The impact of leader-member exchange quality on job satisfaction of volunteer members in non-profit sport organizations

Hyjein Bang, Florida International University
Cindy Lee, York College of Pennsylvania

Management/Leadership
Session 9
Thursday, May 29, 2008
4:00 PM - 5:00 PM
Poster
Abstract 188

Effective leadership is the key to the success of non-profit sport organizations. Given the fact that the services provided by the members in non-profit organizations are usually volunteer activities, maintaining strong interpersonal relationship between leaders and members is critical. In this regard, leader-member exchange (LMX) theory is useful in describing volunteers' psychological attachment to the non-profit organization. Different from other leadership theories which are either leader-centered or follower-centered theories, LMX is a relationship-centered theory that explains the nature of dyadic relationship between leaders and followers, such as trust, respect, and mutual obligation (Hoye, 2004; Schyns, 2006). One of the strengths of LMX theory is its positive association with a wide range of organizational outcome variables (Northouse, 2001). Numerous studies (e.g., Farr-Wharton & Brunetto, 2007; Graen et al., 1982; Laschinger, Purdy, & Almost, 2007) found that high LMX is associated with higher job satisfaction. In the non-profit volunteer context, interpersonal relation may be another form of non-monetary reward. Indeed, executives of volunteer sport organizations often need to network and work with board members beyond formal board meetings on a variety of issues such as board sub-committee work, matters requiring urgent decisions, or specific projects (Hoye, 2004). Thus, how successfully the cooperation is achieved and the leadership is provided, received, and performed depends on the relationships between the parties (Hoye, 2004).

An empirical study of LMX (Liden & Maslyn, 1998) proposed a multidimensional LMX scale including Affect, Loyalty, Contribution, and Professional respect. Affect is the mutual affection primarily based on interpersonal attraction (e.g., friendship) rather than work or professional values. Loyalty is described as the expressions of public support for goals and personal character of the other members. Contribution refers to the perception of the current level of work-oriented activity each member puts forth into the mutual goals. Professional respect is described as the perception of the degree to which each member's built-reputation within and/or outside the organization, of excelling at his or her line of work. The present study focused on identifying which of the four domains of LMX has a higher relation with the satisfaction of volunteers in their job. Although various studies have focused on organizational leadership in sport, there is a paucity of empirical research regarding LMX of volunteer members related to their job satisfaction, especially in the context of non-profit sport organizations. Therefore, the purpose of this present study is to examine the role of the leader-member exchange as a predictor of job satisfaction among volunteer members in non-profit sport organizations.

Two hundred fifty eight (258) individuals (56.5% male; 43.5% female) from 29 non-profit sport organizations in Minnesota participated in the study via a paper-based and a Web-based surveys. The survey questionnaire consisted of three parts-(a) items measuring LMX, (b) items measuring job satisfaction, and (c) items asking demographic information. The four dimensions of LMX were measured using 12-item multidimensional subordinate LMX scale (the LMX-MDM) (Liden & Maslyn, 1998). The examined dimensions were Affect (3 items), Loyalty (3 items), Contribution (3 items), and Professional Respect (3 items). Job satisfaction (5 items) of volunteer members was measured using Job Diagnostic Survey by Hackman and Oldham (1980). All item responses ranged from Strongly Disagree (1) to Strongly Agree (7), using a 7-point Likert-type scale. All participants were also asked to provide demographic information regarding their age, sex, marital status, and level of education.

A confirmatory factor analysis (CFA) was performed using LISREL 8.54 to test the 17 items, five-factor model and to verify the appropriateness of the scales used in the study's context. The results indicated that the chi-square test was statistically significant ($\chi^2 = 593.46$, df =109, $p<.01$), which would indicate an unacceptable fit. However, given that the chi-square test of absolute model fit is sensitive to large sample sizes and non-normality in the underlying distribution of the input variables (Kline, 1998), other fit statistics were computed to assess the overall fit of the model to the data. The alternative fit indices indicated that the measurement model provided a reasonable fit of the data (CFI = 0.95, NFI = .94, NNFI = 0.93, IFI = 0.95, RMR = .068) (Browne & Cudeck, 1993; Hair, Tatham, & Black, 1998; Hu & Bentler, 1999; Kelloway, 1998; Kline, 1998; Steiger, 1989, 1998). The internal consistency reliabilities (Cronbach's alpha) for each of the four LMX dimensions ranged from .90 to .96, satisfying Nunnally and Bernstein's (1994) criterion (>0.70). The job satisfaction scale also exhibited satisfactory internal consistency (=0.77). A multiple regression analysis was conducted to evaluate how well the four LMX factors (i.e., affect, loyalty, contribution, and professional respect) predicted the volunteer members’ job satisfaction level in their non-profit sport organization. In order to examine the contribution of any possible LMX variable to the prediction of job satisfaction, all of the four LMX variables were added into the multiple regression equation. The full model equation based on linear combinations of the LMX factors was significant ($F(4, 93)=6.374$, $p<.001$, $R^2=.223$, Adjusted $R^2=.188$). However, given that not all the
variables were found to be significant, the backward elimination procedure with the significance level of $\alpha = 0.05$ was employed to identify the most efficient set of LMX predictors. The finally selected regression model included only one predictor of Professional Respect ($F(1, 93) = 22.785, p<.001$). This predictor accounted for approximately 20% of the unique variance in job satisfaction ($R^2=0.199$, Adjusted $R^2 = 0.190$). Higher level of volunteer members' job satisfaction was associated with more LMX in terms of Professional Respect ($f=0.446, p<0.001$). The mean scores of the four leader-member exchange subscales were ranked as follows: Professional Contribution (M=5.98), Affect (M=5.95), Respect (M=5.88), and Loyalty (M=5.82).

The results provide support for the positive relationship between LMX and job satisfaction. Specifically, Professional Respect dimension was found to be a significant predictor of job satisfaction for volunteer members in non-profit sport organizations. This finding implies that the administrators or managers who want to influence job satisfaction of the volunteer members should put more emphasis on Professional Respect than other factors. The results also suggest that a high-quality relationship with one's leader or follower can influence the entire work experience in a positive manner, including performance and affective outcomes (Gerstner & Day, 1997). According to Auld and Cuskelly (2000), volunteers are more likely to continuously contribute to their organization when they feel that they have made a worthwhile contribution to their organization, that they have been appropriately rewarded, and that they were respected. That is, managers should create organizational climate and culture in terms of interpersonal relationship. Their volunteer members can be motivated and further satisfied by some recognition and respect from other members (either leaders or followers) on their professional knowledge, skills, or abilities. The managers should also understand how volunteer members form the attitudes that affect their job satisfaction. Beyond increasing job satisfaction of volunteers, non-profit sport organizations can enhance volunteer retention and thereby save time and money from continuously recruiting and training new volunteers (Clary, 2004).