

A Qualitative Look at Authentic Leadership
in Nonprofit Arts Organizational Outcomes

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The value of the arts in society is clear. The arts provide community connectedness and live interaction which strengthens social bonds, leading to lifestyle enrichment and community affiliation (Iyengar, Bradshaw, Nichols, & National Endowment for the Arts. Research Division, 2009; Markusen & Gadwa, 2010). As an economic engine, the arts are quite valuable. In the United States, the arts generate more than \$166 billion in economic activity, nearly \$30 billion in tax revenues, and almost six million full-time equivalent jobs on an annual basis (Lynch, 2006).

Nonprofit arts organizations identify strategic planning as a crucial element of strong organizational leadership (Rhine, 2006) and see the key to successful leadership as an ability to bring stakeholders together to develop an organizational future (Bass & Steidlmeier, 1999). A contextual definition of strategic thinking states that it is a process whereby relevant information and ideas are exchanged, collected, generated, interpreted, and assessed to guide an organization's views, mission statement, and goals. It is often considered a primary function of leadership (Rhine, 2006) and results must work toward formulating a competitive advantage that is timely, feasible, and sustainable (Hughes & Beatty, 2005).

Because the arts are service driven, the perceptions of stakeholders who manage or participate in that service such as volunteers, management staff, and directors, often yield valuable observations into organizational outcomes such as declining attendance, decreases in arts education, and diminishing public and private funding which directly impacts nonprofit organizations on multiple levels. Bryson and Alston (2005) note that a

major process within strategic planning should include bringing stakeholders together to specifically address a declining demand for programs or services. In this instance, strategic planning is used as a pivotal aspect of leadership in support of nonprofit fine and performing arts organizations.

Nonprofit organizations base evaluations of effectiveness on both financial performance as well as growth and development of intellectual capital (Fletcher, Guthrie, Steane, Roos, & Pike, 2003). The latter develops through the actions and the perceptions of stakeholders toward an organization's management and the strategy thereof (Fletcher et al., 2003). Administrative effectiveness in nonprofit organizations is a social construct driven by the influence and perception of stakeholders (Herman & Renz, 2008). On a reflective basis, and considering the circular nature of noted outcomes, appropriate management of stakeholder perception and strategy then appear to have a direct connection to nonprofit organizational effectiveness (Fletcher et al., 2003), therefore, it is incumbent on leadership to encourage, focus, and develop stakeholder perceptions of effectiveness (Herman & Renz, 2008). Management best practices differ by type of organization (Herman & Renz, 2000, 2008) and long-term strategic planning also varies significantly by organizational designation (Bryson, Crosby, & Bryson, 2009). Research on nonprofits management is generally judged to be inadequate (Fletcher et al., 2003), just as strategic planning as a leadership function within nonprofit arts organizations has been neglected in literature. This research provides new insight.

Strategic Planning and Performance Outcomes

The progression from leadership style to strategy is the first part of the process leading to outcomes (Bryson, 2004). The second step is the process of strategic planning

and an assessment of potential effects on outcomes at nonprofits (Crittenden, Crittenden, Stone, & Robinson, 2004). Studies have demonstrated a positive correlation between strategic planning and its outcomes in nonprofits, and the need for the development of a successful strategic planning model for nonprofit organizations (Crittenden et al., 2004).

As nonprofit organizations, by definition, cannot be measured by the concept of profitability. The study presented herein considered performance measurements in terms of resource input, executive satisfaction, volunteerism, financial resources (earned and unearned), and a change in service, activity, and product offerings (Crittenden et al., 2004). It has been hypothesized that increased resources equates to increased effectiveness. Such an assumption is in line with the research that considers the increasing of resources a positive outcome of strategic planning at nonprofit arts organizations.

Organizational Outcomes as Related to Nonprofit Arts Organizations

To verify the supposition that strategic planning influences organizational outcomes, Crittenden et al. (2004) distributed questionnaires to a random sample of multiple nonprofits to determine if a relationship existed between strategic planning variables and predetermined effectiveness measures (resources). The strategic planning variables were then loaded, using factor analysis, into ten factors. The results of the questionnaire were held against the performance outcomes in a canonical analysis (Crittenden et al., 2004).

The findings of the study suggested several interesting points. First, the authors found a positive association between the scope of planning and the satisfaction of executives of nonprofits, suggesting that executives demonstrated pleasure at strategic

planning activities that were well organized and at a complete, or near complete, point in the process. Secondly, a laissez-faire leadership style negatively influenced volunteerism and the provision of services, activities, or products, although a positive correlation was noted between administrative informality and executive satisfaction. These paired responses suggest an increase in volunteer and organization participation when the strategic planning process was informal and inclusive, but that leaders preferred a process that also provided them with greater autonomy and control.

The relevance of these findings for the current research is important because it was conducted to find ways to improve leadership in the strategic planning process at nonprofit arts organizations. The 2004 study implies that a mismatch exists between leadership style and that which is most effective for strategic planning (Crittenden et al., 2004).

The study did recognize, however, a need for improved performance measures as in the case of the satisfaction survey. The study also noted that, “Certain nonprofit fields or organization forms may be affected differently by stakeholder influence and/or funding sources and that these differences may not be readily apparent in an aggregated study of this scale” (Crittenden et al., 2004, p. 100). This notion suggests that the research topic presented can help fill the gap by focusing tightly on nonprofit arts organizations in relation to nonprofits in general, and further intimates that the satisfaction survey, with regards to strategic planning outcomes, provides for the greatest clarity.

Strategic Planning and Organizational and Leadership Evaluation

Empirical evidence referencing nonprofit organizational and leadership evaluation practices provides a detailed overview of the process of evaluation, including the strategic planning process and evaluation measures that feed into it with regard to non-arts based nonprofits. Because the strategic planning process builds on lengthy and detailed organizational and leadership evaluation (Bryson, 2004; Fairholm, 2009), this research requires some theoretical background on how stakeholders view organizational evaluation (Bryson et al., 2009). Carman and Fredericks (2008) produced such a study.

The Carman and Fredericks (2008) study specifically examined various levels of evaluation at non-arts-based nonprofits. Their examination provided great insight into strategic planning processes. Their factor analysis of the attitudes of personnel toward evaluation processes at the studied nonprofits resulted in three loaded pillars: Evaluation that is seen as draining resources and distracting, evaluation that is seen as a means for promoting the organization externally, and evaluation that functions as a strategic management tool (Carman & Fredericks, 2008). The latter of the three gives clarity for how strategic evaluation is occurring at non-arts based nonprofits as well as how they define strategic planning and its usefulness in leadership evaluation.

One of the most prescient connections to the topic is the notion that stakeholders will demonstrate greater satisfaction if they are involved in the strategic planning process (Bryson, 2004). It appears that inclusive leadership is most effective in implementing strategic planning (Ruvio, Rosenblatt, & Hertz-Lazarowitz, 2010), that strategic planning is linked to organizational success in nonprofits (Crittenden et al., 2004), and that strategic planning requires effective organizational and leadership evaluation from stakeholders (Carman & Fredericks, 2008).

Background

The focus of the current study presented herein is based on research concerning the perceptions of how organizational outcomes are affected by strategic planning and perceived leadership style and whether said leadership style was deemed to exhibit authenticity and a willing, open approach inclusive of stakeholder concerns, or if the effort was seen as independent and more imperceptive. A traditional definition of an authentic leader is one who exhibits the qualities of being true to oneself and their unique values, morals, and beliefs, while being ethically accountable to the collective group, assimilating collective ideas, visions, and goals, and empowering stakeholders to own a stake in the process. Authentic leadership is a psychological contract of sorts which influences organizational context and promotes self-awareness on the part of individual members.

As part of a broader study examining stakeholder perceptions as a means to improve nonprofit arts outcomes such as expanded arts education and increased revenue streams, stakeholder perceptions were examined regarding the interaction of authentic leadership and strategic planning. In this study, the specific questions addressed were:

RQ1: What do stakeholders observe about the interaction between authentic leadership and organizational outcomes in nonprofit fine and performing arts organizations in the metropolitan area of Detroit, Michigan?

RQ2: What do stakeholders observe about the interaction between strategic planning and organizational outcomes in nonprofit fine and performing arts organizations in the metropolitan area of Detroit, Michigan?

Methodology

This was an exploratory single case study of organizational stakeholders utilizing telephone interviews for data collection. This process allowed for the abstraction of ideas and concepts about leadership of the strategic planning process and its outcomes (Yin, 2009). Interviewing respondents using demographic and open-ended questions allowed for a comparison of responses and an exploration of the role of leadership in strategic planning.

After the data collected in the research was analyzed using Atlas.ti, a proprietary software for qualitative analysis, they were compared to current understandings of the use of authentic leadership in the strategic planning process, which demonstrated that the involvement of strong authentic leadership serves to drive successful strategic planning (Bryson, 2004, 2010; Bryson & Alston, 2005; Bryson et al., 2009). The approach taken was appropriate as the potential connection between leadership method application and strategic planning at nonprofit fine and performing arts organizations was a previously unexplored topic (Yin, 2009).

A list of the current holders of nonprofit tax-exempt status with the Federal designation of 501(c) 3 that self-identified in one or more categories of the fine and performing arts in the Metropolitan area of Detroit was created from Guidestar.com. The Guidestar.com list encompassed those arts organizations that held current tax-exempt status and were required to file form 990 with the Internal Revenue Service. While the sample may exclude smaller nonprofits that are exempt from filing, or those that retain their status but have been delayed in filing, it served as the most unified source for nonprofit arts organizations. Because smaller nonprofit organizations were not considered, there was less variability in the data, resulting in a lower standard deviation,

as a measure of bias in the selected sample. Sample subsets have the same characteristics; increasing projections across the population. Moreover, the stratified sample of 24000 arts and culture nonprofit organizations was taken based on their U.S. revenues which totaled more than \$20 billion dollars across reported revenue streams, according to tax returns (GrantMakers in the Art, 2003).

Contact information from the Guidestar.com list was used to reach applicable organizations. Organizational representatives were asked to provide the names and contact information for five to eight stakeholders involved in strategic planning activities for their organization who could freely discuss the process for purposes of the research. When potential stakeholders were identified, they were contacted until saturation was achieved. Prior to contacting individual participants, the interview guide was tested and adjusted as necessary.

Of the eight participating organizations, theatres, dance companies, symphonies, and museums were each represented by two respondents. Thirty total respondents were spread across the eight organizations. Selected participants were asked to schedule a telephone interview of approximately 60 minutes in length. Participants were questioned on specific demographic variables such as age and gender, psychographic information such as lifestyle and personal preferences in terms of human interaction with individuals as well as service providers, and on their relationship with organizational leadership and any resulting impact on strategic planning and organizational outcomes. The interviews took place over a multi-week period, allowing time to ensure requisite participation (Yin, 2009).

RQ1: Authentic Leadership and Organizational Outcomes

The responses to the interview question, “Thinking about (your organization’s) leadership, do you perceive the presence or absence of traits such as honesty, values, hopes, and emotions to have a bearing on organizational outcomes such as increased attendance and elevated donations?” could be characterized as either negative or positive, and are categorized by theme. Stakeholders in smaller organizations were more likely to focus on positive organizational outcomes and leadership traits, while those in larger organizations were more likely to focus on negative, or both negative and positive outcomes and leadership traits.

Positive outcomes

Support through donations and fundraising. Respondents overwhelmingly focused on how authentic leadership influenced financial support for their organization. Money appears to be of greatest concern. All who mentioned this topic felt that authentic leadership, at least indirectly (and perhaps directly), had an impact on fundraising, ticket sales, attendance, and membership levels.

Some respondents focused on how authentic leadership affects the willingness of those outside the organization to provide support. A respondent from organization 1 claimed that “Donors can intrinsically feel those things and it’s really important ... if there was a question of if those things were fake or true we would be suffering (respondent #7).” Some respondents targeted specific populations and felt that their values and honesty attract support from these populations. Such was the case with a respondent from one company who noted, “We work a lot with students. I believe that the parents can sense these wonderful traits within the organization so they are happy to donate knowing that it can be beneficial to their children, and can help us spread joy to

those who may not be as fortunate as them (respondent #18).” Further, respondents felt that honesty and beneficial values can help those within the organization set clear goals that everyone can get behind.

Tickets sales and attendance. There was no mention of the element of authentic leadership, or any other leadership style, as a main factor in promoting ticket sales, suggesting no perceived direct connectedness. Authentic leadership was seen as being related, perhaps through mediating factors. As one volunteer claimed, “I don’t think they are the only things, or what makes the final results happen, but yes, (characteristics of the founder’s authentic leadership) definitely have an effect on things like money and attendance (respondent #26).”

Membership. Approximately 20% of respondents focused on how authentic leadership affects their membership levels. Some leaders were applauded for finding creative ways to engage their members. As one representative of organization 7 explained, “We do a lot fun things, and we have a lot of fun ... so the full membership is a little over 300 (respondent #5).” Some respondents focused more on what specific authentic leadership factors made their organization exceptional, without detailing which particular organizational outcomes were influenced.

Positive characteristics

Passion. The data suggests that in arts-based nonprofits, passion may be an important attribute of authentic leadership. Although respondents were not specifically asked about the effect of passion on organizational outcomes, some respondents spontaneously mentioned it; feeling that when the stakeholders of their organizations were passionate about what they did, there was a positive effect on the art produced, as

well as those who produced it. As the artistic director of one of the companies reported, “Everyone that is involved are all [*sic*] passionate about (the art) ... This goes from our president herself all the way through to our (artists) ... I believe that this shows in our work (respondent #16).” Some felt that passion was an overlying trait which affected the functioning and output of the entire organization. “I think that the whole organization is passionate about what they do, so passionate that it shows through what we do. There has [*sic*] been times where attendance was low, and donations lower, which still did not define the organization. The musicians and staff still gave 110% and showed enough passion to lift the organization right back up (respondent #12).”

Drive or influence of leader. Although the drive of a leader and his or her ability to motivate and inspire staff was not asked about specifically, some respondents claimed that this was an important trait that affects organizational outcomes. A volunteer speaking of the founder of one of the small dance companies explained, “Whatever he believes in, he’s good at getting other people to believe in it (respondent #27).” Some felt that their goals are reached because the leader, “Gets everyone involved, (and) moves them along so they can get results (respondent #30).” Those who found that board members and other staff were slow to take the initiative and finish projects, relied heavily on a leader who “Pushes to make things happen (respondent #24).”

Beyond business. The data suggests that it was important to respondents for those in leadership to be open to cultivating a connection beyond business. This theme was most prevalent in one of the companies, as illustrated by the board president: “I have been able to witness an incredible group of individuals come together and essentially create a bond with each other on a level beyond just business. When it’s all said and

done, and our plans come through, I believe that strengthens the bond even more, which is extraordinary (respondent #17).”

Art and business balance. Since the data conveyed that leaders in arts-based nonprofits should maintain a balance of the interests of art and business, it is not surprising that respondents spoke of the effect of this balance on organizational outcomes. As a vice president for development and marketing explained, “I can tell you that when there is a focus on growing the artistic part of the organization – producing (an artifact), going on tours, commissioning new works, and new education programs – the organization is healthier in all aspects (respondent #7).”

Negative outcomes

Lack of positivity and emotional connection. Respondents claimed that a lack of positivity and emotional connection among leadership can negatively affect organizational outcomes. Some drew a direct line between a lack of emotional connection and declining financial support. As explained by a director of organization 8, their organizational outcomes would be improved, “If the leader had been more positive, and clear, and upbeat, and we made plays that spoke to the audience on an emotional level. Our (products) looked like (art) but didn’t feel like (art) ... (I) thought people were there out of some sort of obligation ... Nor did I feel like the leadership could speak with such honesty and passion that they could drive audience in. We actually lost a lot of audience, which would be (because of) the lack of emotion, honesty, and enthusiasm in the leadership (respondent #6).”

Some respondents focused on how a lack of emotional connection would result in the loss of volunteers. As shown by someone at organization 7, “I feel that due to the

lack of emotions felt towards the volunteers, we will no longer just be maintaining the (current) outcomes, but fighting hard to maintain them and possibly even be losing a great deal (respondent #21).”

Disagreement and leader disconnect. A general disconnect between leaders and followers, or among leaders, was seen as resulting in negative organizational outcomes. This disconnect could be seen as resulting from a lack of authentic leadership including an absence of emotional connection and shared values. Specific projects and goals are difficult to reach “When everyone is not on the same page ... I’ve certainly seen projects where leaders and managers weren’t on the same page. The project did not turn out as well as it could have (respondent #3).” This point was echoed among respondents, some of which claimed that such recurring disagreements make it difficult for the organization to accomplish overall goals.

A lack of genuine commitment. Leaders who lacked genuine commitment to the job and the organization were seen as negatively affecting all stakeholders involved. “She (the president of the organization) has on more than one occasion publicly expressed her frustration ... She took the position thinking it was going to be easier than it actually is ... I think that when frustration is expressed, it turns people off (respondent #10).”

RQ2: Strategic Planning and Organizational Outcomes

It was found that 46.7% of respondents noted positive outcomes from strategic planning such as increased enrollment, the number and quality of workshops conducted, and increased donations. Only 10% of respondents reported negative outcomes such as lower attendance and less engagement which were seen to be the result of a lack of

consistency and a deficient strategic planning process. And 43.3% of respondents reported that they have no clear knowledge of outcomes as a direct result of strategic planning. A full 56.7% of respondents observed some objectives from the strategic planning process either be neglected or fail.

Disorganized, nonexistent, or ineffective strategic planning processes were seen as resulting in undesirable organizational outcomes such as declining ticket sales and lack of growth. Conversely, organized and effective strategic planning processes were reported to result in desirable organizational outcomes, such as increased revenue and organizational growth. Within the categories of “positive” and “negative,” the types of organizational outcomes reported were first discussed, followed by explanations of the hallmarks of effective strategic planning that were perceived as producing these outcomes.

Positive outcomes

Support. Some reported an increase in sponsors, while others focused on increased ticket sales. Fundraising was a common theme mentioned by respondents, and was seen as concretely resulting from the strategic planning process as reported by a director of organization 5, “Donations. Definitely. We have done some major work here and that came from donated income. So we plan for that sort of thing. We have to get grants, and we have to have major donors. So when we plan, we need to set targets and goals and figure out how we will get there (respondent #22).” A worker in Organization 5 was quick to respond to this question, “Money raised. We raise a lot of money from everywhere (respondent #24).” Accessing sufficient support was an important concern to

most respondents. Avenues of support were seen as improved by effectively led strategic planning processes.

Programming. The type and quality of programming was mentioned as an important outcome of strategic planning. Good planning in this case was seen as being receptive to the audience and being willing to change over time.

Growth. The strategic planning efforts of one of the small dance companies resulted in long-term survival, growth, and leadership within the field. “Nothing but good things. Over the years we have grown immensely ... We have grown to paving the way for young artists and other ... companies by exposing them to concerts, lecture demonstrations, classes, workshops, and educational programs (respondent #16).”

Hallmarks of good strategic planning.

Working together. Organizations in which the stakeholders’ interests were more in line with the organization, and therefore organizational leadership, found it easier to enact effective strategic planning. Some expressed that through a shared emotional connection to the organization, stakeholders felt more engaged and, through collaboration, were more effective with respect to strategic planning activities. A board member of organization 1 explained that their strategic planning process had, “Mostly positive outcomes. Usually when we all work together on something it’s because we all know that it’s going to benefit the organization. Although there could be some changes and add-ons to the plan, it still usually works out in our favor (respondent #12).”

Wisely handling change. Effective strategic planning was seen as being responsive to changes in environment and atmosphere. Leaders of these planning processes were not afraid to change; and learned from mistakes of the past.

Art and business balance. A director of organization 1 spoke of plans to make positive changes in how the organization balances artistic and business interests. “Since I’ve been here, I feel like this is the first thorough process that we have gone through. I can answer much better a year from now. What that tells you is that the focus has been elsewhere and not on the strategic planning artistically. It has been stagnant until two years ago. That was coming out of understanding we have been too focused on the business and not too much on the art ... I have high hopes (respondent #7).”

Beyond business. In this instance, strategic planning includes elements of community to include stakeholder and management support to encourage the nurturing of relationships and a sense of community on an external and internal basis along with the development of social and emotional bonds through shared urgency and purpose with respect to the organization and the community at large. These bonds are seen as strengthening, and as being strengthened by, effective leadership in strategic planning and subsequent positive outcomes.

Drive of leader. Some respondents felt that their organization’s strategic planning process was only successful because their “Boss pushes to make things happen (respondent #24).” These respondents often perceived disconnect within the organization. The disengagement noted usually exists between the effectiveness of the board in the organization and a leader who is seen as shouldering most of the responsibility.

Negative outcomes

Support. Reported indications of depressed support included faltering ticket sales, lower attendance and fewer donations resulting from a lack of community engagement.

As perceived by a director for organization 8, “I saw a decrease in ticket sales and a decrease in engagement from the community. So perhaps a lack of strong strategic planning processes resulted in lower attendance and less engagement (respondent #9).”

A staff member at organization 8 reported a specific failing of strategic planning for fundraising: “One really big thing is that we celebrated our ... anniversary and one of the big pushes was to have a huge fundraiser. We had a budget of \$20,000 and we ended up losing six to seven thousand dollars on the event because we had an inability to plan the event successfully (respondent #20).” A member of the board for one company reported that their issues with fundraising resulted from a lack of staff dedicated solely to raising money. “We don’t raise a lot...we don’t have a fundraising staff or anything like that (respondent #27).”

Poor programming. A choreographer for one of the companies perceived a lack of attention to producing quality performances and dropping ticket sales, explaining, “Ticket sales are going down because they don’t listen. It’s all about being targeted, for the place to work best you have to stay on point, and that means on the (art), and they don’t and then things fail. This happens over and over (respondent #28).”

Lack of interest and conflicting interests. While a sense of shared interest was seen as promoting positive organizational outcomes, a lack of shared or personal interest was reported to result in negative outcomes. A staff member at organization 7 reported, “We’ve had a couple projects that didn’t make it. I guess it was because there wasn’t a lot of interest in them. I’m thinking of two different ones that got planned, but no one was really the driving force to see them happen. If there isn’t a big cheerleader or something, even when we set goals for people, without someone passionate about

success, it doesn't seem to happen (respondent #22).”

Hallmarks of ineffective strategic planning

Lack of process. The most commonly reported issue with strategic planning was a complete lack of a strategic planning process, or one that was not consistently implemented. A member of the board of organization 3 bluntly responded to this question: “None...They were not implemented because they were not attempted (respondent #31).” Similarly, a manager in organization 6 reported a lack of implementation, saying, “I have seen things fail to be implemented. We had a strategic planning process a few years ago. But it is still not been implemented (respondent #11).” A board member at this same theatre reported that, not only had this plan not been implemented, it was the only plan that had been produced in at least five years: “I have only been with the organization for about 5 years now. In that time I have only seen one strategic planning process come into play (respondent #14).” Some respondents reported that strategic plans were implemented, but rarely in full. One stated, “Every year there are some things that we never got to (respondent #30).”

Absence of practical knowledge. The new director at organization 6 explained that previous attempts at strategic planning failed because the board simply did not know how to reach their goals, stating, “I believe they sat down in one meeting and was like ok, this is what we need to do. So they set their goal of what they would have liked to see come out of the organization, but then had no solid visions on how to get there. So they just decided to keep doing what they were doing (respondent #15).”

Lack of focus. Sometimes interest in planning for an organization was stunted because stakeholders had too many interests outside of the organization. As explained by a member of organization 6, “the members of the board including myself usually have a lot going on, not only with this organization but with others. As I said earlier I also am part of another organization and I know a few of the other members are too (respondent #14).” Conflicting interests were also seen as an issue on an organizational level.

Unwillingness to change. As a willingness to change according to the demands of environment and audience was seen as an important factor in effective strategic planning, unwillingness to change was viewed as resulting in ineffective strategic planning. According to respondents’ perceptions, this unwillingness to change ultimately leads to stale artistic forms and a disinterested audience.

Research question #1 – discussion and conclusions. Overall, respondents supported the idea that qualities such as honesty, values, and emotional connection have an important effect on organizational outcomes such as increased attendance and financial support. The implication being that the fundamental positive attributes of authentic leadership may not be fully transferred to, or appropriately applied to, organizational planning and plan execution on a consistent basis. Nearly all participants viewed these qualities as having a direct or diffused positive effect, whether on the commitment of staff and volunteers, the willingness for audiences and donors to support the organization, or the quality of the artistic products the organizations produce.

Respondents from smaller organizations focused more on positive organizational outcomes and leadership traits, while respondents from the larger organizations focused more on negative, or both negative and positive, outcomes and leadership traits. The data

suggests that the presence of authentic leadership has a positive effect on organizational outcomes, and conversely, the absence of authentic leadership has a negative effect on organizational outcomes.

While the trait correlation to outcomes is supported by existing data for the most part (Derue, Nahrgang, Wellman, & Humphrey, 2011; Zaccaro, 2007), two unique factors have arisen. 1) In the case of nonprofit arts organizations, volunteers, members, and fundraising are essential. Respondents noted that without authentic leadership, organizational outcomes linked to volunteers, members, and fundraising were negatively affected. Further, respondents noted that they saw a causal relationship between a good balance of business and commerce, and authentic leadership traits. This notion is supported by the literature that identifies a causal relationship between authentic leadership and both business and creativity (Rego, Sousa, Marques, & Cunha, 2010). This theme is echoed throughout respondent observations about the interaction between strategic planning and organizational outcomes as well.

The research question asked what stakeholders observe about the interaction between authentic leadership and organizational outcomes. The data answered the question by informing that sample stakeholders saw a direct connection between authentic leadership and effective organizational outcomes generally, and between authentic leadership and effective fundraising specifically. The implication is that the administration of authentic leadership can and will have a direct bearing on increasing unearned income at these nonprofit arts organizations. Because the majority of organizational respondents referred to their organization's leadership in a negative manner, there is an implication that this had a direct bearing on poor, or declining, levels

of unearned income and fundraising capacity which suggests the need for change. The demonstration and application of authentic leadership would likely increase unearned income.

Research question #2 – discussion and conclusions. While almost all respondents saw a direct link between authentic leadership and organizational outcomes, the same is not true for a connection between strategic planning and organizational outcomes.

Respondents' comments developed into two discovery arguments, one related to positive strategic planning leading to positive outcomes, and the second, poor strategic planning leading to negative outcomes.

Summaries of respondent comments affirm the premise that positive strategic planning will lead to increased donations, community engagement, serves to balance the concerns of art and commerce, and promotes good programming. The notion that audience desires should be integral to programming choice is documented in literature (Bolman & Deal, 2003; Tschirhart, 1996). Respondents clearly observed that the appropriate place for the balance between art and commerce to occur is in programming decisions in strategic planning. Stakeholder observations revealed a possible causal affect between strategic planning and strong organizational outcomes, though this affect is less potent than their observations about the relationship between authentic leadership and organizational outcomes. Because it has been demonstrated that strategic planning does have positive affects on organizational outcomes (Bryson, 1988, 2004, 2010), the implication may be that authentic leadership provides a mediating factor between

strategic planning and organizational outcomes in nonprofit arts organizations, specifically because of the unique balance required between art and commerce.

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