

California State University, Northridge

Nonprofit Organization Employee Motivation: Three Dimensions

A graduate project submitted in partial fulfillment of the requirements

For the degree of Master of Public Administration in Nonprofit Sector Management

By

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Dedication

To Trinity, Diego, and Destiny,

I love you three, more than you will ever know. This accomplishment belongs to you because you are my reason for life. You are my purpose. My life is fulfilled.

With all my love,

Mami

To Ivan,

Your unconditional love and support are the reasons why my dreams *always* come true.

Thank you for dreaming with me.

Love you,

R

I can do all things through Christ who strengthens me

Philippians 4:13

Abstract

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The author explores nonprofit employee motivation through the factors of employee satisfaction, organizational climate, and organizational leadership. The case for continued research on the topic was included, as research is limited. A discussion on public service motivation (PSM) included the factors identified and their impact on individual employee motivation. The research design and methods presented serve as a proposal for future research in the field. Nonprofit employee motivation implications are discussed in the concluding sections, which may serve for organizational application.

Keywords: Public service motivation, employee satisfaction, organizational climate, organizational leadership

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Project Introduction

The nonprofit sector continues to grow and has the potential to positively impact society by adjusting to social changes and needs. As nonprofit organizations are funded and staffed, questions arise pertaining to specific information on nonprofit employee satisfaction, organizational climate, and organizational leadership. There is a common theme throughout the literature regarding the various external and internal motivators employees experience that may have a profound impact on motivation in the public sector (Pitts, Marvel, & Fernandez, 2011; Caillier, 2001). However, most research done to date focuses on public organizations and research available regarding nonprofit employee motivation is limited (Schepers, De Gieter, Pepermans, Du Bois, Caers, & Jegers, 2005). The purpose of this study is to shed light on the need for additional research on nonprofit employee motivation to identify how the dimensions, identified in this project, impact motivation and in what ways.

Perry's (1996) public service motivation theory (PSM) will be examined to determine if nonprofit employees have a predisposition to work in organizations that serve the public good. Perry (1996) identified six dimensions of PSM that impact an individual's motivation: self-sacrifice, compassion, civic duty, social justice, commitment to the public interest, and attraction to policy making. Wright, Moynihan, and Pandey's (2012) transformational leadership included discussion of PSM, and other factors that also impact motivation: organization goal clarity and transformational leadership. Considering both Perry (1996) and Wright, Moynihan, and Pandey's (2012) work, it was determined that employee satisfaction, organizational climate, and organizational

leadership would be the three areas of focus for this study that were inclusive of what is known about employee motivation. These three areas of research encompass the significance of motivation in the public sector as studies on nonprofit motivation are limited.

The literature addresses public service organizations and motivation. The literature used will serve to address public and nonprofit employee motivation by examining what is known about motivation and applying it to the employee experience within an organization. Lee (2016) has found that “research suggests that nonprofit and public sector employees share many motivational traits”; PSM will be used to examine nonprofit employee motivation (Lee, 2016, p. 297). The inclusion of an interview schedule may show the need for understanding the motivation of individuals who seek out nonprofit employment. The interview schedule would be used to determine if there is a correlation between satisfaction and longevity of employment and how organizational factors, such as climate and leadership impact nonprofit motivation. The interview schedule questions (Appendix A), developed from both Perry (1996) and Wright, Moynihan, and Pandey’s (2012) work, may be able to provide insight into nonprofit employee motivation by addressing questions regarding satisfaction, organizational climate, and leadership. The exploratory study would determine if employee experience and intrinsic motivation were factors in seeking nonprofit employment and if there were identifiable correlations based the interview schedule questions. A discussion of the interview schedule, research methods, and other concerns will be discussed in the concluding section of this study.

A discussion on PSM will be explored in the following sections, which will include discussion of the three areas of focus for this study: employee satisfaction, organizational climate, and organizational leadership. Items to be discussed in employee satisfaction include mission attachment, intrinsic motivation, and factors that may cause a diminishing effect on motivation. Organizational climate will be discussed to explore how the work climate impacts motivation, including employee perceptions and opportunities for promotion. Finally, leadership will be discussed to examine how role model behavior, values and mission attachment impact employee motivation.

Background

The body of research on employee motivation for public organizations addresses various issues within the topic; as noted, research done specifically on nonprofit organizations is limited. Although public and nonprofit organizations are similar, their differences make the case for continued research. For example, public organizations have a limited need to fundraise; most public agencies are directly funded by state and government grants, such as county services like welfare. Most nonprofits require fundraising activities and private donations in order to continue to provide the needed services to their clientele. Another difference is most public agencies do not employ volunteers, while some nonprofits depend on the services volunteers provide at no cost. And finally, public agencies serve the public at large while nonprofit organizations can serve specific groups based on race, gender, religious affiliation, sexual orientation, etc.

According to Lee and Wilkins (2011), nonprofit organizations are distinct from public organizations because of the use of “identification of clients and the setting of policy priorities” which may affect employee motivation (Lee & Wilkins, 2011, p. 47). However, there has been a surge in contracts and partnerships between public and nonprofit agencies that may impact program provision, service delivery, and blur roles between the sectors (Austin, 2003; Cho & Gillespie, 2006; Word & Park, 2015). There is also a similarity between public and nonprofit sector employees because both share “prosocial motivations for doing their job” (Rotolo & Wilson, 2006, p. 24). These issues are important to consider when discussing employee motivation for nonprofit organizations; there is a gap in research to demonstrate how motivation is impacted.

For the purposes of this study, and based on PSM, three areas of motivation will be examined: employee satisfaction, organizational climate and organizational leadership. Examination of these three areas may identify the factors individuals have in choosing nonprofit organization employment.

Literature Review

Introduction

Employee motivation is a factor in organizational success due to the work employees do to fulfill the organizational mission. They are the front line and the public face of the organization. The workload some employees experience can be overwhelming and difficult at times. It may be of interest to the organization to learn what keeps their employees motivated to encourage continued motivation and retention. Perry's (1996) PSM theory will be used to discuss the motivational factors in employee motivation identified for this study.

The literature used in this study demonstrates the impact motivation can have on a public service organization and how this data can be applied to begin to discuss motivational implications in the nonprofit sector (Kim & Lee, 2007; Kim, 2012; Perry, 1996; Perry & Wise, 1990). The factors discussed in this study may enhance the need to understand if the nonprofit organization impacts employee motivation. Continued research is needed to make a broader study on the subject. Analysis of employee motivation research and theory will be examined, by discussing the areas of employee satisfaction, organizational climate, and organizational leadership. These three areas may have impact on motivation.

Theory will be discussed in the next section to establish the link between employee motivation and internal (intrinsic) motivation. The type of motivation some individuals experience may impact a nonprofit organization by the quality of individual

work performed. Public service motivation (PSM) will be introduced and discussed as the connecting factor between internal and external motivational factors.

Theory

Included in a study on bureaucracy, Downs (1965) discussed the area of motivation, as it applied to public service “officials” (Downs, 1965, p. 441). The discourse on the complexity of individual goals as motivating factors was reflected in the “mixed-motive official”, who “combines self-interests and altruistic loyalty to larger values” (Downs, 1965, p. 441). Perry and Wise (1990) described a motivation construct, following Down’s work, as a “predisposition to respond to motives grounded primarily or uniquely in public motivation” (Perry & Wise, 1990, p. 368). This work served as the foundation for Perry’s (1996) work on public service motivation (PSM) that included a development of a scale as a call for continued research in the field. This study will examine three factors that impact motivation by addressing motivation and PSM as they affect the nonprofit sector.

For the purposes of this study, the definition of motivation used will deal with the emotional connection a person has to their work. The emotional connection, Perry and Hondeghem argue, may be attributed to the need “to do good for others and contribute to the well-being of organizations and society” (as cited in Paarlberg & Lavigna, 2010, p. 710). According to the research conducted by Perry (1996), there is a connection between employee motivation and working for the public sector. Perry postulated that there is a predisposition for some individuals to work in the public sector due to a connection they may have with the mission of the organization. PSM is a

“multidimensional construct” in which Perry noted the more connected individuals felt with the organizational mission; the more motivated they were to do well in their positions (Kim, 2011, p. 528).

The “existence of PSM is not solely a province of the public-sector” and will be discussed as it applies to the nonprofit sector (Davis, 2010, p. 893). A study by Selander (2015) also suggested that PSM may provide “insight” into nonprofit sector motivation (Selander, 2015, p. 1391). Motivation for the individual comes from the work they do directly or work they do indirectly that moves the whole organization towards mission fulfillment. Employees who have high levels of PSM may also experience an internal sense of satisfaction when working with the purpose of mission fulfillment as the “existence of some type of intrinsic motivation to serve the public good is widely agreed upon” (Mann, 2006, p. 43). Georgellis, Iossa, and Tabvuma (2011), found employees with higher levels of PSM experienced greater intrinsic rewards when mission attachment was high.

Intrinsic rewards are significant because they are tied directly to an inner source of motivation for the employee. This may be closely linked to Maslow’s Hierarchy of Needs; when an employee does personally meaningful work that fulfills, in part, the self-actualization needs of contributing to a higher purpose (Pershing & Austin 2015). There may be the existence of a correlation between personal values and employee satisfaction. Nonprofit sector employees who are satisfied in their current employment may also have a high level of mission attachment. This attachment stems from an innate need to serve others in some capacity and is not something an organization can create in its employees. However, an organization can create a climate where employee motivation can be

nurtured by both the organization and by its leadership to increase PSM and to meet organizational goals.

Houston (2011) discusses how PSM does not account for various types of motivations that individuals have, and this may have a limiting effect on PSM theory. Self-Determination Theory (SDT) discusses the reasons for motivation as they pertain to work that is done because of the sense of enjoyment (intrinsic motivation) an individual feels and work that is done because of the sense of obligation (extrinsic motivation) that individual feels (Ryan & Deci, 2000). Intrinsic motivation is related to the sense of satisfaction in the work individuals do while extrinsic motivation has been linked with the sense of satisfaction in the rewards received for work performed (Houston, 2011). In both instances, it is the internal value placed on the work performed that makes the work meaningful and motivating.

Based on PSM, employees who are highly motivated may not experience a diminishing effect on their motivation by doing obligatory work. Factors related to motivation focus on attitudes toward work and commitment to the organization that seem to have a positive impact on motivation (Naff & Crum, 1999). Lee and Wilkins (2011) suggest that both “public and nonprofit employees are more likely motivated by intrinsic rewards” (Lee & Wilkins, 2011, p. 45). They further conclude that public and nonprofit employees are less likely to be “motivated by extrinsic benefits” (Lee & Wilkins, 2011, p. 46). Liu and Tang (2011) also found that highly motivated employees display “high job satisfaction” (Liu & Tang, 2011, p. 719). It is highly likely that an employee with high PSM will perform their daily tasks because of intrinsic factors.

PSM was discussed to establish the case for internal and external motivation for some individuals. The connection some individuals feel toward the work they do may increase the level of motivation they experience. Nonprofit employment and its connection to PSM will be discussed in the next section to determine the factors that contribute to employee satisfaction.

Employee Satisfaction

Vandenabeele (2009) suggests that “job satisfaction is considered to be a consequence of PSM” because of the opportunities an employee has to fulfill their need to serve others (Vandenabeele, 2009, p. 15). Wright and Pandey (2008) also found that doing work that fulfills the intrinsic need to serve others becomes a “motivating force” for employees (Wright & Pandey, 2008, p. 503). There may be a correlation between PSM and employee satisfaction that may impact nonprofit employee motivation. PSM may increase in individuals who “perceive their values are congruent” with their organization (Wright and Pandey, 2008, p. 502). Bright (2008) noted positive employee outcomes among highly motivated employees, such as increased retention rates and reported increased instances of satisfaction. External elements that are outside of the organization may impact PSM and employee satisfaction by influencing motivation.

External factors such as having children and age are motivators for some individuals to have consistent employment in various areas, including nonprofit employment (Kim & Lee, 2017). The implication is that external factors may cause high turnover rates for nonprofit employment. An individual may decide to leave an organization for reasons that are not attached to the mission. However, employee

satisfaction is tied to intrinsic motives, outside of external factors, that impact the personal life of the employee. The reason for leaving may be a personal issue outside the scope of influence for the organization and may not be tied to PSM.

According to Caillier (2001), employees want their organization to achieve its goals, and when it does, the achievement serves as an intrinsic motivator that can improve employee satisfaction. Kim and Lee (2017) suggest mission attachment is not as impactful as once thought; however, it may serve as a motivating factor in individuals who specifically seek out nonprofit employment. Intrinsic motivation is an element included in PSM, that Kim (2012) suggested increased a person's fit in an organization. If an individual has an increased intrinsic motivation to serve others (PSM) and feels connected to the organization due to its mission, then the organization will benefit from having an employee that is an optimal fit (De Cooman, De Gieter, Pepermans, & Jegers, 2011). The employee will be motivated to carry out the organization's mission. Moynihan and Pandey's (2010) findings support mission achievement as an intrinsic motivator for some employees with high PSM.

Houston's (2001) study includes factors from Self Determination Theory (SDT) that involve activities that lower PSM, such as uninteresting tasks. Houston (2001) found that intrinsic motivation can be lowered, over time of employment, if employees are engaged in work they find uninteresting. Ryan and Deci (2000) found that employees are motivated by activities that hold "intrinsic interest" (Ryan & Deci, 2000, p. 71). Intrinsic interest validates an individual by maintaining feelings of self-worth, values, and needs, therefore completing uninteresting tasks may hold little intrinsic value for employees. However, Osterloh, Frey, and Frost (2001) found that even if an activity is uninteresting,

some employees will still apply value to the uninteresting activity because they understand that the activity is helping the organization move towards mission accomplishment and they, in turn, are doing meaningful work. These individuals may have higher rates of PSM that allow them to add meaning to their work activities, including uninteresting tasks.

Highly motivated employees may also be more compassionate in the services they provide to clients, resulting in a meaningful experience for both the employee and client (Hsieh, Yang, & Fu, 2012). Granted, not all employee-client interactions may be perceived as positive, however, PSM may mediate the effect of negative interactions by contributing to instances of increased “emotionally committed” employees (Christensen & Wright, 2011, p. 726). Additional attributes, such as social importance and the impact of the organization, may affect nonprofit employee retention. Perry and Wise (1990) found that “individuals who are highly committed are likely to be highly motivated” and highly likely to stay at their organization (Perry & Wise, 1990, p. 371). Social importance, “social responsibility”, and “prosocial behavior” are also contributors to increased levels of PSM (Naff, 2011, p. 492). Rayner, Williams, Lawton, and Allinson, (2011) conclude that attachment to values for the employee is a “way of life”, an integral part of their identity, worth, and purpose (Rayner, Williams, Lawton, & Allinson, 2011, p. 92). There are many benefits to attracting and developing highly motivated employees such as increased performance and meeting organizational goals if PSM is “cultivated” (Wright & Grant, 2010, p. 695).

Cultivation of employee PSM can occur if the organization changes the organizational climate to include experiences that may increase PSM. In both public and

nonprofit organizations, the relationship an employee has with the organization may impact their motivation. The next section discusses how the work environment can impact employee motivation.

Organizational Climate

According to Moynihan and Pandey, the organizational climate “matters” as it may impact employee motivation (Moynihan & Pandey, 2010). An organization can make changes to ensure the organizational climate is conducive to continued motivation. Front line employees may feel alienated from the mission, at times, as a result of the work they do: dealing with client issues, reports, paperwork, etc. In a large organization, it may seem as if the work being done is individual and not connected with the whole system; however, “each piece of a system influences, informs, or reacts to another” (Pershing & Austin, 2015, p. 55). The focus should be on the importance of working together toward a common goal; this focus can be incorporated into mission attachment due to the pro social nature of nonprofit organizations.

Moynihan and Pandey (2007) suggest PSM and intrinsic motivation are established in an individual prior to entering an organization. Word and Carpenter (2013) agree that “individuals do not enter the nonprofit sector as blank slates, and previous research examining motivation in the public and private sector workforce has shown that individual-level characteristics are important to understanding motivation” (Word & Carpenter, 2013, P. 319).

Once the individual becomes an employee, the organization may also become an influencing factor on their PSM and intrinsic motivation. The nonprofit organization has

the opportunity to attract individuals with PSM and may be able to “provide a venue for fulfillment” of intrinsic motivation (Pandey, 2010, p. 567). The organizational climate is influential in building an environment that enables employees to align their own values to those of the organization (Vandenabeele, 2007). An element that an organization can include to increase “PSM fit” in their employees is to develop a climate where the communication employees receive includes information on how their work makes a positive impact on society (Steijn, 2008, p. 25).

Intrinsic motivation is an internal regulator that an organization can nurture by staying focused on mission and supporting employees as they move the organization forward. External motivators don’t seem to make a difference in terms of increasing employee motivation (Borzaga & Tortia, 2006). Georgellis, Iossa, and Tabvuma, (2011) discuss how the increase in wages and other monetary incentives do not impact motivation. The common factor for employee motivation is based on connections; motivated individuals will seek out organizations they feel connected to. The more connections employees have to the organization the higher the instances for motivation are possible. This can translate to organizational benefits, such as employee retention and high performance. Denzau and North’s (1994) study on mental models, provides a theoretical framework an organization can use to structure itself to encourage increased connections with their employees. This may encourage positive relationships between staff and management to maintain high levels of employee motivation as the organization moves towards mission fulfillment.

There is evidence of a correlation between job satisfaction and employee turnover that may be contributed to the organizational climate. The employee perceptions of

opportunities for promotion and raises are factors of the organizational climate that may also impact motivation (Pitts, Marvel, & Fernandez, 2011). In their study on federal employee turnover, Pitts Marvel, and Fernandez (2011) discussed employee issues that may impact turnover rates in public organizations. The study included concerns that may motivate an employee to leave their current position, such as opportunities for promotion and higher pay. They suggest pay increase and other extrinsic motivators do not seem to impact employee longevity. In fact, their research seems to point to a reverse effect; a higher likelihood of turnover when monetary incentives are offered. A study by Rainey (2011) seems to support the case for an increased intrinsic motivation, or altruistic reward, of highly motivated employees that is not dependent on an increase in wages. The study suggests employee longevity as a positive result of altruistic reward motivation.

Although an organization does not have control over turnover intentions of their employees, there are some organizational structures that can be improved to create higher levels of motivation for the employees that may reduce turnover. An area an organization can examine is the opportunity for promotion available to employees. Satisfied employees are those individuals who perceive obtainable opportunities for advancement because they tend to have a positive outlook of the organization, including higher instances of intrinsic motivation, along with improved performance (Brewer, 2011; Johnston, Griffeth, Burton, & Carson, 1993; Pitts, Marvel, & Fernandez, 2011). Although an organization may provide opportunities for promotion, the employee perception of some individuals may be the opposite. Some employees may feel an inability to meet the minimum job qualifications due to their current position or lack of

experience. Therefore, opportunities for promotion are perceived negatively and may contribute to turnover. An organization can curtail the perception of unattainable promotions by offering both on the job training opportunities for employees and formal professional development trainings to give employees the skills they need to promote into different positions.

Another area an organization can examine is the relationship between management and employees. The organizational climate can impact how employees relate to management and to each other. Based on prior work experiences, employees may have expectations and opinions of their new employer prior to entering the organization (Ponomariov, & Boardman, 2011). The current employer may be compared to a prior experience which can influence employee expectations. The organization has an opportunity to develop the organizational values in their new employees by ensuring the socialization process is developed by internal colleagues who share the organizational values and display higher levels of PSM. When the management supports innovative work systems, such as group work or special projects, the impact can result in an increase in the likelihood of organizational value internalization (Jaskyte, 2001).

Policies that foster innovation, creativity, and equity can create a work environment that may be able to deter turnover intention and increase PSM (Moynihan, Fernandez, Kim, LeRoux, Piotrowski, Wright, & Yang, 2011). The influence management has on employee motivation can impact employee satisfaction and the organizational climate; the next section will discuss the impact management has on motivation.

Organizational Leadership

Management plays an important role in the organization in terms of direct employee motivation maintenance. A study by Cho and Ringquist (2011) found that some managers can help connect and motivate employees to the mission if the employees perceived the manager to be trustworthy. Trust placed on the organization and direct managers in leading the charge towards mission fulfillment is a factor in employee motivation to consider. A manager should be aware of the responsibility and trust employees place on leadership. The trust employees develop can be from the perceived motivation of the manager. According to Feeney and Boardman (2011), highly motivated managers tend to be viewed favorably by employees. They also found a connection between employee values, manager values, and mission attachment that keep employees motivated. The idea of mission attachment as motivation for employees also extends to the mission attachment employees perceive managers to have. The trend seems to be high mission attachment leads to high employee motivation.

Wright, Moynihan, and Pandey (2012), have found that managers who demonstrate transformational leadership behaviors, that employees perceive as consistent with the organizational mission, also serve as “role models” for employees to help “build pride and confidence” (Wright, Moynihan, & Pandey 2012, p. 208). Wright, Moynihan, and Pandey (2012) define transformational leadership as managers who “direct and inspire employee effort by raising their awareness of the importance of organizational values and outcomes” (Wright, Moynihan, & Pandey, 2012, p. 207). Management impacts employee motivation by providing positive behavior examples employees can connect with and emulate. Brown and Treviño (2006) add an element of morality to

transformational leadership managers; they support transformational leadership behavior as role model behavior for employees. Concepts of fairness, respect, and support impact employee perceptions of appropriate ethical behavior while increasing motivation (Kim & Lee, 2017; Perry, Brudney, Coursey, & Littlepage, 2008). Examining shared values as factors that impact motivation can lead the management to identify areas of possible employee development. This development process may continuously build attachment to the organizational mission and thus continually increase motivation.

Perry's PSM can be an effective tool to enhance "employee and organizational performance" (Paarlberg & Lavigna, 2010). PSM supports intrinsic motivation and may allow an organization to align PSM values with organizational values. A manager can then "activate employee's existing public service motivation" by role modeling appropriate behaviors that reflect PSM and organizational values (Perry, & Vandenberg, 2015, p. 694). However, Paarlberg and Lavigna (2010) discuss the importance of follow through when hiring employees. They suggest that using PSM to enhance motivation in employees "will only work" if the management role model behavior is consistent (Paarlberg & Lavigna, 2010, p.716).

Perceived employee support is an aspect of establishing the manager-employee relationship. Grissom, Nicholson-Crotty, and Keiser (2012) discuss the importance of the employee's "perceived organizational support" as a factor for an employee's "fit" in the organization (Grissom, Nicholson-Crotty, & Keiser, 2012, p. 651). A manager may be able to impact PSM in an employee if the employee perception includes feelings of a supportive work climate and a sense of belonging.

Organizational leadership was examined as an element of the influence management can have with employees that impact motivation. Employee perception helps develop increased levels of motivation when they perceive their managers to have similar values, mission attachment, and ethical behavior as they do (Kim & Lee, 2017; Wright, Moynihan, & Pandey, 2012; Brown & Treviño, 2006). Organizational climate, leadership and employee satisfaction are structures that impact motivation in the nonprofit sector. (Jaskyte, 2001; Brewer, 2011; Hsieh, Yang, & Fu, 2012). These areas will be further examined in the next section, to determine how employee motivation is impacted in nonprofit organizations by exploring a series of research questions that can provide insight into employee perceptions on satisfaction, climate, and leadership.

Conclusion

The three elements of motivation discussed, employee satisfaction, organizational climate, and organizational leadership, both influence employee motivation and seem to intersect within the work experience for the employee (Jaskyte, 2001; Brewer, 2011; Hsieh, Yang, & Fu, 2012). All three factors interconnect and can either enhance or diminish PSM levels by how the employee feels about the work they do, the influence the organizational climate has on mission fulfillment, and the commitment to mission the organizational leadership displays. The difference for individuals who choose to work in the nonprofit sector may be the value placed on the work the organization does because it matches within their own personal set of values. They are intrinsically motivated to contribute to a cause they believe in by becoming involved in the organization.

The employee perception becomes the basis for measuring the difference in motivation between public and nonprofit organization employment. Continued research is recommended in nonprofit motivation due to the limited information available on the impact of employee satisfaction, organizational climate, and organizational leadership on PSM and intrinsic motivation. The question remains, if the nonprofit organization impacts employee motivation; this topic can be explored by considering the following research questions:

Research Question 1: Does employee satisfaction impact employee motivation in nonprofit organizations?

Research Question 2: Does the work environment impact employee motivation in nonprofit organizations?

Research Question 3: Does leadership impact employee motivation in nonprofit organizations?

These research questions will help identify how organizational structures of satisfaction, climate, and leadership influence motivation. The next section will explore the implications of nonprofit motivation by planning the research design and methods for future research.

Research Design

Introduction

As nonprofit organizations continue to accomplish their mission that may positively impact society, the question remains concerning employee motivation and its implications. These areas discussed may have an impact on the overall motivational factors of current nonprofit employees through public service motivation (PSM). The measurement of motivation may determine if the type of nonprofit organization impacts employee motivation. The purpose of this study is to explore employee motivation in the nonprofit sector by considering how employee satisfaction, organizational climate, and organizational leadership play a role in shaping employee motivation outcomes. The exploratory study was conducted by the author, in fulfillment of the requirements for the degree of Master of Public Administration in Nonprofit Sector Management.

Details

This qualitative exploratory study focuses on nonprofit employee motivation in three specific areas: employee satisfaction, organizational climate, and organizational leadership. Examining employee motivation with nonprofit employees may provide some possible answers to the questions developed in this study. The unit of analysis is the individual; for this study, the individual will be referred to as the employee. Exploring the motivational factors of nonprofit employees is appropriate because they experience the various elements of motivation, such as congruence with organizational values and shared mission attachment, over the course of their employment. Many of these employees are either individuals with high PSM who enjoy working in the

nonprofit sector or they may be individuals who may experience lower levels of PSM and their employment satisfaction will reflect this.

A cross-sectional study of a nonprofit organization would examine current employee motivation. The employees would be chosen by using non-probability convenience sampling that would consist of twenty participants (ten female and ten male). This sample size of the workforce of the organization may provide data that can offer insight into employee motivation. The population would include all current employees that meet the sampling design requirements and who are available to speak to the researcher. The participants would be interviewed, individually, to assess their motivation using the interview schedule (Appendix A). Table 1.1 below details the sample design matrix.

Table 1.1	Total size of sample
Female	10
Male	10

Items from the interview schedule are the basis of measurement to determine motivation levels of current employees. Gender will be measured at the nominal level to determine if motivation differs between the sexes. Age will be measured at the ordinal level to identify if there is a correlation between the age of the employee and the level of motivation. Employment type, full-time, part-time, or volunteer, will be measured at the ordinal level to make note of type of employment status and if there is a correlation between motivation and the employment status. The question of working for a nonprofit is measured on a nominal scale and is meaningful because the employee may have

different perceptions of the type of organization they work for. For example, they may work for a nonprofit that is funded by the federal government. An employee can make assumptions of the type of organization it is, and this assumption may impact motivation. The question regarding years worked for a nonprofit will be measured at the ratio level to determine if motivation changes over the length of employment. The rest of the items on the interview schedule will be measured on the nominal scale and are significant because these questions help establish a baseline of motivation. The nominal questions on motivation will be measured against questions on gender, years worked, age, type of organization and employment status to identify possible correlations. Table 1.2 below details interview schedule questions and scale.

Table 1.2	Nominal	Ordinal	Interval	Ratio
What is your gender?	X			
What age group are you in?			X	
Are you employed? [full-time, part-time, volunteer]		X		
Do you work for a [nonprofit, public, private organization]	X			
How many years have you worked for a nonprofit?				X
Do you consider yourself a motivated employee? Why or why not?	X			
How does your motivation impact your work performance?	X			
In what ways do you feel attached to the mission of your organization?	X			
In what ways does the organizational mission impact your motivation?	X			
How does your work environment impact your motivation?	X			
How do opportunities for advancement impact your motivation?	X			
How does leadership impact your motivation?	X			
Does sharing the same organizational values	X			

with leadership impact your motivation?				
Does having trustworthy leadership impact your motivation?	X			

Research Questions

The focus of this study was to discuss motivation by looking at factors that may impact nonprofit employee motivation. Motivation was defined as the individual's emotional attachment to their work. The nonprofit employees discussed are individuals employed by organizations that provide public services to the community and are funded by donors, grants, and private funders. For the purposes of this exploratory study, employee satisfaction, organizational climate and organizational leadership were the impacting factors examined. Theory was also examined to connect motivation to impacting factors. PSM theory was used to determine how employee motivation may be impacted by both internal and external elements.

The qualitative interview schedule was developed using items from both Perry's (1996) PSM scale and Wright, Moynihan, and Pandey (2012) interview schedule for employees from nonprofit organizations (Appendix A). The goal of the interview schedule would be to measure motivating factors in seeking employment in the nonprofit sector. Once initial data is received and analyzed, the interview schedule can be used at nonprofit organizations that serve specific groups to determine common factors in nonprofit employment motivation.

The research questions developed were based on prior research that indicated motivation is impacted by many factors; this study focused on three factors (Perry, 1996;

Wright, Moynihan, & Pandey, 2012). Employee satisfaction is based on the employee's intrinsic motivation and mission attachment (Kim & Lee, 2017; Caillier, 2001). Perry (1996) postulated that there is a predisposition to having PSM and the type of employment individuals seek out may be an indicator of their level of PSM. Motivation is also impacted by other factors discussed, such as attachment to mission, doing meaningful work, opportunities for promotion, and managerial behavior, which revolve around organizational climate and leadership (Kim & Lee, 2017; Pitts, Marvel, & Fernandez, 2011; Osterloh, Frey, & Frost, 2001). Through this study, motivation was shown to have an impact on employees. Motivation exists within the nonprofit employee and the levels of motivation an employee feels can be impacted by the experience within the organization. Motivation, therefore, may be the result of intrinsic motivation the employee has, and it can be strengthened or diminished by the nature of the experience they have at a nonprofit organization.

The research questions represent the areas discussed in the study and how employees respond to the interview schedule will depend on their intrinsic motivation, PSM, and their experience in their employment at the nonprofit. The twenty employees interviewed may respond expressing feelings of high motivation. This determination would be made by the level of expressed satisfaction, climate and leadership. Employees may also express low levels of motivation based on their work experience and their expressed emotions. The interview schedule was based on the research questions below:

Research Question 1: Does employee satisfaction impact employee motivation in nonprofit organizations?

Research Question 2: Does the work environment impact employee motivation in nonprofit organizations?

Research Question 3: Does leadership impact employee motivation in nonprofit organizations?

The interview schedule may provide the types of responses that will allow for determination of motivation of the employees. However, there are concerns that the data provided may not produce answers to questions posed in this study. Additional concerns will be discussed in the next section.

Concerns

There are limitations that can impact the quality of survey data collected. There may be instances where some nonprofits will decline to participate in the survey. The researcher should anticipate this possible scenario by reaching out to various nonprofit organizations that fit the interview schedule criteria. The case may be that the nonprofit organization may agree to participate however; there may be a lack of participation from the staff that can impact the number of interviews completed. This lack of participation can limit the sample size and skew the results. Another limitation can be not allowing enough time to collect data; employees may not be able to meet the researcher's timeframe, and this may discourage completion of interviews. And finally, some employees may not want to participate in the interviews, which would have a limiting effect on the representation from multiple internal departments of the organization. The researcher should also make all the necessary precautions to ensure confidentiality for all employees involved.

Qualitative data analysis is a useful method for connecting PSM to the factors discussed in this study, to discover the relationship between PSM, employee satisfaction, organizational climate, and organizational leadership. By using this method, a researcher

would be able to identify patterns in the data by noting the frequency of motivation by examining employee age and the number of years worked at the nonprofit organization. Patterns can be determined by measuring the magnitude of motivation, through the impacting factors discussed in this study, by exploring the nominal question responses of the interview schedule. Employee responses will determine if the structure patterns identified in this study, the factors impacting motivation, are representative of motivational factors individual employees encounter in their organizations. Process patterns will determine if the years worked at the nonprofit organization will provide insight into determining the existence of PSM and if the levels of motivation fluctuate throughout their employment. Causal relationship patterns can also be identified to determine if the factors discussed in this study impact motivation in a significant manner. Long-term and short-term consequences are also patterns that can identify how motivation and the employee experience will impact a nonprofit organization. Language usage and nonverbal communication will be an element to note if the interview schedule is done, to further probe to gain a better understanding of the factors that impact motivation.

Qualitative data analysis provides information to a researcher by examining observations and surveys; however, there are concerns related to using this method. For example, a major concern is that the findings will not be credible because actual data was not collected as part of this study. If research was conducted, it would offer the opportunity to extend knowledge because there is limited research available in nonprofit employee motivation. Another concern with this method is planning to interview twenty employees who work for a nonprofit organization may not be representative of all

employee opinions. Valid inferences cannot be made about all employee motivation in nonprofit organizations within a community by interviewing only twenty individuals. And finally, a well written interview schedule is required to obtain a better understanding of employee motivation and how factors discussed impact motivation. The concern that questions may be superficial and will not provide meaningful data is possible. If a researcher must ask questions in a different way or continually probe interviewees for details, then the interview schedule is not an effective tool to gather data on motivation. Even slight changes to the interview schedule may skew the results; the lack of consistency will impact the quality of the data collected.

Triangulation may be used to improve the validity of data collected. In addition to qualitative data analysis, experimental design and content analysis may be used to help improve the quality of data collected. An experimental design can be used for the interview schedule questions that measure ratio and interval items. The researcher can use the responses to cross-reference with the nominal question responses. This may lead a researcher to identify and determine relationships in the data. For example, motivation can be represented as the variable and can be examined by how interviewees respond to questions regarding employee satisfaction, organizational climate, and organizational leadership. However, it may be difficult to administer an experimental stimulus to an experimental and control group within the same organization. Another concern with experimental design is the possibility of changes in the behavior of employees that may impact how they respond during the interview. These changes may skew results and lower the validity of the experiment.

In content analysis, a researcher examines all the communication and research done on a topic to discuss future application. The present study can be enhanced by the inclusion of previously collected data and research on the topic of motivation to include known impacting factors. However, in order for the data to be useful, it must be representative of motivation and impacting factors identified within this study which may be difficult to find. This type of research may be time consuming since all content on a subject must be examined.

Although qualitative data analysis, experimental design, and content analysis have their limitations, when used in conjunction, may prove useful in obtaining data that is well controlled and representative of real-world employee experience.

Project Conclusion

The elements of employee motivation were discussed as they apply to nonprofit organizations. Motivation has been explored within the public sector; however, research on nonprofit sector motivation is limited. Public service motivation (PSM) theory was used to discuss how the elements of employee satisfaction, organizational climate, and organizational leadership impact employee motivation. Although there are other factors within individual motivation that can have limiting effects, PSM was applied to those employees who specifically seek out nonprofit employment and may have high levels of intrinsic motivation.

This exploratory study focused on employee motivation and factors that impact motivation. A cross-sectional, qualitative study was proposed as the method for planning to do data collection, using the interview schedule (Appendix A). Items of the interview schedule were discussed as they relate to the research questions revolving around the three factors of motivation as identified through this study. Triangulation was explored to discuss enhancement of validity of data collection by incorporating additional methods of experimental design and content analysis. Concerns and limitations of methods were discussed, relating to the absence of actual data.

This study serves as a proposal for extended research on the subject on nonprofit organization motivation as research is limited. Employee outcomes may be improved by enhancing the environmental factors, such as climate and leadership, which may significantly improve employee motivation. An organization may benefit from encouraging higher levels of PSM in their employees by creating environments that foster

positive employee perceptions, opportunities for employee promotion, and positive behavior, as role modeled by management. There are correlations between PSM as an impacting factor on motivation; this may be an opportunity for organizations to adjust their policies and procedures to include PSM. As Bright (2008) notes, PSM may be used as a “guide for recruiting, training, and socializing employees” (Bright, 2008, p. 149). Continued study on the topic is needed to determine how the factors discussed in this study impact motivation and how those implications can lead to policy changes within a nonprofit organization to promote PSM and intrinsic motivation.

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Appendix A

You are invited to participate in a study on employee motivation. Your responses will be strictly confidential.

Your feedback is very important, and we thank you for your time.

We begin by asking questions about you and your employment

What is your gender? <ul style="list-style-type: none"><input type="radio"/> Female<input type="radio"/> Male<input type="radio"/> Other	What age group are you in? <ul style="list-style-type: none"><input type="radio"/> 20 and under<input type="radio"/> 21-30<input type="radio"/> 31-40<input type="radio"/> 41-50<input type="radio"/> 51-60<input type="radio"/> 61 and over
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Are you employed: <ul style="list-style-type: none"><input type="radio"/> Full-time<input type="radio"/> Part-time<input type="radio"/> Volunteer	Do you work for a: <ul style="list-style-type: none"><input type="radio"/> Public organization<input type="radio"/> Nonprofit organization<input type="radio"/> Private business
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How many years have you worked for a nonprofit?
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The next set of questions ask about your work motivation

Do you consider yourself a motivated employee? Why or why not?

How does your motivation impact your work performance?

In what ways do you feel attached to the mission of your organization?

The next set of questions ask about your work environment

In what ways does the organizational mission impact your motivation?

How does your work environment impact your motivation?

How do opportunities for advancement impact your motivation?

The next set of questions ask about the leadership at your place of work

How does leadership impact your motivation?

Does sharing the same organizational values with leadership impact your motivation?

Does having trustworthy leadership impact your motivation?

Thank you for your participation