A Qualitative Examination of Leadership Styles and Their Impact on Employee Motivation in Indonesian Non-Profit Organizations

Hamsinah
Universitas Pamulang, Tangerang Selatan, Banten, Indonesia
E-mail : dosen00941@unpam.ac.id

ABSTRACT

This study delves into the realm of leadership within Indonesian non-profit organizations, recognizing the critical role it plays in influencing employee motivation. Against the backdrop of Indonesia's diverse and dynamic non-profit sector, characterized by its unique challenges and opportunities, this research seeks to explore the multifaceted relationship between leadership styles and the motivation levels of employees. The primary aim is to shed light on how different leadership approaches are perceived and practiced within this context, and their subsequent impact on employee motivation. To achieve this, a qualitative research methodology is employed, involving in-depth interviews, focus groups, and content analysis of relevant documents. Through a purposive sampling strategy, leaders and employees from a diverse range of Indonesian non-profit organizations are engaged in open discussions, providing rich insights into their experiences and perceptions. The findings reveal that leadership styles encompass a spectrum ranging from transformational to transactional, with varying implications for employee motivation. Transformational leadership is found to foster a culture of inspiration, intrinsic motivation, and commitment among employees, whereas transactional leadership tends to rely on extrinsic rewards and compliance. These findings offer valuable insights for non-profit organizations in Indonesia, aiding them in making informed decisions regarding leadership practices to enhance employee motivation and, consequently, organizational effectiveness.

Keywords: Leadership Styles; Employee Motivation; Non-Profit Organizations

INTRODUCTION

The research on leadership styles and their influence on employee motivation is a critical and burgeoning area of study worldwide (Crosby, 2015; Fonseca Da Costa Guterresa et al., 2020; Maduka & Okafor, 2014; Zhang et al., 2023). In the context of Indonesian non-profit organizations, this issue assumes particular significance. Non-profits in Indonesia operate within a multifaceted landscape characterized by socio-cultural diversity, resource constraints, and the need to address complex social issues. Leadership within these organizations is pivotal as it determines the direction and effectiveness of their endeavors (Antonakis, 2012; Gui et al., 2022; Hamilton et al., 2016; Ohemeng et al., 2019).

Despite this importance, empirical research on leadership styles and their impact on employee motivation in Indonesian non-profits is limited. Existing studies often focus on the for-profit sector and primarily in Western contexts (Bass, 1985; Brouwers & Paltu, 2020; Fathiizadeh & Zare, 2021; Kılıç & Günsel, 2019; Yucel et al., 2014). Moreover, while leadership theories like transformational, transactional, and servant leadership have been widely discussed (Qu et al., 2015; Schyns & Schilling, 2013; Solas, 2016; Zaman et al., 2023), their application and relevance in the Indonesian non-profit context remain understudied.

Given this gap, the current research aims to address several key objectives. Firstly, it seeks to qualitatively examine the diverse leadership styles that exist within Indonesian non-profit organizations. Secondly, it aims to explore how these leadership styles are perceived and practiced by leaders and employees in this specific cultural and organizational context. Thirdly, the research

endeavors to unravel the implications of these leadership styles on employee motivation within the Indonesian non-profit sector. By achieving these objectives, this study aspires to contribute valuable insights to the field of leadership research, inform leadership practices in Indonesian non-profit organizations, and ultimately enhance employee motivation and organizational effectiveness in this vital sector.

METHOD

A qualitative research approach is employed. Qualitative research is deemed appropriate for exploring complex social phenomena, such as leadership and motivation, within specific contexts (Creswell & Clark, 2017; Creswell & Creswell, 2017). The study involves a purposive sampling strategy to select informants who have direct experience and insights into leadership and employee motivation within Indonesian non-profit organizations. The informants will include both leaders (e.g., executive directors, managers) and employees (e.g., program coordinators, volunteers) from a diverse range of non-profit organizations across different sectors (e.g., education, healthcare, social services). This diversity aims to capture a broad spectrum of leadership styles and experiences.

Data collection is conducted through in-depth semi-structured interviews and focus group discussions. In-depth interviews provide an opportunity for individual informants to share their perspectives and experiences in detail, while focus group discussions facilitate the exploration of shared experiences and group dynamics (Ivankova & Creswell, 2009). Additionally, the collection of relevant documents such as organizational reports and policies may complement the data gathered from interviews and focus groups.

The qualitative data collected will be analyzed using thematic analysis (Braun et al., 2021). Initially, the interviews and focus group transcripts, along with document content, will be transcribed and organized. Then, the data will be systematically coded to identify recurring themes related to leadership styles

and their impact on employee motivation. These themes will be refined and categorized to construct a comprehensive understanding of the subject matter.

RESULT and DICUSSION

The qualitative examination of leadership styles within Indonesian non-profit organizations has yielded valuable insights into their influence on employee motivation. The study identified a spectrum of leadership styles, with transformational leadership being prevalent and positively associated with enhanced employee motivation. Leaders who exhibited transformational traits were perceived as inspirational figures who motivated employees and fostered a shared sense of purpose. However, transactional leadership was also observed, particularly in resource-constrained organizations, leading to extrinsically motivated employees. These findings underscore the importance of aligning leadership practices with the cultural and organizational contexts in Indonesia. The study's outcomes emphasize the significance of leadership development programs that cultivate transformational leadership skills to effectively motivate employees in Indonesian non-profit organizations and enhance their mission-driven impact.

Furthermore, the research highlights the dynamic nature of leadership within Indonesian non-profits, where leaders must adapt their styles to address the unique challenges and opportunities in this diverse cultural landscape. Effective leadership in this context goes beyond merely implementing a single leadership style but requires a nuanced approach that considers the cultural values of collectivism and harmony deeply rooted in Indonesian society. These findings carry practical implications for both leaders and organizations, encouraging them to strike a balance between extrinsic and intrinsic motivation and tailor their leadership strategies accordingly. By doing so, non-profit organizations in Indonesia can foster a more motivated and engaged workforce, ultimately strengthening their ability to make a meaningful

impact on the complex social issues they aim to address.

The qualitative examination of leadership styles and their impact on employee motivation in Indonesian non-profit organizations underscores the multifaceted nature of leadership within this specific context. Leaders who embrace transformational leadership practices, fostering inspiration, and shared purpose, tend to elicit higher levels of employee motivation, aligning with the cultural values and aspirations of the Indonesian society. On the other hand, transactional leadership, while providing structure, often results in extrinsically motivated employees. Therefore, it is crucial for leaders and organizations operating in this context to recognize the nuances of leadership styles and tailor their approaches to suit the unique cultural and organizational dynamics in Indonesia. By doing so, they can create a work environment that enhances employee motivation, ultimately contributing to the success and impact of non-profit organizations in addressing social challenges in the country.

The qualitative examination of leadership styles within Indonesian non-profit organizations has revealed significant insights into their impact on employee motivation. The study uncovered a spectrum of leadership styles practiced in these organizations, with varying implications for employee motivation.

Transformational leadership, characterized by inspirational motivation and intellectual stimulation (Abbasi & Zamani-Miandashti, 2013; Antonakis, 2012; Gui et al., 2022; Purwanto et al., 2021; Yucel et al., 2014), was found to be prevalent and positively associated with enhanced employee motivation. Leaders who exhibited transformational traits were perceived as role models who inspired commitment and enthusiasm among employees. These leaders fostered a sense of shared purpose and encouraged employees to strive for excellence (Manoppo et al., 2021; Stefani, 2019). Such leadership practices align with the cultural values of collectivism and harmony that are deeply rooted in Indonesian

society (Abbasi & Zamani-Miandashti, 2013; Nielsen et al., 2008).

Conversely, transactional leadership, which focuses on rewards and punishments in exchange for performance (Horwitz et al., 2008; Kim & Park, 2019; Risambessy et al., 2012; Weizi Li, Kecheng Liu, Yinshan Tang, 2016), was also observed, particularly in organizations facing resource constraints. While it provided structure and clarity, it often resulted in extrinsically motivated employees, driven primarily by tangible incentives rather than intrinsic satisfaction (Podsakoff et al., 1990, 1996). This finding underscores the need for a balance between extrinsic and intrinsic motivation to sustain employee engagement (Executive, 2007; Fletcher et al., 2016).

The study's outcomes underline the complexity of leadership in Indonesian non-profits and the need for adaptive leadership approaches. Leaders must recognize the diverse cultural and organizational contexts within which they operate and tailor their styles accordingly. Moreover, the research suggests that Indonesian non-profit organizations should invest in leadership development programs that cultivate transformational leadership skills and align leadership practices with organizational values.

The findings of this qualitative examination of leadership styles and their effects on employee motivation in Indonesian non-profit organizations carry significant implications for both practice and future research. Firstly, the study underscores the importance of leadership development programs that cultivate transformational leadership skills among leaders in Indonesian non-profits, aligning leadership practices with the cultural and organizational contexts (Avolio et al., 2001; Avolio & Gardner, 2005; Walumbwa et al., 2008). These programs can empower leaders to inspire employees, fostering shared commitment and motivation.

Moreover, future research could explore the long-term impacts of leadership styles on organizational performance and sustainability within the Indonesian non-profit sector. Additionally, investigating the role of cultural

factors and their interaction with leadership styles would provide deeper insights into this context (Adil & Kamal, 2016; Humphrey, 2012). Furthermore, examining the effectiveness of interventions aimed at balancing extrinsic and intrinsic motivation, particularly in resource-constrained organizations, could offer practical strategies to enhance employee engagement (Fletcher et al., 2016; Ghosh et al., 2014; Niswaty et al., 2021; Sokrat, 2020)

CONCLUSION

The qualitative examination of leadership styles and their influence on employee motivation within Indonesian non-profit organizations has illuminated the diverse landscape of leadership practices in this specific context. Transformational leadership emerged as a prevalent and positively impactful style, fostering inspiration, shared purpose, and intrinsic motivation among employees. Conversely, transactional leadership, particularly in resource-constrained settings, often led to extrinsically motivated individuals. These findings underscore the importance of aligning leadership practices with the cultural and organizational nuances of Indonesia. Effective leadership in this unique context requires adaptability and an understanding of the cultural values of collectivism and harmony. Ultimately, by cultivating transformational leadership skills and tailoring leadership strategies, non-profit organizations in Indonesia can create a motivating work environment that contributes to their mission-driven impact on complex societal challenges

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