.

The literature on transformational leadership is vast, however research within the field of developmental disabilities services leadership is thin, as is data on leadership related to the executive, senior, and middle management of such organizations. The purpose of this review was to identify the extent to which this area had been studied and to use it as a springboard for deeper understanding and planning. The area has been understudied except for one study done by Jaskyte (2004) that focused on innovation and the relationship to leadership within the developmental disability industry. The literature provides ample support for the use of transformational leadership as a means to successfully aid with job satisfaction, manage change, effectively communicate organizational goals and increase corporate social responsibility. This study deepened our understanding of transformational leadership in an industry facing tremendous challenges to optimally perform.
Finally, this literature review sought to establish the theoretical basis for this research beginning with the issue of leadership and management, the soundness and trainability of transformational leadership, the need to follow a rigorous model that resembles the successful medical model and develop appropriate diagnostic tools, process the type of studies done in the area of charismatic leadership, address the gender issue, explore the niche industry of nonprofit organization, and determine if past research supports the notion that transformational leadership can be helpful in achieving organizational performance.

**Topic Analysis**

Hogan & Kaiser (2005), in their review of the literature on leadership and organization effectiveness, found that leadership and organization effectiveness are connected. That is, good leadership results in good performance and bad leadership results in poor performance. They also noted a moral dimension to leadership, a critical element of transformational leadership. On the other hand, they intimated that personality dictates how we lead, which could mean that leadership is innate and therefore cannot be taught. Hogan & Kaiser found that a talented personnel, a talented management team, and a monitoring system to alert senior management of the staff talent level are essential to organization effectiveness. This quantitative study of NASD was the first organizational attempt at determining if there was management talent as it related to transformational leadership and sought to begin a monitoring system of at least upper and middle management.

Lowe & Gardner (2001) reviewed 188 articles through a qualitative and content analysis approach and found that transformational leadership accounted for 18% of the
articles, second only to charismatic leadership (26%). This is unsurprising because charismatic and transformational leadership are often used interchangeably.

Lantz and Maryland (2008) addressed the need for leadership in health care and women’s roles, particularly in the executive rank. Although the glass ceiling continues to keep women away from leadership, the authors noted that women often show a transformational or charismatic dimension in their leadership style. This study of leadership was primarily done using cross sectional quantitative methods in field or organization settings. This current study added to that genre.

Kaiser, Hogan, and Craig (2008) showed the interconnectedness between leadership and the fate of organization. In demonstrating that leadership must be measured in terms of the extent to which an organization performs well, they point to the fact that successful leaders’ careers are not synonymous with organization success and also conclude that how leaders are perceived is an important factor. This study also focused on how the formal leaders of the organizations are perceived. Kaiser et al. found that leaders affect the performance of their organization, for better or worse. With this background, it is essential that research focuses on determining the type of leaders heading organizations, because the literature highlights that transformational leadership is associated with the executive suite. This is unfortunate; women have always played a crucial role in the delivery of health care, albeit mainly as nurses and other service providers. It seems that transformational leadership may be required to execute the types of changes we need in the health-care system. In the field of developmental disabilities services, women are dominant in terms of their raw numbers, but poorly represented in the executive staff. In the organization under study, there was no woman in the executive
rank, even as evidence shows that women tend to be more transformational than men (Eagly & Johannesen-Schmidt, 2001). Lanzt and Maryland (2008) recommended that organizations perform a talent review at least annually, giving future leaders a voice and determining health-care organization talent gaps. This study addressed these recommendations.

Jaques (2001) theorized that the medical model, with its focus on matching signs to symptoms and determining a theoretical explanation from which to intervene, may need to be duplicated for organizations. That theoretical explanation drives medical intervention and has been very successful in modern medicine. Similarly, organizations need to develop assessment tools so that they may appropriately diagnose managerial leadership concerns and intervene appropriately. From this researcher’s perspective, transformational leadership may be the inoculation that may be preventative of organizational malfunctions and be supportive of efforts to change a broken system. Short of developing a diagnostic tool that is all encompassing, or many tools that measure different levels of organizational effectiveness and leadership performance with measureable and agreed-upon indicators (like the medical industry with its Magnetic Resonance Imaging (MRI) and other assorted laser scans and pharmaceutical products), the leadership field must be able to diagnose and treat the organization with what is known to work: transformational leadership.

Ramos (2007) conducted and documented an organizational consultation with a human service agency that in some aspects paralleled this research. She detailed how consultation processing and using multisource feedback enhances the likelihood of lasting change and augments the effectiveness of a nonprofit human service organization.
This researcher used some of these lessons to manage this project, in particular, laying the foundation, developing a plan to move NASD from a problem to a solution-focused culture, and cultivating a good relationship with senior executives and securing their full commitment. In fact, this research project had been in the making for the past 10 years and there had been an agreed-upon set of challenges that included the need for transformational leadership as a mean of solving complex problems and assessing its perceived existence and alignment within the organization.

Riggio (2008) analyzed the current and future trends of leadership development and emphasized the need to evaluate such programs as the nation spent billions of dollars in this area. There is no agreed upon theoretical framework to understand leadership development, which complicates assessment. There is, however, evidence that leader self-awareness of their strengths and weaknesses is a part of the solution. Emphasis on lifelong learning and alignment between organization mission and the leaders’ skills set are integral part of leadership development efforts. Riggio predicted that the success of organizations will depend largely on their leadership talent and its maintenance and promotion.

Feinberg, Ostroff, and Burke (2005), in their analysis of transformational leadership, found that leaders who engaged in particular transformational behaviors were likely to be perceived similarly by followers. This is important, as the perception of transformational leadership guides and perhaps motivates the behaviors of followers. Their study was done in the private banking sector and analyzed the extent to which subordinates were in agreement as to the perceived style of the leaders. This study has some similarity to this researcher’s in that there is an attempt at identifying perception
alignment within specific supervisory groups as well as among them. One significant difference to this study is the setting, which is a nonprofit in a large metropolitan area. Feinberg et al. suggested a need for transformational leadership to be evaluated among peers and or subordinates, which this current research addresses.

Lim & Ployhart (2004) studied the antecedents and consequences to transformational leadership, including personality, as they sought to determine what could predict transformational leadership. Their findings indicated that extroversion positively correlated with transformational leadership, particularly in maximum contexts. Contexts where expectations of high performance are clear may naturally promote the perception of transformational leadership in a person who is outgoing and expressive as opposed to a typical context, where mundane and routine activities do not require motivational messaging. This is critical when compared to Parry and Sinha (2005), who made the point that transformational leadership can be taught, which may seemingly contradict the position that personality plays a role in its prediction. The literature seems to suggest that both positions are possible and are not mutually exclusive.

Parry and Sinha (2005) demonstrated in their treatise on transformational leadership that trainability is not only possible, but when well delivered may be value added to the organization because leaders engage in more effective leadership behaviors. The value of transformational leadership training is verified by the fact that all related factors improve regardless of whether they had been targeted for improvement as a result of transformational training. Parry and Sinha’s study made use of the MLQ to assess leadership as transformational, transactional, or laissez-faire. They found, using pretest and posttest methodology, that the scores vastly improved after leaders were provided
training in transformational leadership. There was a significant increase in the frequency of transformational leadership behaviors. They highlighted needs assessment as a critical first step in the self-development process as noted in Alimo-Metcalfe and Lawler (2001). This research by its very nature determined the extent to which supervisory personnel perceive themselves and are perceived by direct reports and indirect reports in terms of transformational leadership or lack thereof.

Shin and Zhou (2003) found a positive link between transformational leadership and creativity. This is an important finding because creativity is necessary to address the complex problems confronting organizations serving people with developmental disabilities.

In keeping with concerns over the glass ceiling, Gibelman (2000) wrote of the plight of women and scarcity of female executives in the nonprofit environment, even when the workforce tended to be overwhelmingly female. The area is understudied when it comes to the nonprofit sector because research efforts have been concentrated in government and corporate America. The background information collected for this case study showed a lack of female executives and fewer women in supervisory positions when compared to their presence in the organization. The organization in this study employed women at the rate of 61% for its direct support service but while 5 out of 7 senior staff were women, all executive staff were male and 12 of 28 of the department heads were male. Gilbelman found overwhelming evidence that the glass ceiling exists and persists. Studying transformational leadership, with its emphasis on competence and morality, in the context of a nonprofit may help in combating the glass ceiling as an impediment to progress and fairness.
In a meta-analysis that examined “626 correlations from 87 sources” Judge and Piccolo (2004) found “an overall validity of .44 for transformational leadership. This validity generalized over longitudinal and multi-source designs.” The authors concluded with a recommendation for further study of transformational leadership. This current research answered that call. Gellis (2001) found in a quantitative study using a truncated version of the MLQ that “all five transformational leadership factors were significantly correlated with leader outcomes of effectiveness, satisfaction, and extra effort” (p. 17).

Mary (2005) studied how social workers view the leaders in human service organizations and found that social workers, when given a choice to measure a leader, overwhelmingly chose transformational leaders. Mary used the MLQ as the tool to evaluate the extent to which leaders were transformational. Transformational leadership is aligned with principles of participatory leadership, vision, and empowerment. One significant finding was the fact that the research participants tended to select transformational leaders to evaluate, that the level of education of respondents negatively impacted their view of leaders, and that leaders in supervisory position vis-à-vis the respondent were rated more strictly. This researcher collected background data on NASD participant’s education to identify similar trends in that group’s rating.

It was remarkable how similar Mary’s findings were to Gellis’s work (2001). Gellis found in a quantitative study using a truncated version of the MLQ that “all five transformational leadership factors were significantly correlated with leader outcomes of effectiveness, satisfaction, and extra effort” (p. 17).

Gellis (2001) added that “health care organizations will change in many significant ways in the new millennium” (p. 24) and that research to deepen our
understanding is warranted. A decade later, while there has been no massive change in the delivery of health care, the discussion of health care reform reached fever pitch during 2009, the first year of President Obama’s administration. It is also clear that discussion of Medicaid and Medicare have intensified in relationship to their solvency. Modification of that system is expected to have tremendous impact on the lives of people with developmental disabilities as they tend in New York to have a high level of unemployment (85%) compared to the general population. Thus, the employer option to provide medical care is not a reality for most people with developmental disabilities.

In two national studies Parry and Proctor-Thompson (2003) reported that transformational leadership had a positive impact on innovation and culture in the public sector. Such results are encouraging because the nonprofit and public sectors are confronting similar and new challenges.

In their study of transformational leadership, Walumbwa, Wang, Lawler, and Shi (2004) found a positive relationship with organizational commitment and job satisfaction. In addition they suggested a need for organizations to provide training to managers so they may enhance followers’ collective efficacy.

Chen and Bliese (2002) found that leadership climate at the highest organizational level within an organization was a solid predictor of collective efficacy. This spoke to the fact that leaders determine the culture. This researcher analyzed the incidence of transformational leadership at three management levels at NASD. Transformational leadership is known to positively correlate to a positive work culture. The findings of this research spoke to the potential of collective efficacy within this nonprofit organization.
According to Hood (2003), “personal, social, competency based, and morality based are positively and significantly correlated to transformational leadership” (p. 263). Hood’s study found that “CEOs who perceive themselves as transformational leaders also rated high on the aforementioned values. Furthermore, “the ethical orientation of the CEO is a critical issue to consider in understanding ethical practices in organizations” (p. 269). In the present context where fraud, waste, and abuse seem to reach epidemic proportion, this position becomes instructive.

Colbert, Kristof-Brown, Bradley, and Barrick (2008) reported that a chief executive officer’s transformational leadership and agreed-upon team goals were positively related. This relation positively affected organizational performance. It would seem that this issue is important in ensuring unit direction and resource allocation to optimize organizational preference.

There is evidence that transformational leadership positively impact followers development particularly in the area of motivation, morality, and empowerment (Dvir, Eden, Avolio, & Shamir, 2002). Van Vugt, Hogan, and Kaiser (2008) underscored the need for attention to be paid to the followership issue, particularly as it relates to the possibility of exploitation. Transformational leadership points to a relationship of mutual benefit. They also point to the fact that leadership is a critical issue in the social sciences. I would advance that it is even more specifically crucial in human services.

There is a positive relationship between the use of transformational leadership and group cohesiveness and effectiveness (Jung & Sosik, 2002). Using the MLQ, McGuire and Kennerly (2006) found that staff nurses who perceived their managers as more transformational also demonstrated a higher organizational commitment. Giber,
Carter, and Goldsmith (2000) have proposed that organizations must identify employees with potential and through structured managerial leadership aid in this accelerated change environment.

Bowles and Bowles (2000) found that nursing development units that were designed as centers for excellence and innovation had nursing superiors who were deemed more transformational than those in correctional units. They speak of a culture that allows transformational leadership to strive. Because nursing was a vital part of the service delivery system at the organization under analysis, it seemed prudent to emulate the nursing development unit’s culture. The researchers concluded that LPI was a useful tool for leadership development.

The need to be creative in poor economic times and in facing the structural deficiency of the U.S. health care system coupled with the need to correct the underfunded Medicaid and Medicare system would benefit from the creativity and problem-solving of health care executives, employees, and political leaders, to name a few. Transformational leadership provides the most accommodating managerial background for radical entrepreneurship (Eyal & Kark, 2004). “Transformational leaders employ a visionary and creative style of leadership that inspires employees to broaden their interest in their work and to be innovative and creative” (Nielsen, Randall, Yarker, & Brenner, 2008, p. 16). Gillen (2000) identified the chief executive as instrumental in the leadership of learning at the organizational level. The idea of intellectual stimulation plays a key role in generating new ideas leading to creativity and innovation. This is necessary if nonprofit organizations are to do things better with fewer resources.
Farrell et al.’s (2004) studies of CEOs in knowledge-intensive 21st-century firms demonstrated that the transformational leader is crucial in creating an environment where sharing information among team members is highly appropriate. Transformational leadership is adaptable to this rapid change in technology (Howell & Higgins, 1990). Spinelli (2006) noted that “never before have healthcare professionals faced such complex issues and practical difficulties to keep their organizations viable” (p. 11).

Krishnan (2001) identified that value systems of the transformational leader play a critical role in their relationship with their subordinates because the values of subordinates are prioritized over their own values. From the perspective of the more transformational leader, there was also evidence in this study that collective welfare was deemed more important than personal welfare.

Transformational leadership is highly correlated to job characteristics and citizenship performance (Purvanova, Bono, & Dzieweczynski, 2006). “Managers with strong personal, professional, and organizational values will be the ones most likely to . . . succeed” (Graber & Kilpatrick, 2008, pp. 194–195). Transformational leadership seems to impact the extent to which followers were clear about the strategic goals of the organization; the more transformational the leader the clearer the subordinates are (Berson & Avolio, 2004). This is in line with the idea that charisma plays a role as does inspiring a shared vision in transformational leadership.

Ethical standards may be reinforced by freedoms and successes of the fruits of transformational leadership. Transformational leadership in the nonprofit requires innovation to adapt to changes while maintaining accountability and ensuring system stability (Parry & Proctor-Thomson, 2003). Intellectual stimulation, a key component of
transformational leadership, is positively correlated with corporate social responsibility (Waldman, Siegel, & Javidan, 2006). Taliento and Silverman (2005) asserted that failure of executive staff in nonprofit organizations seems to be rooted in a lack of training.

The need for leadership is rationalized by evidence that the baby boomers retiring and the low birth rate in the United States have reduced the potential pool of future leaders. (Ready & Conger, 2007). Johnson (2009) felt that the leadership deficit reported in the nonprofit sector will be mitigated by market adjustments. In fact, it is expected that higher executive pay and training of younger workers will ensure that leadership in nonprofit will remain stable. On the other hand, Warren (2008) asserted that remuneration in the nonprofit sector tends to be less than for the for-profit sector, and therefore is less attractive to some.

**Critique of Transformational Leadership**

Transformational leadership as unilateral, dictatorial, uncommon, and accessible to few, creating the impression that such leaders may impose their views of the world on their followers (Avolio, 1999). Transformational leadership has been criticized for stressing the role of the leader more so than that of the follower. The “heroic leadership” bias has been noted in the literature and may create leadership worship that is unhealthy (Yukl, 1999). This leads to concerns about who determines the direction and acceptability of particular views in the organization.

Questions have also been raised about the distinctiveness of transformational and transactional leadership (Tejeda, Scandura, & Pillai, 2001). The concept of “pseudotransformational” leadership is an attempt to understand individuals such as Hitler, Duvalier, and Musolini who may engage in transformative behaviors but with ill
intent. It is sometimes asserted that the idea that transformational leadership can be taught has no basis if, at its core, it is based on a trait or personality (Bryman, 1992).

Transformational leadership has been criticized for lacking conceptual clarity and measurability, because it is too vast and positive outcomes have also been related to other models of leadership. There are also concerns over the fact that the four major features in Bass’s conceptualization are duplicative and that the four transformational items in the MLQ correlate highly with one another (Tejeda et al., 2001).

While the criticisms raise valid concern regarding transformational leadership, the evidence that transformational leadership is effective is well documented in the literature. Studies of transformational leadership have dominated the academic arena as documented by Lowe & Gardner (2001). The findings consistently reported positive correlations with heightened performance, organizational innovation and a catalyst for desired change. Finally, the moral element associated with transformational leadership adds value to this approach.

**Summary and Conclusion**

The literature offers compelling evidence that nonprofit organizations are an important sector of the economy, that the Medicaid/Medicare system is on a negative financial trajectory, that healthcare delivery has to change, that concerns over fraud, waste, and abuse are grave, that the need to grow one’s own executive staff is becoming necessary, and finally that transformational leadership is correlated with organization effectiveness, organization citizenship, and high ethical standards. In light of the challenges facing nonprofit organizations, such as unfunded compliance mandates, increasing demands from service recipients, lack of ethics, and reduced financial support
from government, transformational leadership may be part of the solution. To that end, this exploratory study attempted to determine if transformational leadership, as self-reported by executive, senior staff, and department heads is at play within a nonprofit, primarily urban organization. In addition, transformational leadership was assessed among the two levels below the executive staff to triangulate the self-ratings of their leaders. In building on the literature and current knowledge in the field, this research expanded the expertise needed to move forward in meeting the goal of providing quality and cost-effective care.
Chapter 3: Research Design Methodology

General Perspective

In a world where economic stability is not guaranteed, nonprofit organizations are under tremendous pressure to be more results oriented. Stakeholders ranging from clients to funders are demanding more accountability. These trends call for transformational leaders for both today and tomorrow. These leaders must guide the work of nonprofit agencies that account for a sizable and growing percentage of the economy. According to the Bureau of Labor of Statistics data for 1994 (Butler, 2009), nonprofit organizations employed about 5.4 million workers; by 2007 they employed 8.7 million workers. Nonprofit organizations thus play a critical role in our economy as well as in the fabric of the nation.

The healthcare sector accounts for 17% of the U.S. economy and agencies that provide around-the-clock care plus other assorted therapies to people with developmental disabilities fall within that sector. These agencies are often nonprofits that provide essential services paid for by funds from local, state, and federal sources. Today those agencies face increasingly intense focus on whether they are providing adequate and appropriate services for the dollars they receive.

It has not always been that way, however. For years nonprofit organizations were given a pass in terms of management structure, their corporate compliance practices, their adherence to governing regulations, and stewardship of their financial affairs. The moral imperative of the mission and the importance of the cause forgave many forms of indiscretion, if not incompetence. With the passage of the Sarbanes-Oxley Act (2002),
which mandated sweeping changes in corporate governance and practice, this laissez faire attitude toward the nonprofit sector has changed to a focus on accountability and on responsibility (enforced by financial and criminal penalties for failure to adhere to the letter of the act). The key stakeholder is now the funder, not the client. This has prompted change in all related practices.

In general, nonprofit organizations have traditionally been administered by clinicians as opposed to trained managers. Graduate degree programs are available in public administration and health care, but historically, the field of nonprofit management within the developmental disabilities sector has tended to be the domain of parents of children with developmental disabilities and in more recent times, by clinicians. This shift from parent-led leadership to clinician leadership has supported the development of education programs to prepare “clinician leaders.” Tierney (2008) noted that “in 1990 there were 17 graduate programs in nonprofit management in the United States. Today, there are well over 90, and more than 240 programs offer nonprofit courses.” (p. 33).

Parent-led organizations were commonplace 25 years ago, but, more recently, professional clinicians have tended to be hired as the senior managers in organizations that serve people with developmental disabilities. These organizations are no longer small entities with a few volunteers and staff. Many are multimillion dollar organizations making use of taxpayers’ money to provide needed services that the for-profit sector sees little economic benefit to provide.

The new complexity of these organizations demands professional managers and leaders. Just where this type of leadership training should be situated is not clear, because the type of undergraduate and graduate preparation of leaders of nonprofit agencies is
quite varied. In the organization studied, 11 out of 38 executives, senior managers, and middle managers were trained managers. That is, they possessed degrees in management or finance while the remainder held degrees in the social sciences or in a clinical discipline. This suggested that for the current generation of leaders in nonprofit organizations, and perhaps for the coming generation, changing the leadership training they receive in college would require changes to many different programs, not just one or two. However, this leadership and management group was critical to the success of the agency and an alternative way of preparing leaders to use “new” methods and approaches is ongoing professional development that occurs on the job. An important initial step in developing strong professional development activities is to determine the current status of leadership practice in nonprofit organizations. This research focused on collecting data that would be helpful in identifying the types of professional development needs with regard to leadership in nonprofit organizations.

One popular way to assess leadership professional development needs is the LPI (Kouzes & Posner, 1988). The LPI is known for identifying potential training needs of managers in areas of transformational leadership. This research was designed to answer key questions regarding the use of transformational leadership within a nonprofit organization, as well as the self-perception of the supervisory rank about their transformational leadership patterns and how they relate to the perceptions of their coworkers. The research quantitatively captured the extent to which transformational leadership is employed at a medium-size nonprofit agency that serves the needs of people with developmentally disabilities.
Overall Research Design

The research design involved the analysis of data collected on how leaders perceive their own approach and how their coworkers as well as those they generally supervise perceive them. The primary data were scale scores from the LPI. Although these scale scores were quantitative, the spirit and thrust of the research had a qualitative flavor, because the data were the subjective experiential impression of the leadership style of leaders in the agency and a comparison of self-perceptions with the perceptions of others. In this study the assumption was not that there was one “correct” interpretation of the data. Instead, the assumption was that the data represented the perceptions of self and others. The administration process of the study ensured anonymity. No actual writing was necessary; participants circled the statement that was closest to their perception of experiences. The name of the evaluator was not requested. This model limited the researcher’s influence, considering that his dual role as an executive in the organization might have affected the data if interviews had been used. The researcher analyzed LPI data and cross referenced it to normative data collected by Kouzes and Pozner (2003). The LPI was administered to a group of executives, senior staff, and department heads. The study assessed the extent to which participants were within a desirable range of transformational leadership when compared to a standard created by the instrument’s authors based on data collected from people in similar positions.

Research Context

The research study took place at a nonprofit organization in the New York metropolitan area. The organization operated group homes, day habilitation programs, prevocational programs, work readiness programs, family respite programs, case
management programs, and school programs in one of the New York City boroughs as well as in an adjacent suburb in 25 different locations. The agency operated primarily under the auspices of the Office of People with Developmental Disabilities (formerly OMRDD) and secondarily under the New York State Education Department. The organization under study had annual revenues of over 50 million dollars, supported over 800 people with developmental disabilities and other comorbid disorders and had over 700 employees, 61% of whom were women, 66% were African American, 21% Hispanic, 8% Caucasian, and 3% Asian. This researcher has been at NASD for over 20 years and has served as the associate executive director and director of operations for the past 8 years.

**Research Participants**

The study participants were employees who have formal supervisory positions including the executive staff, the senior staff, and the department heads. The group designated as supervisors in this agency included 38 people. All 38 were invited to participate in the study. These 38 included people who have supervisory titles as well as some people who functioned as supervisors even though their official titles were not supervisory. Those who did not carry a supervisory title were included in the group because they had supervisory responsibilities and functions and supervised staff who reported to them. More specifically, inclusion in the group of 38 participants was based on reporting relationships, scope of responsibilities, being an official member of the department head group, and function impact. These positions (see Appendix A) are typical in organizations supporting people with mental retardation and developmental disabilities. Background data regarding years of management experience, years at the
agency, years in current jobs, educational background, race, gender, and education were collected as well. Some of the more salient characteristics of the three types of staff included in this study are presented in the next section.

**Department heads.** Eight out of 27 department heads had a master’s degree, one had a doctorate, 11 had bachelors’ degrees, 1 had an associate degree, and 6 had high school diplomas. Experience in management ranged from 1 to 12 years with a mean of 9.5 years. Years in current job ranged from 1 to 22 years with a mean of 5.7 years. Their ages ranged from 28 to 77 with a mean age of 48.6 years.

**Senior staff.** Four out of seven senior staff had a master’s degree in a clinical discipline; the other three had bachelor’s degrees in psychology or sociology. Management experience ranged from 6 to 26 years with a mean of 14.0 years. Years in current job ranged from 1 to 20 years with a mean of 5.4 years. The senior staff group consisted of 1 Black male, 1 Latino male, 4 White females, and 1 Caribbean Black female. Their ages ranged from 38 to 59 with a mean age of 49.0 years.

**Executive staff.** The four executive staff had master’s degrees in fields ranging from special education, public health, business administration, industrial psychology to education. Management experience ranged from 15 to 37 years with a mean of 22.3 years. Years in current job ranged from three to seven. The executive staff group was composed of three White males and a Caribbean Black male. Their ages ranged from 40 to 67, with a mean age of 51.7 years.
Table 3.1

*Professional and Demographic Information on Research Participants*

<table>
<thead>
<tr>
<th>Type of Degree (n)</th>
<th>Department Heads</th>
<th>Senior Staff</th>
<th>Executive Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctorate</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Master’s</td>
<td>8</td>
<td>4</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>Bachelor’s</td>
<td>11</td>
<td>3</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Associate</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>HS Diploma</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>27</td>
<td>7</td>
<td>4</td>
<td>38</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mean Years</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Experience</td>
<td>9.5</td>
<td>14.0</td>
<td>22.3</td>
<td>11.7</td>
</tr>
<tr>
<td>Experience in Current Job</td>
<td>5.7</td>
<td>5.4</td>
<td>4.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Age</td>
<td>48.6</td>
<td>49.0</td>
<td>51.7</td>
<td>49.1</td>
</tr>
</tbody>
</table>

**Instrument Used in Data Collection**

The study used one instrument, the LPI (both self and observer forms, see Appendixes B & D), which have been modified to ensure anonymity. The original LPI instrument calls for writing down the number 0 through 10, which may have given away
the identity of the participants (the researcher was familiar with their penmanship). A modification was made to the LPI so as to allow the filling of a square that corresponded to the numerical value that the participant wished to indicate (see Appendix C and E). The data was collected using printed copies of the LPI. The creation of the inventory was based on interviews with over 1,100 managers reporting on their best experiences (Kouzes and Posner, 2003). Its authors reported that the LPI has sound psychometric properties (Kouzes and Posner, 2003). It is easy to administer and takes about 10 minutes to complete.

The survey is comprised of 30 questions and focuses on identifying five exemplary types of practices of transformational leadership: model the way (MTW), inspire a shared vision (ISV), challenge the process (CTP), encourage others to act (EOA), and embrace the heart (ETH). The questionnaire uses a Likert scale from 1 (almost never) to 10 (almost always), with each subscale being comprised of six questions. The LPI is scored on the five separate dimensions or subscales by summing the responses, giving a possible range of scores on each practice of 6 to 60.

Zagorsek, Stough, & Jacklic (2006) noted that “the LPI is reported as a moderately reliable instrument for leadership development. It is precise and reliable for respondents with low to medium leadership competence” (p. 180). The LPI has been positively evaluated in terms of reliability and validity (Zagorsek et al., 2006; Posner, 2008). Kouzes and Posner (2003) reported that internal reliability (Cronbach’s alpha) was measured at about .75 across all categories, Self and Observer. For each Observer category the subscale ranges of reliability were as follows: MTW (.77–.90), ISV (.87–
.92), CTP (.80–.90), EOT (.75–.89), and ETH (.87–.90). The LPI has also been used in a number of settings for training and development purposes.

**Translation of scores to impact levels.** Using normative data, the authors of the LPI created a three-level indication of impact level that is derived from the LPI subscale scores (Kouzes & Posner, 2007). The process translates LPI scores from the five subscales (each ranging from 6 to 60) to three levels of transformational leadership impact, with the said levels—low, moderate, and high—having been arrived at by Kouzes and Posner using their normative data to create a percentile rank continuum with cut-points at the 30th and 70th percentile levels to separate the three impact levels (Kouzes & Posner, 2007). Table 3.2 presents translations of score ranges to impact levels. It is important to note that the score range mappings differ across the five subscales.
Table 3.2

*Subscale Ranges to Impact Levels Mapping*

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Score Range</th>
<th>Impact Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTW</td>
<td>6–43</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>44–51</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>52–60</td>
<td>High</td>
</tr>
<tr>
<td>ISV</td>
<td>6–39</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>40–49</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>50–60</td>
<td>High</td>
</tr>
<tr>
<td>CTP</td>
<td>6–42</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>43–50</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>51–60</td>
<td>High</td>
</tr>
<tr>
<td>EOA</td>
<td>6–46</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>47–52</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>53–60</td>
<td>High</td>
</tr>
<tr>
<td>ETH</td>
<td>6–42</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>43–51</td>
<td>Moderate</td>
</tr>
<tr>
<td></td>
<td>52–60</td>
<td>High</td>
</tr>
</tbody>
</table>

The impact levels were used in the current study to make a number of different comparisons between and within groups. Using the low, moderate, and high impact levels eliminates the problem of raw score variation from one subscale to another (e.g., a
subscale score of 45 on EOA is not the same as a score of 45 on ETH). Further, given some of the small sample sizes in the current study, translation to ordinal-level variables will allow analysis by the relatively forgiving but sensitive $\chi^2$ test.

**Procedures for Data Collection**

The data were collected during executive staff meetings, senior staff meetings, and department head meetings. The self-reporting was anonymous; the score sheet identified the respondent’s supervisory grouping and the title of the person being evaluated.

During one of the weekly executive staff meetings, executive staff were asked to evaluate themselves and one another. During the senior staff meetings, which typically occur once per month, each senior staff was asked to fill out the LPI regarding himself or herself and one regarding each of the four executive staff. During another of the senior staff meetings they were asked to evaluate the transformational leadership of their six coworkers. During the department head meetings, which are typically held once every three months, the 28 department heads were asked to evaluate themselves and the four executive staff.

To summarize, the executive staff and senior staff rated themselves and each other within their group. The department heads rated the executive staff and completed a self-rating. Not all 38 eligible participants agreed or were able to participate in the study due to various reasons. Of 38 possible participants, 33 actually participated.

**Data Analysis: Questions and Procedures**

**Analysis procedures.** The LPI yields scale scores on five different aspects of transformative leadership. In this study the data collected were of two types—self-ratings
and ratings made by others. Additionally, data was available on three levels of supervisory staff: executive staff, senior staff, and department heads. This data was entered into an SPSS database for analysis and the data analysis was organized around the research questions as described in the next section.

**Analysis of data to address specific research questions.** This research addresses one preliminary research question and four essential research questions. In the next four sections, the specific statistical procedures for addressing each research question are presented in detail. Graphs are used to present all statistically significant findings.

**Preliminary research question.** Is the distribution of LPI scores for the three different leadership groups of study participants similar to the distributions found by the authors of the instrument? To address this question, 20 one-sample t tests were conducted, one test for each of the four relevant respondent types (executive, senior, department head) by each of the five subscales of the LPI. The results of these analyses, viewed holistically, told us whether there was an overall significant difference between the two samples in terms of LPI scores.

**Research Question 1.** Does the LPI assessment of executives completed by others indicate the use of transformational leadership within the organization? This question used LPI other-assessment data. Stating the research question more specifically, do the LPI assessments on executives completed by others indicate the use of transformational leadership in the organization? A general conclusion about this question was possible by examining the distribution of responses among the impact levels of low, moderate, and high. Further, to explore whether there were significant differences
between how the three levels of staff (i.e., executive, senior, and department head) rate executives on the five subscales of the LPI, $\chi^2$ tests were conducted.

**Research Question 2.** Do supervisory personnel within the organization perceive themselves as transformational leaders? This question used LPI self-assessment data. The research question can be stated more directly as Does the LPI self-assessment data completed by all three levels of staff (i.e., executive, senior, and department head) indicate the use of transformational leadership within the organization? A general conclusion about whether transformational leadership is used in the organization was possible by examining the distribution among the self-reported impact levels of low, moderate, and high. Further, $\chi^2$ tests were conducted to determine whether there were significant differences between the three levels of staff (i.e., executive, senior, and department head) on the five self-reported subscales of the LPI,

**Research Questions 3a, 3b, 3c, 3d.** (a) Do executives perceive their coworkers as transformational leaders? (b) Is there alignment between the self-reports by executives and the reports of their executive coworkers? (c) Do senior staff members perceive their coworkers as transformational leaders? (d) Is there alignment between the self-reports by senior staff members and the reports of their senior staff coworkers? The perceptions of executive staff and senior staff of their coworkers as transformational leaders were compared with their coworkers’ self-evaluations. The answer to this four-part question was made by lumping together all self-reported data and all colleague-reported data, separated into independent datasets for executives and senior staff. For each of the two groups, coworker and self-evaluations were cross-tabulated by low, moderate, and high
impact levels. $\chi^2$ tests were conducted to test for significant differences between the distribution of impact levels for self- and collegial ratings.

**Research Questions 4a, 4b.** (a) Is transformational leadership perception aligned between the self-reports of executives and perception of executives by the senior staff? (b) Is transformational leadership perception aligned between the self-reports of executives and perception of executives by the department heads? The self-perceptions of executive staff were compared with the evaluations of them by senior staff and department heads in separate analyses. For each of the two groups (i.e., senior staff and department heads), these comparisons referenced the low, moderate, and high impact levels in a cross-tabulation with self- / other staff evaluations. $\chi^2$ tests were conducted to find significant differences between the executives’ self-reports and reports by other staff.

**Rationale for Statistical Procedures Used**

In answering the research questions, $\chi^2$ was the statistical test of choice because it is appropriate for use with ordinal-level variables, can retain considerable statistical power when used on smaller sample sizes (with some limitations), and is more accessible to a wider audience in terms of comprehension and interpretation. Most importantly, use of $\chi^2$ allowed the researcher to process results using the impact levels developed by Kouzes and Posner (2007), which lent deeper meaning to the LPI results than simple numeric scores.

It should be noted, however, that while $\chi^2$ is a robust test even with small samples, there is an increase in the likelihood of Type II errors—failure to reject the null hypothesis when it is not true—due to a small sample size and a resultant failure to meet the assumptions of the $\chi^2$ test. On the other hand, the use of many individual $\chi^2$ tests may
have inflated the likelihood of Type 1 errors—rejecting the null hypothesis incorrectly.

In this study, this possibility was especially important when interpreting executives’ self-reports because of the small number of executives ($n = 4$) involved. In one analysis the one sample $t$ test was used in order to take advantage of the numerical data and the $t$ test’s reputed robustness (Minitab, 2007)

**Summary of Data Collected**

The data were collected at regularly scheduled executive staff, senior staff, and department head meetings. The scores from the LPI were mapped to impact levels and analyzed using SPSS.
Chapter 4: Results

This research study assessed the extent to which transformational leadership is in use in the nonprofit organization studied. This dissertation addressed one preliminary and four essential questions that were introduced and explained in Chapters 1 and 3. The research methodologies used in this dissertation were detailed in Chapter 3 and in this chapter the results of the research are presented. This study relied on survey rating data collected from three levels of leaders in a nonprofit organization. The next section presents a summary of the data collected from each group of leaders. That section also discusses variations and changes from the plan discussed in Chapter 3 that were due to factors such as lack of access to some participants who agreed to participate but were not available when the surveys were completed by their leadership group.

Subsequent sections of this chapter address each of the research questions. The final section of this chapter is a short summary of the findings. The final chapter in the dissertation, Chapter 5, discusses the implications of the findings as well as recommendations for additional research on the topic of transformational leadership in nonprofit organizations.

Surveys Collected

Self-assessment surveys, coworker surveys, and surveys about leaders from those who indirectly reported to them were collected from a total of 33 executives, senior staff, and department heads. Table 4.1 summarizes the sources of the surveys and their type.
Table 4.1

*Summary of Ratings Collected From Study Sample*

<table>
<thead>
<tr>
<th></th>
<th>Department Heads</th>
<th>Senior Staff</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Ratings</td>
<td>22</td>
<td>7</td>
<td>4</td>
<td>33</td>
</tr>
<tr>
<td>Collegial Ratings</td>
<td>0</td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td>Ratings of Executives</td>
<td>88</td>
<td>28</td>
<td>—</td>
<td>116</td>
</tr>
</tbody>
</table>

**Valid survey responses.** Surveys were reviewed during data entry for invalid responses. Responses were deemed to be invalid when items were left unanswered or when responses appeared to follow a pattern (e.g., all responses on an entire survey were the same number on the Likert scale). Table 4.2 summarizes valid survey data. In general, validity issues were infrequent, with the highest incidence of problems occurring among the department heads’ surveys. No surveys collected from executives had missing or invalid data. With one exception, all surveys collected from senior staff had no missing or invalid data. Among the 88 surveys collected from department heads reporting on executives, six entire surveys were eliminated due to incompleteness or invalid responses across a large portion of the survey. Further, 3 of the 22 self-report surveys collected from department heads were each missing a response to a single item, each of these on a different subscale.

In all, there were 12 valid reports made by executives reporting on their fellow executive staff (coworker reports) and 4 valid self-reports made by executives. One member of the senior staff group did not respond to two questions on the self-assessment,
impacting two subscale scores (ISV and CTP). All senior staff reports on executives and on seniors were valid. Therefore, in all, there were 42 valid reports made by senior staff reporting on their fellow senior staff members (collegial reports), 28 valid senior staff reports on executives, and 6 or 7 valid senior staff self-assessments, depending on the subscale in question. This left 82 valid surveys of department heads reporting on executives. Of these, 3 lacked one response each for the subscale ETH, resulting in 79 valid surveys from department heads reporting on executives on this particular subscale, and 82 valid surveys for the other four subscales. Of the self-ratings collected from department heads, 3 of the 22 self-rating surveys were each missing a response to a single item, each of these on a different subscale, reducing department heads’ self-reports from 22 to 21 on three subscales (MTW, ISV, and CTP).

**Rationale for Statistical Procedures Used**

A major, and basic, question that drove this research was whether the leaders in this nonprofit organization practiced transformational leadership. Although this question is simple, the means of addressing it are not so simple. There are, in fact, three elements to this question and data on each of those elements will be presented next. Each element is organized around a question that addressed a targeted portion of the general question of whether transformational leadership was practiced in this organization.
### Table 4.2

*Number of Valid Surveys by Staff Type and Subscale*

<table>
<thead>
<tr>
<th></th>
<th>Department Heads</th>
<th>Senior Staff</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self-Ratings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td>21</td>
<td>7</td>
<td>4</td>
<td>32</td>
</tr>
<tr>
<td>ISV</td>
<td>21</td>
<td>6</td>
<td>4</td>
<td>31</td>
</tr>
<tr>
<td>CTP</td>
<td>21</td>
<td>6</td>
<td>4</td>
<td>31</td>
</tr>
<tr>
<td>EOA</td>
<td>22</td>
<td>7</td>
<td>4</td>
<td>33</td>
</tr>
<tr>
<td>ETH</td>
<td>22</td>
<td>7</td>
<td>4</td>
<td>33</td>
</tr>
<tr>
<td><strong>Collegial Ratings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td></td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td>ISV</td>
<td></td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td>CTP</td>
<td></td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td>EOA</td>
<td></td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td>ETH</td>
<td></td>
<td>42</td>
<td>12</td>
<td>54</td>
</tr>
<tr>
<td><strong>Ratings of Executives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td>82</td>
<td>28</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>ISV</td>
<td>82</td>
<td>28</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>CTP</td>
<td>82</td>
<td>28</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>EOA</td>
<td>82</td>
<td>28</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>ETH</td>
<td>79</td>
<td>28</td>
<td></td>
<td>107</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td>103</td>
<td>77</td>
<td>16</td>
<td>196</td>
</tr>
<tr>
<td>ISV</td>
<td>103</td>
<td>76</td>
<td>16</td>
<td>195</td>
</tr>
<tr>
<td>CTP</td>
<td>103</td>
<td>76</td>
<td>16</td>
<td>195</td>
</tr>
<tr>
<td>EOA</td>
<td>104</td>
<td>77</td>
<td>16</td>
<td>197</td>
</tr>
<tr>
<td>ETH</td>
<td>101</td>
<td>77</td>
<td>16</td>
<td>194</td>
</tr>
</tbody>
</table>
Preliminary Research Question

Are the means of LPI scores for the three different leadership groups (executive, senior, department head) in this study similar to the means and standard deviations found by the authors of the instrument when they conducted normative search? To compare the two study samples, separate comparisons were made between the norm group and the study groups on each of the five subscales of the LPI. In addition, comparisons were made between self-assessment, assessments by coworkers on the same level of leadership as the person being assessed, assessments by staff who directly reported to the person being assessed, and “others” who assessed the individual (usually staff who indirectly reported to that person). Table 4.3 presents the means and standard deviations for each source of data as they were defined in the normative research (Posner, 2008) and this study. Results of the significant t tests comparing the norm group and the sample studied are indicated by asterisks and bold italic text.
Table 4.3

*Numbers of Participants and Means, LPI Subscales—Current Study Compared with Posner (2008)*

<table>
<thead>
<tr>
<th>Respondent Type</th>
<th>MTW</th>
<th>ISV</th>
<th>CTP</th>
<th>EOA</th>
<th>ETH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Normative Study</td>
<td>Current Study</td>
<td>Normative Study</td>
<td>Current Study</td>
<td>Normative Study</td>
</tr>
<tr>
<td>Self</td>
<td>48,620</td>
<td>45.18</td>
<td>48,620</td>
<td>41.07</td>
<td>48,620</td>
</tr>
<tr>
<td>n</td>
<td>32</td>
<td></td>
<td>31</td>
<td></td>
<td>31</td>
</tr>
<tr>
<td>M</td>
<td>49.56**</td>
<td></td>
<td>45.29**</td>
<td></td>
<td>43.07</td>
</tr>
<tr>
<td>Self</td>
<td>232,498</td>
<td>46.42</td>
<td>232,498</td>
<td>42.96</td>
<td>232,498</td>
</tr>
<tr>
<td>n</td>
<td>54</td>
<td></td>
<td>54</td>
<td></td>
<td>54</td>
</tr>
<tr>
<td>M</td>
<td>43.15</td>
<td></td>
<td>39.17</td>
<td></td>
<td>39.44**</td>
</tr>
<tr>
<td>Direct Reports</td>
<td>96,903</td>
<td>46.79</td>
<td>96,903</td>
<td>44.61</td>
<td>96,903</td>
</tr>
<tr>
<td>n</td>
<td>28</td>
<td></td>
<td>28</td>
<td></td>
<td>28</td>
</tr>
<tr>
<td>M</td>
<td>40.93</td>
<td></td>
<td>37.44</td>
<td></td>
<td>38.68</td>
</tr>
<tr>
<td>Others</td>
<td>94,920</td>
<td>47.86</td>
<td>94,920</td>
<td>44.98</td>
<td>94,920</td>
</tr>
<tr>
<td>n</td>
<td>82</td>
<td></td>
<td>82</td>
<td></td>
<td>82</td>
</tr>
<tr>
<td>M</td>
<td>40.98**</td>
<td></td>
<td>38.68**</td>
<td></td>
<td>37.13**</td>
</tr>
</tbody>
</table>

*Note.* Statistically significant differences using a one-sample *t* test at the *p* < .05 level are shown in **bold-italics**.

* All self-reports by executives, senior staff members, and department heads in the current study were included in the category of self; all collegial reports in the current study were included in the category of coworkers; all reports by senior staff members on executive staff in the current study were included in the category of direct reports; all reports by department heads on executive staff in the current study were included in the category of others.

** Signifies a statistically significant difference using a one-sample *t* test at the *p* < .01 level.
Of the 20 one-sample $t$ tests, 4 were not statistically significant ($p > .05$), while 16 were statistically significant at least at $p < .05$. Among these 16 significant results, 11 were significant at $p < .01$. Interestingly, there is a pattern to the directions of the significant differences. The nonprofit leaders’ mean self-ratings are higher than those of the normative sample and all of the nonprofit’s mean ratings by someone else (i.e., non-self) scores are lower than those of the normative data. The following charts (Figures 4.1 through 4.4) illustrate this pattern.

* Indicates statistically significant difference at the .05 level based on a one-sample $t$ test.

** Indicates statistically significant difference at the .01 level based on a one-sample $t$ test.

*Figure 4.1. Comparison of Self-Ratings.*
* Indicates statistically significant difference at the .05 level based on a one-sample \( t \) test.

** Indicates statistically significant difference at the .01 level based on a one-sample \( t \) test.

**Figure 4.2.** Comparison of Coworker Ratings.

* Indicates statistically significant difference at the .05 level based on a one-sample \( t \) test.

** Indicates statistically significant difference at the .01 level based on a one-sample \( t \) test.

**Figure 4.3.** Comparison of Direct Report Ratings.
** Indicates statistically significant difference at the .01 level based on a one-sample $t$ test.

(*Figure 4.4. Comparison of Others Ratings.*

The data analysis for the preliminary research question was based on comparisons between the normative data and data from the nonprofit organization being studied. Another way to look at the data was to make direct comparisons between the ratings made on the same person by coworkers, direct reports, and others. That was the ultimate focus of this study as it addressed the general question of whether the nonprofit leaders practiced transformative leadership.

**The Four Main Research Questions**

Posner (2008) presented normative data for the LPI based on a large international sample. To facilitate interpretation of the LPI, Kouzes and Posner (2008) defined three levels of transformational leadership—Low, Moderate, and High. If a leader’s score on one of the LPI subscales was at or below the 30th percentile, he or she was classified as Low on transformational leadership. Similarly, a leader whose score was in the 31st to
70th percentile was classified as Moderate in transformational leadership. Scores above the 70th percentile were considered High. As indicated in Table 3.2, this study mapped the scores of leaders in the nonprofit organization to impact levels of Low, Moderate, or High using the normed score ranges developed by Kouzes and Posner.

Research Question 1

Does LPI assessment of executives completed by others indicate the use of transformational leadership within the organization and are there differences in LPI results among the three groups of staff making assessments of executives?

Presence and degree of use of transformational leadership—evaluations of executives by others. Table 4.4 presents a cross-tabulation of the ratings of executives on the LPI subscales by executive coworkers, senior staff members, and department heads. While there was evidence of at least moderate use of each of the five key transformational leadership concepts by executives, as assessed by others in the organization, of note is that on every LPI subscale, approximately half or more of the respondents rated the executives at the Low impact level. This was true across all staff types, from coworkers to “other.” This distribution was particularly striking when you consider that in the normative group, 30% fell into the Low level, 40% were in the Moderate level, and 30% were in the High level. The percentage of leaders from the nonprofit leader sample in the Low range was consistently higher than, sometimes double, the expected 30%.
Table 4.4

**Ratings of Executives on LPI Subscales by Coworkers, Senior Staff, and Department Heads (Self Report Data Is Excluded)**

<table>
<thead>
<tr>
<th>Reported as Proportions</th>
<th>Staff Level</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department</td>
<td>Head</td>
<td>Executive</td>
<td>Senior</td>
</tr>
<tr>
<td>MTW</td>
<td>Low (n = 60)</td>
<td>.49</td>
<td>.46</td>
<td>.58</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 30)</td>
<td>.22</td>
<td>.32</td>
<td>.25</td>
</tr>
<tr>
<td></td>
<td>High (n = 32)</td>
<td>.29</td>
<td>.21</td>
<td>.17</td>
</tr>
<tr>
<td>ISV</td>
<td>Low (n = 58)</td>
<td>.48</td>
<td>.50</td>
<td>.42</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 26)</td>
<td>.18</td>
<td>.29</td>
<td>.25</td>
</tr>
<tr>
<td></td>
<td>High (n = 38)</td>
<td>.34</td>
<td>.21</td>
<td>.33</td>
</tr>
<tr>
<td>CTP</td>
<td>Low (n = 74)</td>
<td>.61</td>
<td>.61</td>
<td>.58</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 16)</td>
<td>.10</td>
<td>.21</td>
<td>.17</td>
</tr>
<tr>
<td></td>
<td>High (n = 32)</td>
<td>.29</td>
<td>.18</td>
<td>.25</td>
</tr>
<tr>
<td>EOA</td>
<td>Low (n = 71)</td>
<td>.56</td>
<td>.61</td>
<td>.67</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 22)</td>
<td>.15</td>
<td>.29</td>
<td>.17</td>
</tr>
<tr>
<td></td>
<td>High (n = 29)</td>
<td>.29</td>
<td>.11</td>
<td>.17</td>
</tr>
<tr>
<td>ETH</td>
<td>Low (n = 74)</td>
<td>.62</td>
<td>.64</td>
<td>.58</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 19)</td>
<td>.14</td>
<td>.18</td>
<td>.25</td>
</tr>
<tr>
<td></td>
<td>High (n = 26)</td>
<td>.24</td>
<td>.18</td>
<td>.17</td>
</tr>
</tbody>
</table>

**Did the three staff groups rate executives differently?**  \( \chi^2 \) tests revealed no statistically significant differences among executives, seniors, and department heads on any of the five subscales in their evaluations of executives on the LPI \((p > .05)\). Given the lack of statistical significance, we cannot reject the null hypothesis. This supports the conclusion that impact levels reported for executives by other coworkers, senior staff members, and department heads were roughly similar. For this reason, it is useful to summarize the results for all staff types, as in Table 4.5.
Table 4.5

Proportion Ratings by Executive Co-workers, Senior Staff Members and Department Heads on Executives (Self-Evaluations Excluded) in Moderate, High, and Moderate or High Impact Levels

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Low Impact</th>
<th>Moderate Impact</th>
<th>High Impact</th>
<th>Moderate and High Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTW ((n = 122))</td>
<td>.49</td>
<td>.25</td>
<td>.26</td>
<td>.51</td>
</tr>
<tr>
<td>ISV ((n = 122))</td>
<td>.48</td>
<td>.21</td>
<td>.31</td>
<td>.52</td>
</tr>
<tr>
<td>CTP ((n = 122))</td>
<td>.61</td>
<td>.13</td>
<td>.26</td>
<td>.39</td>
</tr>
<tr>
<td>EOA ((n = 122))</td>
<td>.58</td>
<td>.18</td>
<td>.24</td>
<td>.42</td>
</tr>
<tr>
<td>ETH ((n = 119))</td>
<td>.62</td>
<td>.16</td>
<td>.22</td>
<td>.38</td>
</tr>
</tbody>
</table>

*Moderate or High Impact is the sum of the Moderate Impact and High Impact Columns*

With a variation of a little more than a third to just over half of participants who rated executives as using at least moderate levels of transformational leadership, there appears to be a general sense that, while the use of transformational leadership is present at the organization, these staff feel that executives at this organization have some room to grow. Seeming particularly low are the ratings for Challenging the Process, Enabling Others to Act, and Encouraging the Heart.

**Research Question 2**

Do supervisory personnel within the organization perceive themselves as transformational leaders? Did the self-evaluation by executives, senior staff, and department heads reveal the use of transformational leadership in this organization? A
cross-tabulation of self-reported impact levels on the five subscales of the LPI broken down by staff type is presented in Table 4.6.

Table 4.6

Cross-Tabulation of Impact Level on Five LPI Subscales with Staff Level of Participants on Self-Reports

<table>
<thead>
<tr>
<th>Reported as Proportions</th>
<th>Staff Level</th>
<th>Department Head</th>
<th>Senior</th>
<th>Executive</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low ((n = 5))</td>
<td>.10</td>
<td>.43</td>
<td>.00</td>
<td>.16</td>
<td></td>
</tr>
<tr>
<td>Moderate ((n = 15))</td>
<td>.43</td>
<td>.43</td>
<td>.75</td>
<td>.47</td>
<td></td>
</tr>
<tr>
<td>High ((n = 12))</td>
<td>.48</td>
<td>.14</td>
<td>.25</td>
<td>.38</td>
<td></td>
</tr>
<tr>
<td>ISV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low ((n = 8))</td>
<td>.19</td>
<td>.50</td>
<td>.25</td>
<td>.26</td>
<td></td>
</tr>
<tr>
<td>Moderate ((n = 12))</td>
<td>.38</td>
<td>.33</td>
<td>.50</td>
<td>.39</td>
<td></td>
</tr>
<tr>
<td>High ((n = 11))</td>
<td>.43</td>
<td>.17</td>
<td>.25</td>
<td>.36</td>
<td></td>
</tr>
<tr>
<td>CTP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low ((n = 12))</td>
<td>.33</td>
<td>.50</td>
<td>.50</td>
<td>.39</td>
<td></td>
</tr>
<tr>
<td>Moderate ((n = 10))</td>
<td>.29</td>
<td>.33</td>
<td>.50</td>
<td>.32</td>
<td></td>
</tr>
<tr>
<td>High ((n = 9))</td>
<td>.38</td>
<td>.17</td>
<td>.00</td>
<td>.29</td>
<td></td>
</tr>
<tr>
<td>EOA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low ((n = 6))</td>
<td>.14</td>
<td>.14</td>
<td>.50</td>
<td>.18</td>
<td></td>
</tr>
<tr>
<td>Moderate ((n = 15))</td>
<td>.41</td>
<td>.71</td>
<td>.25</td>
<td>.46</td>
<td></td>
</tr>
<tr>
<td>High ((n = 12))</td>
<td>.46</td>
<td>.14</td>
<td>.25</td>
<td>.36</td>
<td></td>
</tr>
<tr>
<td>ETH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low ((n = 6))</td>
<td>.18</td>
<td>.14</td>
<td>.25</td>
<td>.18</td>
<td></td>
</tr>
<tr>
<td>Moderate ((n = 11))</td>
<td>.27</td>
<td>.43</td>
<td>.50</td>
<td>.33</td>
<td></td>
</tr>
<tr>
<td>High ((n = 16))</td>
<td>.55</td>
<td>.43</td>
<td>.25</td>
<td>.49</td>
<td></td>
</tr>
</tbody>
</table>

Of note here is that across the five leadership subscales 50% or less of the leaders in this study rated themselves at the Low Impact level. In fact, 10 of the 15 self-ratings in the Table 4.6 are below 30%.

**Did the self-reporting of executives, senior and department heads demonstrate major differences in transformational leadership?** $\chi^2$ tests revealed no statistically significant differences in the proportion of Impact level ratings (Low,
Medium, and High) among executives, seniors, and department heads on any of the five subscales in their self-evaluations on the LPI ($p > .05$). Given the lack of statistical significance, we cannot reject the null hypothesis and it appears that the distribution of LPI impact levels were roughly similar across the three leadership levels. For this reason, it is useful to summarize the results for all staff types, as Table 4.7 shows.

Table 4.7

*Proportion of Self-Reports by Executives, Senior Staff Members, and Department Heads in Low, Moderate, High, and Moderate or High Impact Levels*

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Low Impact</th>
<th>Moderate Impact</th>
<th>High Impact</th>
<th>Moderate and High Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTW ($n = 32$)</td>
<td>.16</td>
<td>.47</td>
<td>.38</td>
<td>.85</td>
</tr>
<tr>
<td>ISV ($n = 31$)</td>
<td>.26</td>
<td>.38</td>
<td>.36</td>
<td>.74</td>
</tr>
<tr>
<td>CTP ($n = 31$)</td>
<td>.39</td>
<td>.32</td>
<td>.29</td>
<td>.61</td>
</tr>
<tr>
<td>EOA ($n = 33$)</td>
<td>.18</td>
<td>.46</td>
<td>.36</td>
<td>.82</td>
</tr>
<tr>
<td>ETH ($n = 33$)</td>
<td>.18</td>
<td>.33</td>
<td>.49</td>
<td>.82</td>
</tr>
</tbody>
</table>

*Moderate or High Impact is the sum of the Moderate Impact and High Impact Columns

If we assume that the practice of transformational leadership indicated by a Moderate or High Impact level, the last column in this table suggests that—according to self-reported LPI data—transformational leadership was in use in this organization by a majority of staff in terms of all five of the leadership concepts.

Only on the CTP subscale was the proportion of self ratings higher for Low Impact than the 30% standard that was set for the normative group. Thus a substantial
majority of staff at all levels of this organization appear to believe themselves to be at least moderate-impact transformational leaders.

Research Question 3

Do executives perceive their co-workers as transformational leaders and is there alignment between the self-ratings by executives and the collegial ratings of their executive coworkers? Similarly, do senior staff members perceive their coworkers as transformational leaders and is there alignment between the self-ratings by senior staff members and the collegial reports of their senior staff coworkers?

Collegial perceptions of executives about the presence and degree of transformational leadership. Executives’ collegial ratings on other executives are detailed in the Table 4.8.

Table 4.8

Proportion of Executives Ratings by on Executive Coworkers that Fell into Each of the Levels (n = 12)

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Low Impact</th>
<th>Moderate Impact</th>
<th>High Impact</th>
<th>Impact *</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTW</td>
<td>.58</td>
<td>.25</td>
<td>.17</td>
<td>.42</td>
</tr>
<tr>
<td>ISV</td>
<td>.42</td>
<td>.25</td>
<td>.33</td>
<td>.58</td>
</tr>
<tr>
<td>CTP</td>
<td>.58</td>
<td>.17</td>
<td>.25</td>
<td>.42</td>
</tr>
<tr>
<td>EOA</td>
<td>.67</td>
<td>.17</td>
<td>.17</td>
<td>.34</td>
</tr>
<tr>
<td>ETH</td>
<td>.58</td>
<td>.25</td>
<td>.17</td>
<td>.42</td>
</tr>
</tbody>
</table>

*Moderate or High Impact is the sum of the Moderate Impact and High Impact Columns
A more global comparison of self-ratings versus the ratings of coworkers was presented earlier. Here a more in-depth study of self-ratings versus those of coworkers at the same level of leadership is presented.

As shown in Table 4.8, with the exception of the ISV subscale, less than half of the executives rated their colleagues at least as high as the Moderate impact level on the five subscales of the LPI. Note that while Kouzes and Posner (2007) defined the distribution of Low, Moderate and High Impact levels so that 70% of the norm group ratings fell into the Moderate or High Impact levels, none of the percentages in the last column of Table 4.8 came close to that percentage. Of particular concern was the low proportion of respondents rating their executive coworkers as at least moderately transformational leaders on the leadership concept of Enabling Others to Act.

**Comparison of Self-Ratings and Collegial Ratings of Executives**

Table 4.9 presents a cross-tabulation comparing impact levels between self-ratings by executives with collegial ratings by other executives on the five subscales of the LPI.
Table 4.9

Cross-Tabulation of Impact Level on Five LPI Subscales With Self- or Coworker Reports of Executives

<table>
<thead>
<tr>
<th></th>
<th>Ratings By</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Other</td>
<td>Executives’</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Executives</td>
<td>Self-Reports</td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td>Low (n = 7)</td>
<td>.58</td>
<td>.00</td>
<td>.44</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 6)</td>
<td>.25</td>
<td>.75</td>
<td>.38</td>
</tr>
<tr>
<td></td>
<td>High (n = 3)</td>
<td>.17</td>
<td>.25</td>
<td>.19</td>
</tr>
<tr>
<td>ISV</td>
<td>Low (n = 6)</td>
<td>.42</td>
<td>.25</td>
<td>.38</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 5)</td>
<td>.25</td>
<td>.50</td>
<td>.31</td>
</tr>
<tr>
<td></td>
<td>High (n = 5)</td>
<td>.33</td>
<td>.25</td>
<td>.31</td>
</tr>
<tr>
<td>CTP</td>
<td>Low (n = 9)</td>
<td>.58</td>
<td>.50</td>
<td>.56</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 4)</td>
<td>.17</td>
<td>.50</td>
<td>.25</td>
</tr>
<tr>
<td></td>
<td>High (n = 3)</td>
<td>.25</td>
<td>.00</td>
<td>.19</td>
</tr>
<tr>
<td>EOA</td>
<td>Low (n = 10)</td>
<td>.67</td>
<td>.50</td>
<td>.63</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 3)</td>
<td>.17</td>
<td>.25</td>
<td>.19</td>
</tr>
<tr>
<td></td>
<td>High (n = 3)</td>
<td>.17</td>
<td>.25</td>
<td>.19</td>
</tr>
<tr>
<td>ETH</td>
<td>Low (n = 8)</td>
<td>.58</td>
<td>.25</td>
<td>.50</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 5)</td>
<td>.25</td>
<td>.50</td>
<td>.31</td>
</tr>
<tr>
<td></td>
<td>High (n = 3)</td>
<td>.17</td>
<td>.25</td>
<td>.19</td>
</tr>
</tbody>
</table>

Note. Ratings are reported as proportions.

χ² tests were used to compare the self-reports of executives with reports about them from their executive co-workers. For each of the five subscale scores, no statistically significant differences were detected (p > .05). Therefore, for all five subscales, we cannot reject the null hypothesis that there is no difference in distribution between the self- and co-worker ratings for executive staff at this organization on the LPI.

Collegial perceptions of senior staff of the presence and degree of transformational leadership. Senior staff members’ rating of other senior staff members is detailed in Table 4.10.
Here the ratings of the organization’s senior staff members on their coworkers are isolated. About half or more of the senior staff judged their senior staff coworkers to be practicing transformational leadership, as measured by the five LPI subscales, at least at a moderate impact level. The average percentage ranged from 48 to 67 but note that none of these percentages is at or above the expected percentage of 70% as defined by Kouzes and Posner (2007) using their normative data.

**Comparison of self-ratings and collegial ratings on senior staff members.**

The Table 4.11 presents a cross-tabulation comparing impact levels between self-ratings by senior staff members with collegial ratings by other senior staff on the five subscales of the LPI.
Table 4.11

Cross-tabulation of Impact Levels on Five LPI Subscales with Self- or Collegial Ratings
of Senior Staff Members

<table>
<thead>
<tr>
<th></th>
<th>Ratings By</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Other Senior</td>
<td>Senior Staff</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>Staff</td>
<td>Self-Reports</td>
<td></td>
</tr>
<tr>
<td><strong>MTW</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (n = 20)</td>
<td>.41</td>
<td>.43</td>
<td>.41</td>
</tr>
<tr>
<td>Moderate (n = 14)</td>
<td>.26</td>
<td>.43</td>
<td>.29</td>
</tr>
<tr>
<td>High (n = 15)</td>
<td>.33</td>
<td>.14</td>
<td>.31</td>
</tr>
<tr>
<td><strong>ISV</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (n = 20)</td>
<td>.41</td>
<td>.50</td>
<td>.42</td>
</tr>
<tr>
<td>Moderate (n = 12)</td>
<td>.24</td>
<td>.33</td>
<td>.25</td>
</tr>
<tr>
<td>High (n = 16)</td>
<td>.36</td>
<td>.17</td>
<td>.33</td>
</tr>
<tr>
<td><strong>CTP</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (n = 25)</td>
<td>.52</td>
<td>.50</td>
<td>.52</td>
</tr>
<tr>
<td>Moderate (n = 14)</td>
<td>.29</td>
<td>.33</td>
<td>.29</td>
</tr>
<tr>
<td>High (n = 9)</td>
<td>.19</td>
<td>.17</td>
<td>.19</td>
</tr>
<tr>
<td><strong>EOA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (n = 17)</td>
<td>.38</td>
<td>.14</td>
<td>.35</td>
</tr>
<tr>
<td>Moderate (n = 15)</td>
<td>.24</td>
<td>.71</td>
<td>.31</td>
</tr>
<tr>
<td>High (n = 17)</td>
<td>.38</td>
<td>.14</td>
<td>.35</td>
</tr>
<tr>
<td><strong>ETH</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low (n = 15)</td>
<td>.33</td>
<td>.14</td>
<td>.31</td>
</tr>
<tr>
<td>Moderate (n = 18)</td>
<td>.36</td>
<td>.43</td>
<td>.37</td>
</tr>
<tr>
<td>High (n = 16)</td>
<td>.31</td>
<td>.43</td>
<td>.33</td>
</tr>
</tbody>
</table>

χ² tests were used to compare the self-ratings of senior staff members with ratings about
them by their coworkers. A statistically significant relationship was detected for subscale
EOA (χ² = 6.405, p < .05). The reason for this result appears to be that the self-reports of
senior staff tended to cluster more around the moderate range with equal but smaller
percentages at the Low and High impact levels. However, the ratings of coworkers were
spread more evenly across the impact levels and were weighted more heavily toward the
extreme impact levels, low and high. Figure 4.5 illustrates this dynamic.
Figure 4.5. Impact Levels of Senior Staff on LPI Subscale, Enabling Others to Act, of Self- and Collegial Ratings by Senior Staff Members.

No other statistically significant differences were detected on the other subscales for the comparison of self- and collegial ratings on senior staff members ($p > .05$).

Therefore, we cannot reject the null hypothesis that there is no difference in the distribution of LPI self- and collegial ratings for senior staff members in this organization.
Research Question 4

Is transformational leadership perception aligned between the self-ratings of executives and perception of them by the senior staff? Similarly, is transformational leadership perception aligned between the self-ratings of executives and perception of them by the department heads?

Comparison of self-ratings by executives and ratings of executives by senior staff members. Table 4.12 presents a cross-tabulation comparing impact levels between self-ratings by executives with ratings of executives by senior staff members on the five subscales of the LPI.

Table 4.12

Cross-tabulation Comparing Self-Reports by Executives and Reports on Executives by Senior Staff Members

<table>
<thead>
<tr>
<th>Reported as Proportions</th>
<th>Ratings By</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Seniors Staff</td>
<td>Executives</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>MT</td>
<td>Low (n = 13)</td>
<td>.46</td>
<td>.00</td>
<td>.41</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 12)</td>
<td>.32</td>
<td>.75</td>
<td>.38</td>
</tr>
<tr>
<td></td>
<td>High (n = 7)</td>
<td>.21</td>
<td>.25</td>
<td>.22</td>
</tr>
<tr>
<td>ISV</td>
<td>Low (n = 15)</td>
<td>.50</td>
<td>.25</td>
<td>.47</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 10)</td>
<td>.29</td>
<td>.50</td>
<td>.31</td>
</tr>
<tr>
<td></td>
<td>High (n = 7)</td>
<td>.21</td>
<td>.25</td>
<td>.22</td>
</tr>
<tr>
<td>CTP</td>
<td>Low (n = 19)</td>
<td>.61</td>
<td>.50</td>
<td>.59</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 8)</td>
<td>.21</td>
<td>.50</td>
<td>.25</td>
</tr>
<tr>
<td></td>
<td>High (n = 5)</td>
<td>.18</td>
<td>.00</td>
<td>.16</td>
</tr>
<tr>
<td>EOA</td>
<td>Low (n = 19)</td>
<td>.61</td>
<td>.50</td>
<td>.59</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 9)</td>
<td>.29</td>
<td>.25</td>
<td>.28</td>
</tr>
<tr>
<td></td>
<td>High (n = 4)</td>
<td>.11</td>
<td>.25</td>
<td>.13</td>
</tr>
<tr>
<td>ETH</td>
<td>Low (n = 19)</td>
<td>.64</td>
<td>.25</td>
<td>.59</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 7)</td>
<td>.18</td>
<td>.50</td>
<td>.22</td>
</tr>
<tr>
<td></td>
<td>High (n = 6)</td>
<td>.18</td>
<td>.25</td>
<td>.19</td>
</tr>
</tbody>
</table>
Using $\chi^2$ tests, no statistically significant differences between self-ratings and ratings by senior staff members of executives were detected ($p > .05$). Therefore, for all five subscales, we cannot reject the null hypothesis that there is no difference in the distribution of LPI self-ratings of executives and ratings by senior staff members on executives at this organization.

**Comparison of self-ratings by executives and ratings on executives by department heads.** Table 4.13 presents a cross-tabulation comparing impact levels between self-ratings by executives with ratings on executives by department heads on the five subscales of the LPI.
Table 4.13

Cross-tabulation Comparing Self-Ratings by Executives and Ratings on Executives by Department Heads

<table>
<thead>
<tr>
<th>Reported as Proportions</th>
<th>Ratings By</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department Heads</td>
<td>Executives Self</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>MTW</td>
<td>Low (n = 40)</td>
<td>.49</td>
<td>.00</td>
<td>.47</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 21)</td>
<td>.22</td>
<td>.75</td>
<td>.24</td>
</tr>
<tr>
<td></td>
<td>High (n = 25)</td>
<td>.29</td>
<td>.25</td>
<td>.29</td>
</tr>
<tr>
<td>ISV</td>
<td>Low (n = 40)</td>
<td>.48</td>
<td>.25</td>
<td>.47</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 17)</td>
<td>.18</td>
<td>.50</td>
<td>.20</td>
</tr>
<tr>
<td></td>
<td>High (n = 29)</td>
<td>.34</td>
<td>.25</td>
<td>.34</td>
</tr>
<tr>
<td>CTP</td>
<td>Low (n = 52)</td>
<td>.61</td>
<td>.50</td>
<td>.61</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 10)</td>
<td>.10</td>
<td>.50</td>
<td>.12</td>
</tr>
<tr>
<td></td>
<td>High (n = 24)</td>
<td>.29</td>
<td>.00</td>
<td>.28</td>
</tr>
<tr>
<td>EOA</td>
<td>Low (n = 48)</td>
<td>.56</td>
<td>.50</td>
<td>.56</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 13)</td>
<td>.15</td>
<td>.25</td>
<td>.15</td>
</tr>
<tr>
<td></td>
<td>High (n = 25)</td>
<td>.29</td>
<td>.25</td>
<td>.29</td>
</tr>
<tr>
<td>ETH</td>
<td>Low (n = 50)</td>
<td>.62</td>
<td>.25</td>
<td>.60</td>
</tr>
<tr>
<td></td>
<td>Moderate (n = 13)</td>
<td>.14</td>
<td>.50</td>
<td>.16</td>
</tr>
<tr>
<td></td>
<td>High (n = 20)</td>
<td>.24</td>
<td>.25</td>
<td>.24</td>
</tr>
</tbody>
</table>

χ² tests were conducted to find statistically significant differences between self-ratings by executives and ratings by department heads on the five subscales of the LPI. The differences were statistically different for the MTW and CTP subscales (χ² = 6.371 and χ² = 6.559, respectively; p < .05).

The reasons for the statistical significance seem to be different for each of the two subscales. On the MTW, it appears that the self-ratings of executives leaned toward the moderate and high ranges, while nearly half of all department heads rated executives in the low range. On the CTP, the opposite occurred, namely that the self-ratings of
executives leaned toward the moderate and low ranges, while a substantial portion (29%) of all department heads rated executives in the high range. These dynamics are illustrated in Figures 4.6 and 4.7. No other statistically significant differences were detected on the other subscales for the comparison of executives’ self-ratings and department heads’ ratings on them ($p > .05$).

Figure 4.6. Impact Levels on LPI Subscale, Modeling the Way, with Self-Ratings by Executives and Ratings on Executives by Department Heads.
Using one sample t test, the data indicated that leaders in this organization perceive themselves as more transformational when compared to the norm group on all five subscales to include Model the Way, Inspire a Shared Vision, Challenge the Process, Enable Others to Act, and Embrace the Heart. The data produced statistically significant differences for Model the Way, Inspire a Shared Vision, and Embrace the Heart. Generally coworkers, direct reports, and others ratings were all lower than the
norm group. Coworker ratings showed statistically significant differences on Model the Way, Challenge the Process, and Enable Others to Act. Direct report and others ratings were statistically significant on all five subscales: Model the Way, Inspire a Shared Vision, Challenge the Process, Enable Others to Act, and Embrace the Heart. Using a $\chi^2$ analysis, the data showed three other statistically significant differences: one for the senior staff and the other two related to the department heads. There was a statistically significant difference between self-ratings by senior staff members with collegial ratings by other senior staff on the Enable Others to Act subscale. The department heads’ ratings of the executive staff were statistically significant on two subscales, Challenge the Process and Inspire a Shared Vision, when compared to the executive self-ratings.
Chapter 5: Discussion

Introduction

The objective of the study was primarily to determine the use of transformational leadership amongst the top three levels of management within a medium size nonprofit organization. This was clearly accomplished. This study of a nonprofit organization revealed some significant and interesting findings that have noteworthy implications for any effort to increase the use of transformational leadership behaviors in the organization. Perhaps the most interesting was that self-perceptions of executives, senior staff, and department heads, and the perceptions of co-workers and others, were frequently not aligned. Self-perceptions of the level of transformational leadership practiced tended to be higher.

Another finding was that there were areas of strength and weakness within the continuum of transformational leadership. In light of these findings, it will be paramount for this organization to understand the dynamics relevant to transformational leadership among the staff. To discuss this process, Chapter 5 is divided into four distinct parts: implication of findings, limitations, recommendations, and conclusion.

Implications of Findings

The self-ratings of executive staff in this organization were “high” on transformative leadership scores when compared to ratings of them by other participants in the study and in comparison to the scores of the sizable group used to generate normative data for the transformational leadership measure used in this study. The
finding that members of the executive staff perceived themselves as being more transformational than the norm group presents a serious concern. It seems that the confidence level of this group was high and the question it begs is whether or not it was warranted. The organization has been on a positive growth trajectory and, for a number of years, has received state and federal reviews that support the conclusion that this is, by and large, a solid organization. This is particularly true in the areas of programming, board governance and fiscal management. The organization has developed a niche to support people with developmental disabilities who also have serious behavioral issues. The organization is well thought of in the provider community. It has been in operation for over 50 years. However, the agency is set to suffer severe revenue cuts from the Office of People with Developmental Disabilities, but it is well placed to weather those cuts and is expected to not only survive but to thrive in spite of the cuts. This may account for the executive staff’s confidence in their abilities. Additionally, the executive staff hold master’s degrees and collectively have a total of over 100 years of experience in managing different components of nonprofit organizations. In this demanding operating environment, it would seem that organizations led by transformational leaders may be more apt to adapt to the new complexity, fiscal scarcity, and the more informed consumer. The question, however, is whether self-ratings are an indication that transformational leadership is occurring at a high level in the organization.

Bringing this into question is the finding that coworkers within each of the top three levels of leadership generally saw each other as being less (rather than more) transformative than the norm group, while there was a tendency of leaders to see themselves as above average when compared to the norm group. Similar results were
reported by the ratings of indirect reports. For example, department heads saw the executive staff as less engaged in modeling the way, one of the five aspects of transformational leadership examined in this study, while a significant number of department heads perceived that executive staff challenged the process more than they self-reported. While the results have implications related to the need for impression management, it would be cynical to attempt to create an impression of transformative leadership without focusing on ways to increase actual practice of transformative leadership. To not be perceived as modeling the way may be accounted for in the following ways: (1) indeed the executive staff is failing to model or (2) what they are modeling is different than what they preach or different from what their subordinates expect. Alignment in this core area is critical. On the other hand, to be perceived as challenging the process more than one would self-describe points to a serious dissonance.

Based on my experience in this organization, one possible explanation of this finding is that the executive staff present in such a way that they may appear to be embracing new methods, pioneering new ideas, and supporting innovation when they personally feel otherwise. The executive staff highlight such processes and communicate about them in a clear fashion, and this may account for the misalignment of perceptions between executive staff and department heads. Executive staff, through all forms of communication, painstakingly speak of new innovative programs and processes. This is exemplified in the agency newsletter, in one-on-one and group communication, in participation in industry-wide initiatives for change, in the appointment of a senior staff to publicize changes and actions to both internal and external stakeholders, and finally in briefings for department heads. The agency created the position of Innovation Developer
which again gives credence to its interest in new ideas. On the other hand, executive staff are acutely aware of the need to maintain the status quo, are skilled at impression management, and operate in a highly regulated environment that does not lend itself to risk taking, because the consequences for failure are serious.

A related finding was that senior staff perceived themselves and each other in a dramatically different fashion. They saw themselves as moderately transformational on the subscale that deals with enabling others to act while they perceived each other as either low or high. Based on my leadership experience in this organization, the finding may be accounted for by the perception of some members of the senior staff that they must control and approve everything that their direct reports engage in. They may delegate as a last resort and feel, given that they are held accountable, that the risks associated with failure are so high and the consequences so severe that enabling others to act is not a solid career option. This may also be a result of the different functions and expectations for each senior staff and the scope of their responsibilities. As a leader is being asked to do more with less, this has serious practical implications.

However, in the future, the need to empower others will become essential. At a recent management retreat, reports of burnout were at the forefront of discussions and this failure to enable others was identified as one of the root causes. The fear of failure and its related adverse consequences promotes a working style that restricts delegation of developmental tasks. It is not clear if the executive staff are willing to support a climate where responsibility, accountability, and training of the middle and front-line management form the basis for professional engagement and where mistakes are processed as learning opportunities rather than career-ending or derailing events. It
should be noted that the executive staff similarly scored their coworkers low on enabling others. About 64% of those ratings fell into the low range. The issue seems to be pervasive and may speak of the overreliance on oneself to get things done, a lack of interest in developing one’s staff, or a shortsightedness that prevents succession planning and capacity development. Sixty percent of the organization’s workforce is over 40 years old with 37% above 50 years old.

The high concentration of leaders with clinical backgrounds but limited leadership training also poses a serious dilemma; the need for leadership development has clearly been demonstrated by the data. The organization would be well served by giving serious, focused thought to capacity development in areas of weakness. Leadership training can be expensive, but the costs associated with poor leadership or lack of leadership are great and go beyond the financial implications. Violations of public trust, misuse of taxpayers’ funds, poor service delivery to vulnerable populations, and the misalignment of organization mission to management actions have a corrosive effect on our society at large. People with developmental disabilities are a vulnerable segment of our population and their first line of defense is thoughtful and competent management and leadership in the organizations that serve their needs. An underperforming nonprofit organization presents too many opportunities for loss in a vulnerable population that cannot afford diminished support. By developing capacity in leadership, the public is protected and people with developmental disabilities will have a future where self-actualization is possible, where support does not create learned helplessness, where morbid dependency is avoided, and where independence is vigorously pursued.
Limitations

The data was collected in one nonprofit organization in an urban setting. Knowledge gained from this study may not be transferable to other nonprofit organizations that differ in significant ways from this single organization studied. For example, caution should be exercised when generalizing to larger or smaller nonprofits, those in rural areas, those with a very different mission, and those with a different funding mix, or a different organizational history and culture. Further, the results may not be relevant to organizations supporting populations other than people with mental retardation and developmental disabilities. States unlike New York, with no major legal history for cases of mistreating people with mental retardation and developmental disabilities, may regulate service providers differently. New York State, for example, was the subject of a lawsuit pursued by the New York Civil Liberties Union and settled on May 5, 1975. That lawsuit resulted in permanent regulations that limit and prescribe how mentally retarded and developmentally disabled clients may be treated. Gender differences are present in the perception of transformational leadership, which suggests that the gender makeup of the supervisory group studied in this research may impact perceptions of the degree to which transformational leadership is in use (Eagly, Johannesen-Schmidt, & van Egen, 2003). Women continue to be underrepresented in the upper echelon of health care management as discussed by Lantz and Maryland (2008). In the health care industry, becoming a department head has become attainable for women, but men still tend to be appointed to more senior positions (Gibelman, 2000). That pattern may be at work at the organization studied. The organization currently has no female as part of its executive staff, although it did five years ago, and its board president
is female. Eagly and Johannnesen-Schmidt (2001) found that women tended to be more transformational than men.

Thus, for a number of reasons including those noted above, this research should be considered as a detailed analysis of the transformational leadership patterns in one particular organization. Generalizations to other organizations, even those with many similarities, should not be made automatically. Readers who are looking for guidance relevant to their own organizations should carefully consider the characteristics and history of both their organization and the one that was the focus of this research.

There are also several aspects of the study that threaten the validity of this study. For example, the length of time required to fill out the LPI was longer than expected or promoted and may have resulted in testing fatigue. This may account for some of the missing data noted in Chapter 4. Also, on the day of the test administration, five department heads, those in charge of transportation, accounting, Medicaid Service Coordination, and technology and development were absent for various reasons. They represented 5 of a possible 27 (almost 20%) of the department heads. The lack of data from this group should be taken into account when considering the findings.

In terms of statistical analysis, small sample sizes were a limiting factor in terms of statistical power, especially in analyses involving executive self-ratings. While some significant differences were detected using $\chi^2$ analysis, it may be that more differences would have been noted had the size of the executive group been larger. This limitation is a direct consequence of the fact that only one organization was being studied. This study focused on characteristics of this particular organization in order to suggest plans for improving and enhancing transformational leadership in that particular organization.
Future research that attempts to draw implications that apply to nonprofit organizations in general should collect responses from multiple nonprofit organizations to ensure adequate statistical power and enhanced generalizability.

**Delimitations**

As part of the process, this researcher excluded the participation of the executive director because there was only one executive director and, of course, anonymity could not be assured. Also, the data collection did not include the four assistant program administrators from the day habilitation program, the two coordinators of the prevocational services program, the residence managers, and the assistant managers. This group would have represented a major portion of the front-line management. These leaders were not included because the researcher elected to focus on the top three levels of the organization. The researcher also opted for anonymity as well as confidentiality in an effort to improve data integrity. With confidentiality only, the analysis would have been more granular and recommendations could have been more targeted. However, with anonymous data from executives or department heads, it was not possible to make comparisons between different department heads or executives. The data could be assigned to a group, such as executives, but not a particular executive. Anonymity, which enhanced the believability of the data, also made it impossible, for example, to know what the department heads or senior staff thought of their own direct and specific supervisors.

**Recommendations**

Where statistical significance was found, differences in perception can be said to exist among staff types and among self-ratings and the ratings of others. Regarding the
differences in perception between department heads and their executive leaders in reference to the leadership concepts of Modeling the Way and Challenging the Process; and between senior staff and their coworkers in reference to the leadership concept of Enabling Others to Act, it will be important to find the causes for these discrepancies and discover what they mean for leadership skills improvement planning.

Where statistical significance did not occur, perceptions appear to be aligned. Still, this situation can be a call for further investigation, planning, and action, depending simply upon the more concrete findings on the LPI itself. Of note in this regard were the overall results of LPI reports from all staff on executives, which indicated a need for the honing of some leadership skills. Further, the organization might benefit from a closer investigation into the reasons behind the relative lower impact levels reported by senior staff members on themselves on the leadership concepts of Modeling the Way, Inspiring a Shared Vision, and Challenging the Process. Finally, it may be enlightening to the organization to probe the anomalous relatively low-range reporting by senior staff members on their co-workers in reference to the leadership concept of Challenging the Process.

These results were unexpected on the part of the researcher and spoke to how one’s general perception versus tested perception may differ. It is critical that in leading one relies on a reliable and valid instrument as opposed to an untested sense of people’s leadership styles.

The research findings point to a need for leadership development in specific areas. The overall level of transformational leadership was reported to be present but relatively low. A number of interventions could to help increase the leadership skills of the
executives, senior staff, and department heads who perceived themselves as more transformational than the norm group but whose direct and indirect ratings indicated that transformational leadership skills in this organization were actually lower than in the norm group. It is clear that the organization’s management team could use some training on leadership to sharpen related skills. The agency needs to look at its leadership management training program, mentoring program, succession plan, and hiring process. Currently the agency does not have a formal management leadership program. Management training is provided on an as-needed basis rather than in a way that treats management development systematically. A management program should be created that focuses on helping the leaders develop self-evaluation and analysis skills so that they have a better “feel” for their actual level of practice of transformational leadership. One aspect of this might be regular, anonymous evaluations of leaders by their colleagues that are part of a leadership development program.

The agency would also be well served if it began to think and act strategically and tactically about leadership development. The leadership team is older and will soon be retiring. Identifying potential talent within the nonmanagerial staff and providing training that may prompt increased interest in leadership positions are two main options that should be explored. There is a need to form a change team with the distinct task of assessing the agency’s human resources infrastructure and to make recommendations for a plan of action to attract people who respond differently and adaptively to new market conditions.

A management training program through association or partnership with an area college, provided at the organization’s own site for ease of access, should also be
considered. The program should be tailored to provide needed training in some of the basic management functions as well as strategic planning and leadership execution. These types of programs already exist at other organizations. The program could be offered during off hours to accommodate work schedules and could be free of charge to employees. Currently the agency provides $1,200 per year for tuition reimbursement per employee. Many employees do not take advantage of this opportunity because they have to pay up front and are reimbursed later. Bringing a college course to the site would eliminate the need for such an arrangement; the organization would pay the instructor or college directly. This model could be cheaper and more effective.

Promoting clinicians and direct support professionals to management positions without training in key managerial areas is also a serious concern. The new regulatory and financial landscape in which nonprofit organizations operate requires strong leadership. Excellent clinical skills do not necessarily guarantee strong transformational leadership skills. The training department could be asked to formulate a plan to develop clinician leaders through an internal program and use of consultants. These leadership development opportunities could be offered to specific groups as well as those who report interest in leadership positions. This would build a pipeline of developing leaders to replace this organization’s aging management workforce. Mentoring is also a tool that can reinforce skills taught in the classroom and be an effective aid to professional development of transformational leaders.

In fact, the agency has a mentoring program that is in its infancy. The program has existed for one year. Staff were paired based on their interest and available expertise. It may be a good idea to take graduates of this program and immerse them in a leadership
development initiative, using them as mentors. This could be a way of pollinating the organization with people who have skills in guiding others. The mentoring program should not be for a finite time period and should extend over the tenure of the employee. Such continuous investment has the potential to yield measurable and desirable results.

Mentoring and coaching by current leaders and heightening the importance of this activity by making it into a performance measure may incentivize the leadership of the organization to pay more attention to leadership issues.

The agency should probably also engage routinely in a self-assessment, which would include administering the LPI to all its staff to identify areas of strength that may be used to pair potential mentors and mentees. At the same time, it will be cost effective if future training could be delivered in a targeted way to those who score low on particular areas of the LPI. Subsequent retesting using the LPI to determine the effectiveness of the training would also be helpful. Consideration should be given to possible use of the MLQ (MLQ: Bass & Avolio, 1989) as a way of triangulating the data from the LPI, which could possibly lead to different staff development decisions.

Finally, the organization’s hiring practices for managerial positions are geared toward those with clinical backgrounds. There is a need to recalibrate efforts to meet the needs that surfaced during this research, with an emphasis on identifying people with a disposition to leadership. This could be accomplished by administering the LPI to all applicants for managerial positions. Given that women tend to be more transformational then men, the organization should focus on recruitment of female executive staff because there are currently very few in leadership positions. The voice of women at the table could enhance the quality of leadership decisions, especially in light of the fact that they
represent a majority of the organization’s workforce. This may mean that the current
human resources manager, who is female, would need to take a more active role in the
screening of candidates, a task now executed by the director of human resources, a male.

Another need is to determine courses of action that could remediate some of the
perception misalignment and/or bring practice in line with perceptions, particularly self-
perceptions. One option would be to bring in a consultant with experience and
specialization in adult learning and leadership to work with management on issues of
staff empowerment.

Self-empowerment is a characteristic of transformational leaders. They help their
staff become self-empowered employees. The patterns of the LPI data collected in this
study suggest that while the organization’s leaders perceive themselves to be leading in
ways that encourage self-empowerment their colleagues and those who work for them do
not always agree with that perception. Training in the ideas and methods of self-
empowerment might increase the skills of leaders in this area. There is also a need to
explore the use of transformational leadership within the field of developmental
disabilities on a more comprehensive scale to include multiple organizations with focus
on executive directors as well as front-line managers. In addition, Kouzes, Posner, and
Drucker (2003) believe that everyone has the capacity to be a leader, and leaders can be
found at all levels of organizations. It would thus be informative to conduct this type of
study with nonmanagerial staff to determine the presence of transformational leadership
within a diverse group of employees. Also, in New York State, people with
developmental disabilities are served primarily through two major venues—day and
residential services—and it makes sense that studies be done in these specific settings.
Leadership skills needed may be different as the needs and challenges to both staff and service recipients are so different in the two venues. The literature on transformational leadership is very thin in this area, yet this is a multibillion dollar industry in New York; the need for reform may require a paradigm shift and transformational leadership may be one possible option for facilitating that change.

Conclusion

The researcher administered the LPI to members of the supervisory rank at a nonprofit organization serving clients with developmental disabilities to determine the presence of transformational leadership within that organization. The researcher ensured anonymity as a protective measure, and as a preventive measure to reduce the likelihood of collecting inaccurate data because of his position as an executive in the organization. The research was done in phases to reduce testing fatigue. Three distinct supervisory levels were assessed: executive staff, senior staff, and department heads. They represented key components of the organization and were responsible for an annual budget of over 50 million dollars. The organization’s core business includes many group homes, a school and three major day habilitation programs. The organization employs over 700 people and supports approximately 800 children and adults in these settings. The LPI is often used to assess leadership and has many desirable features, including strong reliability and validity data as well as ease of scoring and interpreting. In total, 33 of the key agency management personnel participated in the study while 5 did not, for various reasons including prior commitments for the times the surveys were completed, vacation, and illness. The research revealed that across the board, the management rank was perceived as practicing transformational leadership. However self-rating scores were
higher than in the norm data for the LPI and within the organization ratings by coworkers, direct report and others were typically lower than self-ratings. The general sense was that while transformational leadership was in use at the organization, it was generally being practiced below the middle of the spectrum, if one is to consider the evaluations by all but self. Statistically significant differences were found in self-ratings when compared to the norm data in subscales such as model the way, inspire shared vision, and enable others to act. Differences between coworker ratings and self-ratings were statistically significant on the following subscale: model the way, challenge the process, and enable others to act. All those differences indicated significantly higher self-ratings.

Direct report ratings were statistically significant compared to the norm group data on all five subscales: model the way, challenge the process, enable others to act, inspire shared vision, and embrace the heart. In each case the self-ratings were higher than those from the norm group. Finally, the ratings of others, while varying somewhat from the norm group on all subscales, were not statistically different. The pattern indicated that self-assessment tended to be higher than all sources of ratings. It was also clear that department heads saw the executive staff on two major subscales—model the way and challenge the process—in a significantly different way. The department heads felt that executive staff tended not to model the way at as high a level as the executive staff rated themselves. The department heads also perceived the executive staff as challenging the process more than the executive staff thought that of themselves. This was the only instance of a significantly higher rating by other staff when compared to self-ratings. Finally, on the subscale of enable others to act the senior staff viewed their
coworkers as being less transformational than they did of themselves. A parallel trend was seen with executive staff for the same subscale.

In conducting this study, and in daily work at the organization, this researcher has verified on a daily basis the observation of Bennis and Nanus that “managers know how to do things right while leaders do the right thing” (1985 p. 221). The agency is full of supervisory staff who do things right; it needs to develop people who are committed to doing the right thing. In this environment, doing things right is not sufficient. As NASD moves forward, and grows, there is a need for supervisory personnel to grow with it. This means becoming leaders that inspire and promote a culture of ethics and discretionary effort for the common good of both staff and clients.
References


Appendix A
NASD Organizational Structure
Appendix A: NASD Organizational Structure

Executive, Senior Management & Department Head

Executive Director

Executive Staff
Associate Executive Director (Executive)
Chief Financial Officer (Executive)
Director of HR (Executive)
Director of Quality Assurance (Executive)

Senior Staff
Director of Adult Services (Senior Staff)
Director of Speech & Communication (Senior Staff)
Director of Residential Services, Bronx (Senior Staff)
Director of Clinical Services (Senior Staff)
Director of Residential Services, Westchester (Senior Staff)
Director of Family & Social Services (Senior Staff)
Director Fund Raising & Public Relations (Senior Staff)

Department Head

Administration
Billing Manager (Department Head)
Program Development Specialist (Department Head)
Payroll Manager (Department Head)
IT Manager (Department Head)
Director of Purchasing (Department Head)
Budget and Contract Analyst (Department Head)
Coordinator of Training and Investigations (Department Head)
Accounting Manager (Department Head)

Operations
Director of Curriculum & Development (Department Head)
Director of Transportation (Department Head)
Director of Psychological Services (Department Head)
Registered Dietician (Department Head)
Program Administrator, DT Bronx (Department Head)
Director of Health Services (Department Head)
Program Administrator, Southern Blvd (Department Head)
Area Coordinator (Department Head)
Area Coordinator (Department Head)
Area Coordinator (Department Head)
Human Resources Manager (Department Head)
Maintenance Manager (Department Head)
Program Administrator, DT Westchester (Department Head)
Director of Billing (Department Head)
Director of Security (Department Head)
MSC Supervisor (Department Head)
Director of Children’s Services (Department Head)
Area Coordinator (Department Head)
Appendix B
Leadership Practices Inventory–Self
Appendix B Leadership Practices Inventory—Self

INSTRUCTIONS

Write your name in the space provided at the top of the next page. Below your name, you will find thirty statements describing various leadership behaviors. Please read each statement carefully, and using the RATING SCALE on the right, ask yourself:

“How frequently do I engage in the behavior described?”

- Be realistic about the extent to which you actually engage in the behavior.
- Be as honest and accurate as you can be.
- DO NOT answer in terms of how you would like to behave or in terms of how you think you should behave.
- DO answer in terms of how you typically behave on most days, on most projects, and with most people.
- Be thoughtful about your responses. For example, giving yourself 10s on all items is most likely not an accurate description of your behavior. Similarly, giving yourself all 1s or all 0s is most likely not an accurate description either. Most people will do some things more or less often than they do other things.
- If you feel that a statement does not apply to you, it’s probably because you don’t frequently engage in the behavior. In that case, assign a rating of 3 or lower.

For each statement, decide on a response and then record the corresponding number in the box to the right of the statement. After you have responded to all thirty statements, go back through the LPI one more time to make sure you have responded to each statement. Every statement must have a rating.
Leadership Practices Inventory

To what extent do you typically engage in the following behaviors? Choose the response number that best applies to each statement and record it in the box to the right of that statement.

1. I set a personal example of what I expect of others.
2. I talk about future trends that will influence how our work gets done.
3. I seek out challenging opportunities that test my own skills and abilities.
4. I develop cooperative relationships among the people I work with.
5. I praise people for a job well done.
6. I spend time and energy making certain that the people I work with adhere to the principles and standards we have agreed on.
7. I describe a compelling image of what our future could be like.
8. I challenge people to try out new and innovative ways to do their work.
9. I actively listen to diverse points of view.
10. I make it a point to let people know about my confidence in their abilities.
11. I follow through on the promises and commitments that I make.
12. I appeal to others to share an exciting dream of the future.
13. I search outside the normal boundaries of my organization for innovative ways to improve what we do.
14. I treat others with dignity and respect.
15. I make sure that people are creatively rewarded for their contributions to the success of our projects.
16. I ask for feedback on how my actions affect other people’s performance.
17. I show others how their long-term interests can be realized by enlisting in a common vision.
18. I ask, “What can we learn?” when things don’t go as expected.
19. I support the decisions that people make on their own.
20. I publicly recognize people who exemplify commitment to shared values.
21. I build consensus around a common set of values for running our organization.
22. I paint the “big picture” of what we aspire to accomplish.
23. I make certain that we set achievable goals, make concrete plans, and establish measurable milestones for the projects and programs that we work on.
24. I give people a great deal of freedom and choice in deciding how to do their work.
25. I find ways to celebrate accomplishments.
26. I am clear about my philosophy of leadership.
27. I speak with genuine conviction about the higher meaning and purpose of our work.
28. I experiment and take risks, even when there is a chance of failure.
29. I ensure that people grow in their jobs by learning new skills and developing themselves.
30. I give the members of the team a lot of appreciation and support for their contributions.

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Appendix C
Leadership Practices Inventory–Self (Modified)
Appendix C: Leadership Practices Inventory–Self (Modified)

1. I set a personal example of what I expect of others.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

2. I talk about future trends that will influence how our work gets done.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

3. I seek out challenging opportunities that test my own skills and abilities.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

4. I develop cooperative relationships among the people I work with.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

5. I praise people for a job well done.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

6. I spend time and energy making certain that the people I work with adhere to the principles and standards we have agreed on.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

7. I describe a compelling image of what our future could be like.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

8. I challenge people to try out new and innovative ways to do their work.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always

9. I actively listen to diverse points of view.
   - Almost Never
   - Rarely
   - Seldom
   - Once in a while
   - Occasionally
   - Sometimes
   - Fairly Often
   - Usually
   - Very Frequently
   - Almost Always
10. I make it a point to let people know about my confidence in their abilities.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

11. I follow through on the promises and commitments that I make.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

12. I appeal to others to share an exciting dream of the future.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

13. I search outside the formal boundaries of my organization for innovative ways to improve what we do.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

14. I treat others with dignity and respect.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

15. I make sure that people are creatively rewarded for their contributions to the success of our projects.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

16. I ask for feedback on how my actions affect other people’s performance.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

17. I show others how their long-term interests can be realized by enlisting in common vision.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

18. I ask “What can we learn?” when things don’t go as expected.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

19. I support the decision that people make on their own.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always

20. I publicly recognize people who exemplify commitment to shared values.
   1 Almost Never  2 Rarely  3 Seldom  4 Once in a while  5 Occasionally  6 Sometimes  7 Fairly Often  8 Usually  9 Very Frequently  10 Almost Always
21. I build consensus around a common set of values for running our organization.

22. I paint the “big picture” of what we aspire to accomplish.

23. I make certain that we set achievable goals, make concrete plans, and establish measurable milestones for the projects and programs that we work on.

24. I give people a great deal of freedom and choice in deciding how to do their work.

25. I find ways to celebrate accomplishments.

26. I am clear about my philosophy of leadership.

27. I speak with genuine conviction and the higher meaning and purpose of our work.

28. I experiment and take risks, even when there is a chance of failure.

29. I ensure that people grow in their jobs by learning new skills and developing themselves.

30. I give the members of the team lots of appreciation and support for their contributions.
Appendix D
Leadership Practices Inventory–Observer
Appendix D: Leadership Practices Inventory–Observer

INSTRUCTIONS
You are being asked by the person whose name appears at the top of the next page to assess his or her leadership behaviors. Below the person’s name you will find thirty statements describing various leadership behaviors. Please read each statement carefully, and using the RATING SCALE on the right, ask yourself:

“How frequently does this person engage in the behavior described?”

When selecting your response to each statement:
- Be realistic about the extent to which this person actually engages in the behavior.
- Be as honest and accurate as you can be.
- Do NOT answer in terms of how you would like to see this person behave or in terms of how you think he or she should behave.
- DO answer in terms of how this person typically behaves on most days, on most projects, and with most people.
- Be thoughtful about your responses. For example, giving this person 10s on all items is most likely not an accurate description of his or her behavior. Similarly, giving someone all 1s or all 5s is most likely not an accurate description either. Most people will do some things more or less often than they do other things.
- If you feel that a statement does not apply, it’s probably because you don’t see or experience the behavior. That means this person does not frequently engage in the behavior, at least around you. In that case, assign a rating of 3 or lower.

For each statement, decide on a response and then record the corresponding number in the square to the right of the statement. After you have responded to all thirty statements, go back through the LPI one more time to make sure you have responded to each statement. Every statement must have a rating.

The RATING SCALE runs from 1 to 10. Choose the number that best applies to each statement.

1 = “Almost Never”
2 = “Rarely”
3 = “Seldom”
4 = “Occasionally”
5 = “Sometimes”
6 = “Frequently”
7 = “Very Frequently”
8 = “Almost Always”

When you have completed the LPI-Observer, please return it to:

__________________________

Thank you.
Name of Leader: ______________________

I (the Observer) am this leader's (check one):  [ ] Manager  [ ] Direct Report  [ ] Co-Worker  [ ] Other

To what extent does this leader typically engage in the following behaviors? Choose the response number that best applies to each statement and record it in the box to the right of that statement.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1.</td>
<td>Sets a personal example of what he/she expects of others.</td>
</tr>
<tr>
<td>2.</td>
<td>Talks about social values that will influence how our work gets done.</td>
</tr>
<tr>
<td>3.</td>
<td>Seeks out challenging opportunities that test his her own skills and abilities.</td>
</tr>
<tr>
<td>4.</td>
<td>Develops trusting relationships among the people he/she works with.</td>
</tr>
<tr>
<td>5.</td>
<td>Recognizes people for getting things done.</td>
</tr>
<tr>
<td>6.</td>
<td>Describes a compelling image of what our future could be like.</td>
</tr>
<tr>
<td>7.</td>
<td>Challenges people to try out new and innovative ways to do their work.</td>
</tr>
<tr>
<td>8.</td>
<td>Actively listens to diverse points of view.</td>
</tr>
<tr>
<td>9.</td>
<td>Makes it a point to let people know about his/her confidence in their abilities.</td>
</tr>
<tr>
<td>10.</td>
<td>Follows through on promises and commitments to the people he/she works with.</td>
</tr>
<tr>
<td>11.</td>
<td>Accepts responsibility for making things happen.</td>
</tr>
<tr>
<td>12.</td>
<td>Removes what gets in the way.</td>
</tr>
<tr>
<td>13.</td>
<td>Seeks others with humility and respect.</td>
</tr>
<tr>
<td>14.</td>
<td>Appreciates the contributions to our success.</td>
</tr>
<tr>
<td>15.</td>
<td>Asks for feedback on how his/her actions affect other people's performance.</td>
</tr>
<tr>
<td>16.</td>
<td>Shows others how their long-term interests can be realized by enlisting in a common vision.</td>
</tr>
<tr>
<td>17.</td>
<td>Seeks &quot;what can we learn?&quot; when things don't go as expected.</td>
</tr>
<tr>
<td>18.</td>
<td>Supports the decisions that people make on their own.</td>
</tr>
<tr>
<td>19.</td>
<td>Publicly recognizes people who exemplify commitment to shared values.</td>
</tr>
<tr>
<td>20.</td>
<td>Builds consensus around a common set of values for running our organization.</td>
</tr>
<tr>
<td>21.</td>
<td>Points the &quot;big picture&quot; of what we aspire to accomplish.</td>
</tr>
<tr>
<td>22.</td>
<td>Makes certain that we set achievable goals, make concrete plans, and establish measurable milestones for the projects and programs that we work on.</td>
</tr>
<tr>
<td>23.</td>
<td>Gives people a great deal of freedom and choice in deciding how to do their work.</td>
</tr>
<tr>
<td>24.</td>
<td>Finds ways to celebrate accomplishments.</td>
</tr>
<tr>
<td>25.</td>
<td>Is clear about his/her philosophy of leadership.</td>
</tr>
<tr>
<td>26.</td>
<td>Speaks with genuine conviction about the higher meaning and purpose of our work.</td>
</tr>
<tr>
<td>27.</td>
<td>Experiment and takes risks, even when there is a chance of failure.</td>
</tr>
<tr>
<td>28.</td>
<td>Ensures that people grow in their jobs by learning new skills and developing themselves.</td>
</tr>
<tr>
<td>29.</td>
<td>Gives the members of the team lots of appreciation and support for their contributions.</td>
</tr>
</tbody>
</table>

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Appendix E:
Leadership Practices Inventory–Observer (Modified)
Appendix E: Leadership Practices Inventory—Observer (Modified)

To what extent does this leader typically engage in the following behaviors? Choose the response number that best applies to each statement and record it in the box to the right of that statement.

He or She:

1. Sets a personal example of what he/she expects of others.

2. Talks about future trends that will influence how our work gets done.

3. Seeks out challenging opportunities that test his/her own skills and abilities.

4. Develops cooperative relationships among the people he/she works with.

5. Praises people for a job well done.

6. Spends time and energy making certain that the people he/she works with adhere to the principles and standards that we have agreed on.

7. Describes a compelling image of what our future could be like.
8. Challenges people to try out new and innovative ways to do their work.

9. Actively listens to diverse points of view.

10. Makes it a point to let people know about his/her confidence in their abilities.

11. Follows through on promises and commitments he/she makes.

12. Appeals to others to share an exciting dream of the future.

13. Searches outside the formal boundaries of his/her organization for innovative ways to improve what we do.

14. Treats others with dignity and respect.

15. Makes sure that people are creatively rewarded for their contributions to the success of projects.

16. Asks for feedback on how his/her actions affect other people’s performance.

17. Shows others how their long-term interests can be realized by enlisting in a common vision.

18. Asks “What can we learn?” when things don’t go as expected.
19. Supports the decisions that people make on their own.
   

20. Publicly recognizes people who exemplify commitment to shared values.
   

21. Builds consensus around a common set of values for running our organizations.
   

22. Paints the “big picture” of what we aspire to accomplish.
   

23. Makes certain that we set achievable goals, make concrete plans, and establish measurable milestones for the projects and programs that we work on.
   

24. Gives people a great deal of freedom and choice in deciding how to do their work.
   

25. Finds ways to celebrate accomplishments
   

26. Is clear about his/her philosophy of leadership.
   

27. Speaks with genuine conviction about the higher meaning and purpose of our work.
   

28. Experiments and takes risks, even when there is a chance of failure.
   

29. Ensures that people grow in their jobs by learning new skills and developing themselves.
30. Gives the members of the team lots of appreciation.

1  Almost Never  2  Rarely  3  Seldom  4  Once in a while  5  Occasionally  6  Sometimes  7  Fairly Often  8  Usually  9  Very Frequently  10  Almost Always