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# The Influence of Value Perspectives on Prior Plans, Job Satisfaction, and Turnover Intentions In Nonprofit Agencies

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*Values are purported to have significant effects on organizational and employee functions. Understanding the link between work-related attitudes and behavior is an important issue that can provide essential insight for the selection of appropriate management practices. In particular, one study of voluntary service organizations (Macy, 2006) suggests that nonprofit organizations depend on personal values for motivation. Although there are many dimensions to values, this research focuses on the dimension of individualism versus collectivism to the degree that it makes assumptions regarding the nature of work and the status of individuals. There are three value perspectives that are the focus of this study: Individual, Collective, and Humanistic. The purpose of this study is to determine the significance of these three value perspectives, how each influences the nonprofit employee to choose to work in the nonprofit sector, and how these value perspectives might in turn influence job satisfaction and future turnover intentions. This research provides important insights on how values alone can impact one's perception of work and influence worker outcomes.*

**Key Words:** Values, Nonprofit recruitment, Retention, Job satisfaction

## Introduction

The impact of personal values and their effects on employee outcomes is a largely untested field (Macy, 2006). From an employer's perspective, job satisfaction may be manifested by reductions in absenteeism and turnover, increased productivity and outward expressions of cooperation, and socialization among employees. Alternatively, from an employee's standpoint, job satisfaction is the perception that the job itself is a means of fulfilling one's most important job values, such as good wages and job security (Karl & Sutton, 1998). With respect to the nonprofit sector, Mason (1996, as cited in Macy, 2006) states, "People work with nonprofits to fulfill their expressive hunger for relatedness, rootedness, affection, approval, admittance, security, esteem, affiliation, and other expressive activities" (p. 165). Frumkin (2002) further elaborates that by "committing to broad causes that are close to the heart or by

giving to an effort that speaks directly to the needs of the community, nonprofit and voluntary action answers a powerful expressive urge" (p. 166). Thus, a study of the effects of specific value perspectives is relevant to worker outcomes because those outcomes, in part, influence job satisfaction and an employee's intention to remain in the nonprofit sector.

## Literature Review

Values are discussed in the literature as having various dimensions and levels. Values are often loosely considered as norms or a set of standards (Hemingway, 2005; Macy, 2006). Hitlin and Piliavin (2004) argue that norms capture an "ought" sense and tend to be situation based; values, on the other hand, capture a personal or cultural ideal. Therefore, persons acting in accordance to values are not pressured by situational constraints and remain true to personal standards of conduct. Regardless of the

differing perspectives, the central theme claims that personal values are the catalyst for our behaviors; with the end result being a reinforcement of our sense of personal identity (Hemmingway, 2005).

When assessing values in tandem with management practices, it is necessary to identify a set of shared values that are particularly relevant and support the concerns of both the organization and the employee. Special attention needs to be directed toward organizational structures that influence worker satisfaction. Spector (1985) proposes that job satisfaction is the result of workers' perceptions that their important job values are being fulfilled. Managers, in their search for employee satisfaction and productivity, need to know what employees value when they redesign jobs or human resource management policies (Karl & Sutton, 1998).

A study performed by Macy (2006) qualified the dimensions of humanist, individual, and collective perspectives as those specifically relevant values that reflect an individual's personal value structure relative to his/her work environment. In terms of the individual perspective, value is placed on one's position and interdependence of working relationships. A collective perspective values equal reward, group cooperation, and teamwork, while the humanistic perspective focuses on the nature of the work as a means of self-expression and satisfaction. Hemmingway's (2005) discussion of individualistic and collective values explains that individualistic values can be described as *ambition* or *pleasure* and collective values can be described as *responsibility* and *helpfulness*. The research presented in this paper incorporates elements of both Macy's three value perspectives and Hemmingway's definitions insofar as they provide correlations with prior plans, job satisfaction and turnover intentions in the nonprofit sector.

Mann's (2006) theory of public service motivation in the nonprofit sector first examines the definition of public service motivation according to Perry and Wise (1990) as, "an individual's predisposition to respond to motives grounded primarily or uniquely in public service institutions and organizations" (p. 33). They further assert that a service orientation is key to understanding public service motivation – and those strong intrinsic motives clearly apply to the nonprofit and private sector as well. Borzaga and Tortia (2006) assert that the workers' choice of organization is based on the attraction of the sector in which it operates (in this case, the nonprofit sector), although the choice of specific organization within the sector differs in motivation. These reviews lend support to the assumption that there could be a relationship between the degree to which an individual is service oriented and his/her prior intentions to work in the nonprofit sector. It is that intentional choice to work in the nonprofit sector that makes this investigation of prior plans relevant to this study of value perspectives.

Job satisfaction is a topic that has received considerable attention by researchers. Spector (1985) defines job satisfaction as an "emotional affective response to a job or specific aspects of a job" (p. 695). Correlations between job satisfaction and value perspectives are supported by Locke (1976, cited in Spector, 1985) where job satisfaction is described, in part, as the "degree to which individual values (desires or wants) are fulfilled" (p. 695). Many researchers claim a relationship between job satisfaction and employee retention, and stress the importance of intrinsic rewards over extrinsic or monetary rewards (Borzaga and Tortia, 2006; Kim and Lee, 2007; Macy, 2006; Spector, 1985). Identifying the value perspective for this type of employee is particularly applicable in this research.

## Research Methods

This study of value perspectives utilized five dependent variables – Prior Plans, Job Satisfaction, Willingness to Stay, Intended Length of Stay, and Perceived Job Availabilities. The intent was to investigate relationships between these four variables and the three independent value perspectives – humanist, collective and individual. The 16 empirically tested survey questions utilized the Likert rating scales, with choices ranging from “1” being “strongly disagree” to “7” being “strongly agree.” Alpha scores for these specific scales ranged from .70 to .87. Demographic information was included in an effort to determine what significant correlations exist among all variables included in this study.

As part of a larger study, a Nonprofit Employee Survey was prepared and hand-delivered to 14 nonprofit organizations, totaling 275 employees. A contact person at each community agency was used to distribute the surveys, which would take about 20 minutes to complete. This contact person distributed an unmarked envelope to each employee. In addition to the survey, the envelope contained an informed consent document with instructions to complete the survey, seal it in the envelope, and return the sealed envelope to a larger envelop located at each appropriate agency. No employee lists were used and the contacts did not see completed surveys, so confidentiality was maintained. Approximately ten days after delivering the surveys reminders were sent to key contact persons by

investigators. An additional follow-up effort was made to encourage contact persons to collect as many surveys as possible in order to provide more accurate results. These efforts resulted in 186 (67.6%) responses.

Responses from the survey instrument were designed to collect information on 24 dependent and independent variables in seven broad categories. The 99-item survey was taken from larger studies that explored the influence of a number of variables on recruiting and retention of nonprofit employees (Kim & Lee, 2007; Land, 2003; Macy, 2006; Spector, 1985). Cronbach alpha scores on the questions ranged from .60 to .946. The survey also utilized a Likert rating scale and included one qualitative question and standard demographic questions.

Table 1 shows demographic characteristics of the sample. Of the 186 responses, 30% were male and 70% were female. Caucasians represented the largest ethnic group at 89%. Age was unevenly distributed between the brackets, with the majority of employees (43%) between the ages of 21 and 30 years. The majority were married (57%), over half (57%) held 4-year college degrees or higher, whereas the other half completed two years of college or less. With respect to tenure, 19% experienced ten years or more with the organization; however 40% stayed with the agency less than one year. Over 26% were in administrative or managerial positions, 50% were in clerical, support or professional positions, while 23% served as drivers or in some other capacity.

**Table 1.**  
**Demographic Characteristics of the Sample**

Variables	Frequency	%	Variables	Frequency	%
Gender			Ethnicity		
Male	54	29.5	Asian	1	.5
Female	129	70.5	Caucasian	162	88.5
Age			Hispanic	11	6.0
Less than 21	13	7.1	Pacific Islander	3	1.6
21-30	79	43.4	Other	6	3.3
31-40	34	18.7	Income		
41-54	33	18.1	Less than 20,000	40	21.9
55+	23	12.6	20,000-40,000	68	37.2
Marital Status			40,000-60,000	36	19.7
Single	57	31.0	60,000-80,000	26	14.2
Separated/Div	18	9.8	80,000-100,000	4	2.2
Widowed	4	2.2	Over 100,000	9	4.9
Married	106	57.1	Position		
Education			Admin/Manage	48	26.7
Some HS	1	.5	Cler/Adm Supp	28	15.6
HS diploma	7	3.8	Professional	61	33.9
Some college	49	26.6	Driver	17	9.4
Associate degree	22	12.0	Other	25	13.9
Bachelor degree	69	37.5	Hear		
Masters degree	32	17.4	Newspaper	23	12.6
Doctorate degree	4	2.2	Word of Mouth	55	30.1
Children			Prof Org	26	14.2
No children	110	59.8	Internal	9	4.9
1 child	27	14.7	Internet	29	15.8
2 children	18	9.8	E-mail networks	9	4.9
3 children	12	6.5	Other	32	17.5
4-5 children	13	7.1	Hours Worked		
6 or more	3	1.6	Less than 20	22	12.0
Tenure			20-29	24	18.5
0-6 mos.	49	26.6	30-39	24	18.5
7-11 mos.	25	13.6	40 or more	94	51.1
1-2 yrs.	41	22.3			
3-5 yrs.	34	18.5			
6-10 yrs.	18	9.8			
11 or more yrs.	17	9.2			

## Results and Discussion

### *Value Perspectives and Prior Plans Correlates*

Table 2 shows the means, standard deviations, and correlation matrix for the final variables. The mean score for the humanist value perspective is 5.87 (SD = .952). In utilizing the Likert (1-7) rating scale to quantify the responses, this would suggest that the majority of respondents in this survey value the intrinsic aspect of their work in the nonprofit sector as a means of self-actualization and as a way to contribute to society. The collective perspective mean score of 4.99 (SD = 1.279) suggests that to a somewhat lesser degree respondents value cohesiveness, group/teamwork, and equal acknowledgement. The mean score of 3.31 (SD = 1.461) suggests that the person possessing the

individualist value perspective is the least likely to be found at a nonprofit.

With respect to prior plans, this study suggests significant correlations exist between both the humanist ( $r = .192, p = .05$ ) and collective values ( $r = .165, p = .027$ ), but is rather insignificant with respect to individual values ( $r = .006, p = .931$ ). While the literature review on prior plans is scarce, research on motivations for service in the public and private sector are plentiful (Borzaga & Tortia, 2006; Macy, 2006; Mann, 2006; Spector, 1985). More specifically, it is Mann's (2006) theory of public service motivation in the nonprofit sector discussed above that could be used to explain the correlation between an individual's public service intentions and their reasoning behind an occupational choice in the nonprofit sector.

**Table 2. Results of Study Variables**

Variables	Mean	s.d.	1	2	3	4	5	6	7	8
Independent Variables:										
1. Humanist	5.871	.952								
2. Collective	4.995	1.279	.556**							
3. Individual	3.310	1.461	.001	.115						
Dependent Variables:										
4. Prior Plans	3.322	1.816	.192**	.165**	.006					
5. Turnover 1	5.536	1.778	.423**	.507**	.155*	.164*				
6. Turnover 2	3.519	1.754	.188*	.207**	.139	.054	.544**			
7. Perceived job availability	4.833	1.639	-.022	-.004	-.021	.056	-.010	.049		
8. Job Satisfaction	5.445	1.543	.439**	.494**	.037	.221**	.760**	.533**	-.075	
Demographics:										
Gender			-.081	-.117	.001	.132	-.085	-.173*	-.007	-.007
Age			-.076	-.084	.094	.034	.041	.408**	.030	.071
Marital Status			.025	.020	-.016	-.092	.005	.186*	.033	.031
Education			-.118	-.368**	-.209**	.109	-.242**	-.071	.014	-.183*
Children			-.032	-.085	-.082	-.100	-.105	.180	.179*	-.157*
Time			-.218**	-.318**	-.043	.001	-.143	.252**	.002	-.103
Ethnicity			.044	.184*	-.023	.092	.020	-.048	.065	-.078
Income			-.068	-.207**	-.148*	-.048	-.035	.328**	.135	-.006
Position			-.092	.040	.265**	.016	.047	-.109	-.002	-.061
Hear			.128	.056	-.079	.025	.038	-.118	.078	.018
Hours			-.115	-.224**	-.029	-.107	-.143	.098	-.082	-.167*

\* $p < .05$ , \*\* $p < .01$

### *Value Perspectives and Job Satisfaction, Turnover Intentions and Job Availability*

Very strong correlations can be found between job satisfaction and humanist ( $r = .439, p = .000$ ) and collective ( $r = .494, p = .000$ ) value perspectives. Keeping in mind Hemingway's (2005) definition of humanist and collective traits, Macy's (2006) interpretations of individuals characteristics and Mann's (2006) public service orientation theory, there is strong evidence to suggest that opportunities for fulfillment, service, and a deeper desire to make a difference are of significantly higher value to the humanist and collectivist nonprofit worker than they are to the individualist ( $r = .037, p = .625$ ). This might further suggest that ambition plays a greater part in the value structure of the individualist. Consequently, all individual value perspectives were insignificant with respect to prior plans, job satisfaction, willingness to stay, and intended length to stay. This could explain why prospects of leaving their current employers proved to be more seriously considered by the individual value perspective.

A strong correlation was also found between job satisfaction and prior plans ( $r = .221, p = .003$ ). An even greater correlation was found between job satisfaction, willingness to stay ( $r = .760, p = .000$ ), and intended length of stay ( $r = .533, p = .000$ ). Borzaga and Tortia (2006) further supported this relationship with research involving worker satisfaction scales that measured nonprofit employee loyalty and their preferences to stay with their organizations as long as possible. Interestingly, a higher correlation was found between the collective value perspective and willingness to stay ( $r = .507, p = .000$ ) and intended length of stay ( $r = .207, p = .006$ ) than in any other value perspective; although notable correlations were found in the humanist perspective ( $r = .423, p = .000$ ;  $r = .188, p = .011$ ). Noteworthy correlations found with respect to job

availabilities are discussed in value perspective and demographic correlations next.

### *Value Perspectives and Demographic Correlations*

Demographic correlations provide supporting information regarding an employee's willingness to stay with an organization. The most significant demographic correlations appear in the relationships between the individual worker's intentions to stay with the current organization and age ( $r = .408, p = .000$ ), length of time with the agency ( $r = .252, p = .001$ ) and income ( $r = .328, p = .000$ ). Conversely, the length of time with the agency, income levels, and education inversely affects the degree to which their value perspective is magnified. As previously demonstrated regarding the ambitious tendencies of the individual perspective (Hemmingway, 2005), position in the agency is the most highly correlative variable ( $r = .265, p = .000$ ).

There are strong inverse correlations between education and income levels and all three value perspectives. With respect to education, collective ( $r = -.368, p = .000$ ) and individual ( $r = -.209, p = .005$ ) perspectives show a greater inverse correlation than does the humanist perspective ( $r = -.118, p = .113$ ). Education levels also ultimately affect job satisfaction ( $r = -.183, p = .014$ ) and likelihood to continue work for the current agency. Younger workers and those with higher education levels are more likely to perceive greater job availability elsewhere and search for opportunities outside the nonprofit sector (Kim & Lee, 2007). This could be one explanation for the high turnover of those workers employed for less than one year. This is consistent with findings from Borzaga and Tortia (2006) that state, "... the level of education influences satisfaction negatively, with educated workers being significantly less satisfied. ... They are likely to overestimate the job's potential to satisfy them" (p. 240-241).

Regarding the income variable, some dissatisfaction exists, particularly with collective ( $r = -.207$ ,  $p = .006$ ) and individual ( $r = -.148$ ,  $p = .047$ ) perspectives. Inverse correlations might suggest that a collectivist may experience a decline in the importance on group/teamwork and income equality as individual income increases. The individualist, to a lesser degree, may exhibit less ambitious tendencies as income levels increase; whereas, no significant correlation exists in that realm with a humanistic perspective.

Finally, there were significant inverse correlations between the collective value perspective and the numbers of hours worked ( $r = -.224$ ,  $p = .003$ ), as well as inverse correlations between job satisfaction and hours worked ( $r = -.167$ ,  $p = .025$ ). Decreases in job satisfaction with regard to number of hours worked could be explained by the overwhelming paperwork and the burnout that accompanies reporting an accountability requirements in the nonprofit sector (Kim & Lee, 2007).

There are a few limitations to this study that should be noted. Because, there are several different organizations with different management styles and environments, one must be careful not to generalize the results. The conclusions have been applied to only one demographic area. Had the study included a larger sample size, the results may have been more conclusive.

### *Summary*

Correlations between variables and the three value perspectives suggest an increase or decrease in the degree of importance the particular value perspective exhibits in relation to the variable. The humanist value perspective seems to be the most prevalent in the context of a person's motivation for choosing this particular job sector. Job satisfaction for the humanist is not dependent upon economic motivations;

rather it is a desire to serve the public interest and make a difference. Length of time with the agency seems to be the most significant inverse correlation and special attention needs to be given to those workers whose lengthy service exhibits a commitment to the organization.

The collective value perspective is consistent with responsibility, equality and teamwork. These group-related motivations have stronger correlations with the majority of variables in this study, given the mean score of the collective perspective. Job satisfaction rates significantly increase as these motivations are utilized in structuring nonprofit activities. Intentions to remain with the current agency and organization are among the highest of correlates found, despite the fact that educational and economic levels tend to inversely affect the degree of motivation.

The individual value perspective has a lesser degree of public service motivation and job satisfaction. As was stated earlier, no significant correlations exist with prior plans, willingness to stay, intended length of stay, or job satisfaction. Demographic correlations seem to hold the greater weight. Economic expectations seem to be more commensurate with levels of education and position in the agency.

While income is a strong consideration in both collective and individual value perspectives, no significant correlation exists between income and job satisfaction. However, a contradicting correlation does suggest that increased income levels have a direct impact on intentions to stay in an employment relationship with the current organization.

### **Conclusion**

Collectively the three value perspectives have significant relevance to employee job satisfaction and willingness to remain in the nonprofit sector. Individually, each value perspective provides insight into an individual's predisposition and

motivations for community service. Each perspective should be considered when recruitment and selection programs are implemented.

In an effort to tie in recruitment and retention efforts with this study on value perspectives, it is important to understand the significance of concentrating recruitment and selection efforts toward finding persons with the qualities that best represent those of the organization. Hiring managers need to recognize the service orientation construct and be able to identify this trait in applicants (Mann, 2006). The recurring problem for human resource managers is learning how to discover those qualities and then work within the confines and limitations of the system.

Job satisfaction seems to be the hallmark in nonprofit organizations. Policies designed to strengthen worker satisfaction and provide incentive mixes can only serve to increase motivation, which in turn stimulates productivity, efficiency and competitive advantage.

*\*Julie Hayden is a non-traditional student who returned to college to show her three children how critical education is at every stage in life. She discovered enjoyment in research, writing, and service learning. She passionately believes that anything a person does is worth doing well.*

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