Do Leadership and Organizational Culture Really Matter?

W. James Weese
University of Windsor

The areas of leadership and organizational culture continue to capture the interest of researchers and practitioners alike. Some suggest that these two areas might hold the key to understanding and predicting organizational effectiveness. Others remain skeptical, offering that effectiveness is determined by a variety of factors, many of which fall beyond the scope of the leader's influence or the culture of the organization. The purpose of this preliminary investigation was to explore the relationships that exist between transformational leadership (measured by the Leadership Behavior Questionnaire, organizational culture (measured by the Culture Strength Assessment), and organizational effectiveness (measured by the Target Population Satisfaction Index) in the campus recreation programs of both the Big Ten and Mid-American Conferences (N = 19). The directors of these programs were given considerable levels of job autonomy to lead their respective programs as well as the opportunity to alter and/or imbed a desired culture during their administration. Significant differences were uncovered in both conferences for executive transformational leadership and organizational effectiveness. However, no significant relationship was uncovered between transformational leadership and organizational effectiveness. A significant relationship was discovered between organizational culture strength and organizational effectiveness.

Transformational leadership and organizational culture have become increasingly fashionable topics over the past 10 years. Some (Barney, 1986; Bass, 1985; Bennis, 1989; Frost, Moore, Louis, Lundberg, & Martin, 1985; Martin, 1985; Tichy & Devanna, 1986) have suggested that these topics hold the key to understanding organizational effectiveness. Others (Brown, 1982; Bryman, 1986; Lieberson & O'Connor, 1972; Pettigrew, 1987; Pfeffer, 1977) hold tempered, if not contrary, opinions.

Transformational leadership is defined as “the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organization’s mission and objectives” (Yukl, 1989, p. 204). Transformational leaders are purported to heighten the expectations and, consequently, the contributions of followers by appealing to their higher order psychological
needs of feeling important, valued, and part of an exciting and worthwhile experience (Bryman, 1992).

The organizational culture concept has had a relatively short gestation period, being formally introduced to North American theorists in 1979 by Pettigrew (Hofstede, Neuijen, Ohayv, & Sanders, 1990). Sheridan (1992) recently predicted that organizational culture will soon join leadership as one of the dominant themes of research activity. Most organizational culture theorists (Deal & Kennedy, 1982; Hatch, 1993; Martin, Feldman, Hatch & Sitkin, 1983; Schein, 1990; Smircich, 1983, 1985) define organizational culture as the deep-rooted values and beliefs held and practiced by members of an organization. These widely shared understandings set an organization apart from another, help shape and interpret human activities, and reflect the identity of the organization. Following this theoretical orientation, Ott (1989, p. 2) suggested that “organization behaviors and decisions are almost pre-determined” by their culture. Denison (1984) affirmed that culture provides insight into the inner workings and belief system of the unit and offers behavior codes for employees.

While most scholars agree that leadership and organizational culture coexist, many differ on the importance of the two concepts. The most heated debates center on the importance of the two concepts relative to what Chelladurai (1987, p. 37) described as “the most critical dependent variable in organizational analyses”—organizational effectiveness.

**Leadership and Organizational Effectiveness**

Support for the premise that leadership significantly impacts organizational effectiveness emerges from many theorists. Sashkin (1987, p. 23) noted that transformational leaders provide “the basis for creating organizations that are extremely effective in terms of any criterion of performance or profit.” Studies conducted in industrial (Avolio & Bass, 1987; Hater & Bass, 1988), military (Bass, Avolio, & Goodheim, 1987), high technology (Howell & Higgins, 1990), religious (Smith, Carson, & Alexander, 1984), and laboratory settings (Waldman, Bass, & Einstein, 1987) confirm Sashkin’s (1987) assertion. Executive leadership has been signalled as the single most important factor separating the top 100 mid-size U.S. companies from their contemporaries (Bradford & Cohen, 1984). Howell and Avolio (1991) concluded that high transformational leaders lead more productive and profitable organizations.

However, leadership is not viewed as the panacea for organizational success in the minds of all theorists. Bryman (1986) cautioned leadership enthusiasts to temper their expectations that effective leadership translates to heightened organizational performance. He noted that “an assertion such as this seems to vastly overstate the potential influence of leadership on organizational effectiveness, particularly when one bears in mind the many other factors which are likely to impinge on it” (Bryman, 1986, p. 17). Kelly (1988) concurred with this position by suggesting that followers also play an important role in determining organizational effectiveness. “Without his armies, after all, Napoleon was just a man with grandiose ambitions” (Kelly, 1988, p. 142). In a similar vein, Pfeffer (1977) and Pettigrew (1987) both agreed that organizational effectiveness is determined by a number of factors, many of which fall beyond the leader’s influence. “Once the other factors influencing effectiveness are accounted for, it is likely that leadership will have little bearing on organizational performance” (Brown, 1982, p. 1). Lieberson and
O’Connor’s (1972) frequently cited longitudinal study of U.S. corporations prompted them to conclude that leaders have a minimal impact on their respective organizations, a finding confirmed by the research of Hambrick and Mason (1984). However, Thomas (1988) countered this conclusion on the basis of methodological shortcomings.

Culture and Organizational Effectiveness

Organizational culture has also been studied in relation to its impact on a number of outcomes, including organizational effectiveness. For example, a strong, positive organizational culture has been linked to increased consensus around strategic direction (Pfeffer, 1981), heightened employee productivity (Deal & Kennedy, 1982; Denison, 1990; Martin, 1985), and enriched employee commitment (Meyerson & Martin, 1987; Ouchi, 1981; Pettigrew, 1979; Smircich, 1983, 1985). Some scholars (Louis, 1983; Martin, 1985) have noted that a strong, positive organizational culture contributes to employees attributing role clarity and greater meaning to their work. An organization’s culture is also purported to help align and clarify staff members to their specific role and function (Barney, 1986; Ouchi, 1980; Wilkins & Ouchi, 1983). “Without exception, the dominance and coherence of culture proved to be an essential quality of excellent companies” (Peters & Waterman, 1982, p. 75). According to Frost et al. (1985) and Martin (1985), organizational culture holds the key to heightened effectiveness. Schein (1990, p. 24) surmised that “organizational culture can determine the degree of effectiveness of the organization, either through its strength or through its type.”

A strong organizational culture is most important in organizational settings that possess a decentralized organizational structure and offer employees high degrees of position autonomy (Barham & Rassam, 1989). Bennis (1989) concurred with this thought, noting that employees adopt and reflect the pervading culture, a belief supported by Deal and Kennedy (1982) and Gorman (1987, 1989). Organizations successful over time are more likely to possess a strong, well-defined culture (Ledford, Mohrman, Mohrman, & Lawler, 1989).

However, similar to the leadership field of study, there are a number of theorists who question the claims that culture impacts organizational effectiveness. Bryman (1984) suggested that a strong, coherent culture does not guarantee success, and in fact, may serve to be counterproductive. Wilkins and Ouchi (1983) noted that situational factors play an important role in determining whether a culture contributes or detracts from organizational effectiveness: “Some organizational cultures will presumably be irrelevant to performance, some forms of culture will promote and some will inhibit efficient operation” (Wilkins & Ouchi, 1983, p. 478). Sackman (1992) and Dyer (1991) cited methodological and conceptual flaws in countering claims of Peters and Waterman (1982) and Denison (1990) that strong cultures facilitate organizational effectiveness.

The relative importance of both leadership and organizational culture to organizational effectiveness has been debated at length in the literature. This conflict coupled with the void of empirical leadership, culture, and effectiveness research in sport management-based settings highlights the need for the proposed study. While it could be argued that effective leadership is required in any sport management setting, it may be particularly necessary in the campus recreation area (Boucher & Weese, 1991). Directors of these programs are presented with perennial budget
reductions and a smaller work force mandated to accomplish more with fewer resources. Consumers are demanding more and are offered many alternatives competing for their limited time and money (Weese & Wilkinson, 1991). If the purported benefits of leadership hold true, highly transformational campus recreation directors would ensure that staff members are focused on customer needs, inspired to go above and beyond the call of duty, and oriented to work cooperatively. Their energies would be channelled toward the fulfillment of a shared vision for the program. In addition, these transformational leaders could be more effective in positioning their respective programs with senior campus administrators, which could be more important as financial hardship is experienced throughout all sectors of a campus community.

Offering a comprehensive campus recreation program at the college or university level requires a large staffing complement (i.e., full-time professional staff and student employees), who bring varied interests, attitudes, and agendas to positions of high autonomy. Directors must ensure high levels of productivity channelled in a direction that will result in the attainment of the program’s objectives. Transformational leaders are purported to possess this ability.

Campus recreation programs have a high degree of staff turnover due to the graduation rates of students. Within four years, student staff members enter and depart the administrative network of the campus recreation program (Weese & Wilkinson, 1991). Consequently, the presence of a strong, positive culture is important to quickly indoctrinate new employees and preserve a tradition of excellence. Transformational leaders help shape and maintain the desired culture of an organization (Sashkin & Sashkin, 1990; Schein, 1990) that may link to organizational effectiveness.

**Purpose of the Study**

The study was designed to determine if a significant relationship exists between either executive transformational leadership or organizational culture and campus recreation program effectiveness. The research was set in the campus recreation programs of the Big Ten ($N = 10$) and Mid-American Conferences ($N = 9$).

**Instrumentation and Data Collection**

The campus recreation directors’ leadership tendencies were measured by the Leadership Behavior Questionnaire (LBQ). This valid and reliable instrument (Sashkin, 1988) is based on the transformational leadership literature and is designed to measure this type of leadership at the executive level from the perspectives of both the leader and followers. An introductory letter outlining the research and requesting a staff directory and organizational chart was forwarded to each campus recreation director from the study population ($N = 19$). A research package followed the introductory letter and contained an LBQ-self instrument as well as two sealed “subordinate envelopes.” These envelopes were personally addressed to two randomly selected staff members positioned one hierarchical level below the director. Each subordinate envelope contained an explanatory letter and an LBQ-other instrument. Each director’s transformational leadership score was computed by averaging the LBQ-self and two LBQ-other scores. The two programs led by the directors with the highest transformational leadership mean
scores and the two programs led by the directors with the lowest transformational leadership mean scores from each of the two conferences ($N = 8$) were included in the second phase of the research.

Organizational culture was quantitatively measured by the Culture Strength Assessment (CSA) scale (Glaser & Sashkin, 1989). This valid and reliable instrument (Glaser & Sashkin, 1989) is based on the work of Deal and Kennedy (1982) and measures culture strength. The CSA was administered to a systematic, random sample of employees ($n = 14$) from the second, third, and forth hierarchical levels (two staff members from the second level, four from the third level, and eight from the fourth level) from each of the eight programs.

Organizational effectiveness was measured by the Target Population Satisfaction Index (TPSI). The instrument was designed by the researcher to measure organizational effectiveness as perceived by full- and part-time students. Chelladurai (1987) noted that measuring organizational effectiveness is a challenging task. He recommended Blau and Scott's (1962) "prime beneficiary approach" with respect to surveying "the group whose benefit is the primary reason why the organization exists" (Chelladurai, 1987, p. 45). Campus recreation programs exist to provide recreational programs and services that meet the physical activity and enjoyment needs of their target population (Smith, 1991). Because students comprise the vast majority of participants, a TPSI measure of effectiveness as assessed by students was deemed appropriate.

The TPSI instrument items were drawn from the literature and tested for face validity with a randomly selected group of postsecondary students. The instrument was assessed for content validity by a panel of experts. The instrument was modified on the basis of this feedback and subsequently pilot tested for face validity and reliability. An internal consistency assessment (Cronbach alpha = .87) and a split-half reliability assessment ($r = .81$) allowed the researcher to conclude that the instrument was a valid and reliable measure of campus recreation program effectiveness. The TPSI instrument was administered to a stratified random sample ($n = 375$ for each campus) of sophomore, junior, and senior students, reflective of campus composition as outlined in the College Blue Book—Narrative Descriptions (1989).

**Data Analysis and Results**

The leadership data collection procedures produced a collective return rate of 84.21% (48 of 57 instruments returned) from the Big Ten and Mid-American Conference programs. The high leadership group was significantly different from the low leadership group in both conferences ($t = 7.43; p < .05$ for the Big Ten Conference, and $t = 13.45; p < .05$ for the Mid-American Conference). All 14 staff members from each of the eight schools completed the CSA instrument for a 100% return rate. Three hundred and seventy-five students completed the organizational effectiveness instrument in seven of the eight institutions using the established qualifying criteria. Only 130 TPSI forms from a "senior student" population were collected from the remaining institution. An ANOVA result indicated that no significant difference existed for the "year of study" variable ($F = 0.19; p > .05$). Consequently, the "senior student" data were considered representative of the other two student levels at that institution. The four campus recreation programs with the highest student satisfaction (TPSI) scores were compared to the four campus recreation programs with the lowest TPSI scores. A $t$ test revealed a significant difference ($t = 2.91; p < .05$) between the two groups.
Pearson product moment calculations were computed to determine if a significant relationship existed between directors' transformational leadership scores and the campus recreation programs' effectiveness scores. A nonsignificant relationship \( (r = .52; p > .05) \) was uncovered between transformational leadership and program effectiveness. Pearson product moment calculations were also computed to determine if a significant relationship existed between the strength of organizational culture and program effectiveness. A significant relationship \( (r = .77; p < .05) \) was uncovered between culture strength and organizational effectiveness.

**Discussion and Summary**

The researcher was able to statistically determine the presence of both high transformational leaders and low transformational leaders occupying the director's position in both the Big Ten and Mid-American Conference campus recreation programs. In addition, there was a significant difference in the organizational effectiveness ratings of programs housed in both the Big Ten and Mid-American Conference programs. Some programs were significantly more effective than others.

No significant relationship was uncovered between transformational leadership and organizational effectiveness. This finding supports the work of Bryman (1986), Hambrick and Mason (1984), Liberson and O'Connor (1972), Pettigrew (1987), and Pfeffer (1977) who noted that organizational effectiveness was determined by a number of factors, many of which fall beyond the scope of a leader. Conversely, the finding counters the claims of Bass et al. (1987), Bradford and Cohen (1984), Hater and Bass (1988), Hersey and Blanchard (1988), Howell and Avolio (1991), Howell and Frost (1989), and Smith et al. (1984) who noted that transformational leaders are critical to organizational success.

Lord and Maher's (1991) theory of direct and indirect leadership influences might help to explain this finding. They suggested that transformational leaders can impact subordinates, policies, and organizational decisions by direct or indirect means. A direct form of impact refers to leaders who are more visible, who personally communicate strategies to followers, who deal with subordinates and decisions on a more personal basis, and, consequently, are perceived by followers to personally impact program success. These leaders might exist in the smaller, centrally organized campus recreation programs such as those found in the Mid-American Conference. The actions and influences of transformational leaders in these settings would be more visible and consequently directly attributed to the leader. However, less visible, yet equally effective transformational leaders are also present in campus recreation programs, particularly larger, decentralized programs such as those found in the Big Ten Conference. These directors would be less visible due to the size and geographic dispersion of their programs. Due to these operational realities, these directors must revert to more indirect measures of influence, such as enacting policies that significantly alter the working conditions for employees or initiate changes to the culture. Changes in these mediating factors may have far-reaching implications on organizational effectiveness, although the credit is rarely attributed back to the leader (Lord & Maher, 1991). Campus recreation directors who might be employing these subtle forms of influence would not be recognized by their staff members as transformational leaders, however, their impact on program success is unobtrusively taking place.
A significant relationship was uncovered between the strength of culture and organizational effectiveness. This finding adds support to the work of Deal and Kennedy (1982), Denison (1990), Martin (1985), Meyerson and Martin (1985), Ouchi (1980, 1981), Peters and Waterman (1982), Pettigrew (1979), and Smircich (1983, 1985) who all noted that strong organizational cultures have the potential to significantly impact factors leading to heightened organizational effectiveness. This is important given the large number of staff members required to deliver a comprehensive campus recreation program and the high degree of turnover due to graduation realities. Directors need to ensure that the positive traditions and expected behavioral codes that contribute to program excellence are passed down from student to student each year. These aspects of the culture will assist employees at all levels of the program in guiding and interpreting their own behavior as well as the behavior of their colleagues.

Campus recreation programs offer a wide variety of activities designed to satisfy the recreational interests of a large target market. It takes a tremendous number of people to deliver this wide slate of programs. As well, campus recreation directors may be insulated from this large work force due to the geographic location of their office and/or the after hours time frame that these programs are offered. As a result, the direct forms of influence are difficult to trace back to the campus recreation director. However, a campus recreation director may be offering more indirect forms of leadership that include the development, preservation, and penetration of the desired culture for the program, which was found to relate to organizational effectiveness.

Leadership and organizational culture are advertised as two of the most important factors in determining the success of an enterprise. While leadership was not found to be significantly related to program success in this study, the high transformational leaders did administer programs with significantly stronger cultures (Weese, 1994). The researcher also uncovered that culture strength significantly correlated with organizational effectiveness in the campus recreation field.

This study produced some preliminary insights into the linkage between the concepts of leadership, culture, and organizational effectiveness. Additional research, particularly studies employing an experimental design (e.g., profile analysis) to determine the precise impact that transformational leaders have on the development and penetration of organizational culture and the degree to which culture contributes to organizational effectiveness is warranted to better understand this complex linkage. Only then will scholars and practitioners know the precise role that leadership and culture play in making sport organizations effective.

References


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