**A QUANTITATIVE STUDY OF LEADERSHIP STYLE AND CHURCH**

**ORGANIZATIONAL CULTURE**

by

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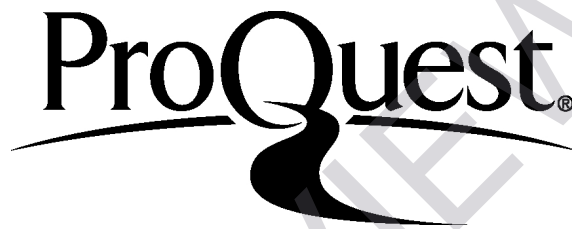
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**Abstract**

The purpose of this correlational study was to examine the nature of the relationship between leadership style and organizational culture in the local Protestant church. In order to explore whether there was a relationship between leadership style and organizational culture, church members were recruited using SurveyMonkey Audience, which is a web-based research company under the umbrella of SurveyMonkey. Canonical correlation was used to explore the following research question: What are the relationships between the canonical variate of leadership style (comprised of the variables transactional leadership, transformational leadership, and laissez-faire leadership as measured by the MLQ) among local church pastors and the canonical variate of organizational culture (comprised of the variables adhocracy culture, clan culture, hierarchy culture, and market culture as measured by the OCAI) in the local church? The data for this research study was analyzed in three stages: descriptive statistics, reliability statistics and, canonical correlation. This results of this study showed that there is a relationship between leadership style and organizational culture in a not-for-profit setting such as the local Protestant church. The findings revealed that the transformational leadership style primarily influenced a clan organizational culture. The information from this study can be used to improve leadership development program and pastor effectiveness.

**Dedication**

This dissertation is dedicated to memory of my parents, Simon Sr. and Lillian James. This journey has truly been bittersweet. I started this journey as a distraction because my father had fallen ill. When he passed away, I had to find my why to continue. I ended this journey just before my mother passed away. I am grateful that she knew I finished before she made her transition.

My father was the smartest man I knew even though he had a third grade education. He was always reading, watching the news, or otherwise expanding his knowledge of past and current events. My mother had an eleventh grade education because she dropped out of school when she married my father. I saw my mother return to school to obtain her GED and later become a CNA. Because of my parents example, hard work, dedication, and sacrifice my siblings and I have been blessed with opportunities that were not available to them. It is because of the foundation of faith that my parents provided that I was able to complete this journey and be an example to my children. My parents will always live on in my heart as I continue to "lift up mine eyes unto the hills, from whence cometh my help" Psalms 121:1.

wealth of information and expertise in my field of study. I really appreciate you challenging and stretching me beyond what I thought was possible. Lastly, I want to thank you for encouraging me to continue my research. I would also like to thank my dissertation committee members, Dr. Robert Erickson and Dr. Patricia Easley for your valuable feedback. Dr. Easley, I really appreciated you checking in with me during the writing process and encouraging me through completion. It meant more than you will ever know.

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## CHAPTER 1. INTRODUCTION

### Introduction

The pastor of a local church fills many roles including preacher, teacher, counselor, social activist, and others, but the most important role that the pastor has is the leader of their congregation (Carter, 2009; Cohall & Cooper, 2010; McKenna, Yost, & Boyd, 2007). The pastor's use of the different leadership styles makes it possible to shape the organizational culture of the church (Barna Group, 2009). Leadership and culture are closely related as it is the leader who defines, forms, and shapes the culture of the organization by infusing their own values, beliefs, and assumptions into a vision of what the organization should look like (George, Sleeth, & Siders, 1999). According to Schein (2004), "leadership and culture are two sides of the same coin" (p. 1). The problem is that leadership style and organizational culture have not been studied together in the not-for-profit setting, such as the local church. The pastor's leadership style has a significant influence on the members, the community served by the church, and the organizational culture of the church. This study is important because the Protestant church is facing issues such as decreased membership and the pastor's inability to effectively lead (Barna Group, 2009; McKenna & Eckard, 2009). This study will explore the impact of the senior pastor's leadership style on the organizational culture of local Protestant churches in the United States. For the purpose of this study, the leadership styles for deliberation are transactional leadership, transformational leadership, and laissez-faire leadership and the

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organizational culture type for contemplation are adhocracy culture, clan culture, hierarchy culture, and market culture.

This study will use two valid and reliable instruments, the Multifactor Leadership Questionnaire (MLQ) and the Organizational Culture Assessment Instrument (OCAI). The MLQ , develop by Bass and Avolio (2004) with the purpose of measuring a broad range of leadership types will be used to assess transactional leadership, transformational leadership, and laissez-faire leadership. The OCAI was created by Cameron and Quinn (2006) and is based on the four organizational culture types that emerged from a model called the competing values framework (CVF) which are: adhocracy culture, clan culture, hierarchy culture, and market culture. Both instruments have been used extensively in various organizations such as university libraries, international corporations, and city government. There is little empirical research and no scholarly research using both instruments in a not-for-profit setting such as the local Protestant church.

The following chapters focus on the literature reviewed for this study, methodology, results, and concludes with discussion, implications, and recommendations. The remainder of chapter one consists of the background of the study, statement of the problem, purpose of the study, rationale, research question, significance of the study, definition of terms, limitations and assumptions, and nature of the study.

## Background of the Study

Leadership and leadership styles have been studied extensively in the last century. "Leadership style is the behavior pattern used by [the] leader to resolve the organizational issues" (Awan & Mahmood, 2010, p. 256). Kurt Lewin and his associates conducted the first study on behavioral theories of leadership that yielded three leadership styles:

democratic, autocratic, and laissez-faire (Awan & Mahmood, 2010; Lewin, Lippitt, & White, 1939). Max Weber (1947) then identified the components of bureaucratic and charismatic leadership that Burns (1978) later coined as transactional and transformational leadership. All leaders will use different leadership styles at some point in their leadership role. If leaders understand each of the leadership styles and its impact on an organization, the leader can be more effective (Awan & Mahmood, 2010). Effective leadership is essential and contributes considerably to the success or failure of any organization (Lok & Crawford, 2004).

Transactional, transformational, and laissez-faire leadership are just a few of the leadership styles used by leaders. Transactional leadership and transformational leadership are considered to be at opposite ends of a continuum. The transactional leader is strict and adheres to the rules while the transformational leader inspires others to buy into the vision of the organization (De Hoogh, Den Hartog, & Koopman, 2005). Laissez-faire leadership is leadership without responsibility (Hinkin & Schriesheim, 2008).

Schein (2004) stated that, "leadership and culture are two sides of the same coin" (p. 1) but leadership has been studied much more extensively than organizational culture. Organizational culture has been studied across different subjects by both scholars and practitioners since the 1980s. Organizational culture has been discussed in organizational behavior, organizational effectiveness, and organizational theory and a common thread is that there is no solid theoretical foundation for the canonical variate because it means different things across an array of disciplines (Allaire & Firsirotu, 1984; Dull, 2010).

There are several definitions of organizational culture in the literature (Lok, Westwood, & Crawford, 2005). Schein (2004) defines organizational culture as "a pattern

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of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems" (p. 17). Grieves (2000) defined organizational culture as the learned behavior traits, beliefs and characteristics of the organization's members (p. 367). Organizational culture has also been defined as a set of norms, rituals, attitudes, and practices that are dictated by the policy and procedures of the organization (Jung et al., 2009; Schein, 2004; Tellis, Prabhu, & Chandy, 2009). The working definition for the purpose of this study is that organizational "culture is the shared understanding of an organization's employees – how we do things around here. These beliefs, values, norms and philosophies determine how things work" (Wallach, 1983, p. 29). This study will examine the relationship between the pastors' leadership style and the organizational culture of the local church.

One way of understanding an organization's culture is the competing values framework (CVF) which is a commonly used framework that was developed from research conducted on organizational effectiveness (Cameron & Quinn, 2006; Quinn & Rohrbaugh, 1983). The CVF is a reliable framework that has been validated through its extensive use in research studies such as Boggs and Fields (2010), Cameron and Quinn (2006), Igo and Skitmore (2006), and Ramachandran, Chong and Ismail (2011) on organizational culture in various types of organizations. The CVF is an effective theoretical model because it has narrowed and focused the dimensions of organizational culture that can be used in various organizations because human beings have inherent fundamental similarities (Cameron & Quinn, 2006). The CVF is also the theoretical

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framework that was used to create the Organizational Cultural Assessment Instrument (OCAI), which is an instrument that was created by Cameron and Quinn (2006) to diagnose organizational culture.

## Statement of the Problem

Leadership and leadership styles have been studied in a variety of for-profit organizations but there has been little research in not-for-profit organizations, such as the local church (Adeyemi-Bello, 2001). Leadership is very important to the success of any organization, whether it is a for-profit organization or a not-for-profit organization (Awan & Mahmood, 2010; Lemler, 2010; Rowold, 2008). Leadership is important in the local church because the church has a significant impact in the lives of those who attend the church as well as in those who live in the community served by the local church (Perkins & Fields, 2010). In the local church, the pastor is the organizational and spiritual leader, in addition to functioning as preacher, teacher, social activist, and counselor. The pastor has to be able to use a variety of leadership styles in order to lead effectively (McKenna et al., 2007). The pastor of the local church may not have the leadership skills, training, or knowledge of leadership or of the different leadership styles to lead effectively because it was not a part of their theological education or background (Duvall & Pinson, 2001; Irwin & Roller, 2000). The pastor's leadership style may have an influence on the organizational culture of the local church. The pastor's leadership style may also impact the members of the church as well as those who live in the community served by the local church. This study will examine the impact that the senior pastor's leadership style has on the organizational culture of the local church. Additionally, there has been very little empirical research and no scholarly evidence to show the quantitative relationships

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between leadership style and organizational culture in a not-for-profit organization such as the local church.

## Purpose of the Study

The purpose of this correlational study is to examine the nature of the relationship between the canonical variates of leadership style and the organizational culture of the local church. The canonical variate of leadership style will include transactional leadership, transformational leadership, and laissez-faire leadership as measured by the Multifactor Leadership Questionnaire (MLQ). The canonical variate of organizational culture will include adhocracy culture, clan culture, hierarchy culture, and market culture as measured by the Organizational Culture Assessment Instrument (OCAI).

This study is important as a means to examine local church congregant's perception of leadership style in an effort to understand the influence of the pastor's leadership style on the dominant organizational culture of the local church. The canonical variates used in this study have been explored in university libraries, international corporations and city government (Awan & Mahmood, 2010; Dull, 2010; Lok & Crawford, 2004). This information will also be beneficial for leadership training programs by helping leaders understand leadership styles and their effect on the organizational culture and how maneuvering through the leadership styles based on the situation can directly influence the creation and maintenance of a strong organizational culture. Transactional leadership, transformational leadership, and laissez-faire leadership are the independent variables that comprise the canonical variate of leadership style. Leadership style is defined as a set of processes or behaviors and attitudes that contribute to the overall effectiveness of the organization (Kippenberger, 2002). Adhocracy culture,

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clan culture, hierarchy culture, and market culture are the dependent variables that comprise the canonical variate of organizational culture. Organizational "culture is the shared understanding of an organization's employees – how we do things around here. These beliefs, values, norms and philosophies determine how things work" (Wallach, 1983, p. 29).

## Rationale

The rationale behind this study is to explore two topics that have been covered extensively in the literature, leadership style and organizational culture, but that have not been studied together in not-for-profit organizations such as the local church. Canonical correlation is appropriate for this study because it is a multivariate statistical method that permits the concurrent evaluation of multiple variables as opposed to multiple tests (Sherry & Henson, 2005). Even though researchers have explored leadership and culture together, there is still some controversy about the nature of their relationship (Schein, 2004). In searching the existing scholarly literature, the canonical variates of leadership style and organizational culture have been studied in the traditional for-profit business setting, but both canonical variates have not been applied to the local church.

The pastor is much more than the leader of the congregation, they also function as a preacher, counselor, confidant, and social activist in the church and in the community where the church is located (Carter, 2009; Cohall & Cooper, 2010; McKenna et al., 2007). This study is relevant because the role of the pastor is so varied and there is a need to effectively navigate through the different leadership styles to adjust to the needs of the congregation and the community. This study adds to the organizational literature by