



**UNDERSTANDING LEADERSHIP IN NON-PROFIT  
ORGANIZATION:  
A CASE STUDY OF WALHI**

**Thesis**

*This is submitted as a partial fulfillment of the requirement for an  
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Submitted By:

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Understanding Leadership in Non-profit Organization:  
A Case Study of WALHI  
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**ABSTRACT**

Most leadership research has made within regular corporations or public sector organizations in the business world. However, the research on leadership in the non-profit organizations has been scarce even though these organizations play an important part in society and the economy as well. It is argued that leadership in NPOs is different from a profit organization due to the differences among these organizations. The research question of this thesis is therefore; "what are the leadership roles, leadership skills and leadership style that leaders in WALHI adopt?" The objective of this research is to have an understanding of leadership style, leadership role and leadership skill that dominantly performed in WALHI. The research is a descriptive research that describes individuals in leading position's behavior due to their leadership characteristic in a non-profit organization. It will be supported with qualitative analysis that processing the data by comparing the fact that occurred with the theory that related to the problem. Methods that are used for collecting the primary data of this research are interviews and questionnaire. The results that received were that all leaders in the organization had a high relationship behavior and middle to low task behavior. Their dominant leadership styles were supporting and coaching, their dominant roles were communicator, liaisons with external constituencies, and team builder and their dominant skills were communication skill, management skill and motivating and influencing others skill.

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Problem Background

Today, many successful leaders can be found in the business world. Bill Gates, Meg Whitman, Warren Buffet and Ingvar Kamprad are just a few examples of individuals who have been highly successful in their respective organizations and in the business world as a whole. What leadership characteristics and styles do leaders in successful organizations possess and how did they become successful leaders has for a long time been based on speculation. Research about leadership did not begin until the twentieth century and different approaches to study leadership have had varying popularity over time. The focus of the research was to determine the leadership effectiveness, and researchers have tried to discover what traits, abilities, and behaviors, sources of power and aspects of the situation that determine how well a leader can influence his or her followers and accomplish the set objectives for the organization.

Organization can be distinguished into three broad organizational forms, the profit sector, the public sector and the non-profit sector. The profit organization is a company that strives for profit maximization and has shareholders that have an interest in dividends. The public sector consists of organizations that are owned by the government and funded by taxes. Finally, non-profit sector, organizations are often associated with having a social mission, such as saving the environment, assisting elderly people or feeding the homeless.

Lindberg in Larsson and Storhannus (2008) argues that one fundamental difference between a profit organization and an NPO is the requirement for democracy among the members. Many managers that have moved from a profit organization into a leading position within an NPO have faced great opposition from the members when trying to adopt his or her leadership style. This is supported by Jonsson in Larsson and Storhannus (2008) who emphasize the democratic feature as a fundamental characteristic of NPOs and argues that leadership within this organizational form is a two-way process. The organizational members lead by making decisions at meetings, through debate and a critical eye of the operations. At the same time the members are affected by the different measures and activities that are initiated by the managers. Egri and Herman (2002) also mention that there is a large difference between profit organization and non-profit organization in regards to their personally characteristics or leadership skill.

Departing from these differences, there is thus a reason to believe that leadership would look different depending on what type of organization it is. Most leadership research has made within regular corporations or public sector organizations in the business world. However, the research on leadership in the non-profit organizations (NPOs) has been scarce even though these organizations play an important part in society and the economy as well.

The arguments brought forward states that leadership in NPOs is different from that of a profit organization due to the different preconditions that exist in a non-profit organization. A question that one could ask is then how to be a

## CHAPTER VI

### CONCLUSION, CONTRIBUTION AND FURTHER RESEARCH

Researcher have provided an understanding for how the leadership in non-profit organization looks like, which was the purpose if this thesis. The research question was; how does the leadership in successful NPOs look like, and what different leadership styles, roles and skill can be found? The interviews researcher has made with the director executives at eight different offices of WALHI have helped researcher to understand the way the leaders are working towards their employees at WALHI. The conclusion has been divided into two main parts, the first concludes an understanding about the leadership at WALHI, and the other part discusses what implications researcher findings could have for NPOs in general. In the end of the chapter it will presented the contribution as well as giving suggestion for further research.

#### 6.1 Leadership in WALHI

The leadership styles used at WALHI was determined by a test created by Hersey & Blanchard (1981). The results that received were that all leaders in the organization had a high relationship behavior and middle to low task behavior. Their dominant leadership styles were supporting and coaching. This was also in line with the leaders own opinion and perspective of their own leadership, where the leaders thought that it was important to empower the employees as well as influence and

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