

Journal of Business & Leadership: Research, Practice, and Teaching (2005-2012)

Volume 2
Number 1 *Journal of Business & Leadership*

Article 10

1-1-2006

Empirical Study of Public Bureaucratic and Private Non-Profit organizations and The Adoption of A Market orientation

Leslie Tworoger
Nova Southeastern University

Thomas Tworoger
Nova Southeastern University

Follow this and additional works at: <https://scholars.fhsu.edu/jbl>



Part of the [Business Commons](#), and the [Education Commons](#)

Recommended Citation

Tworoger, Leslie and Tworoger, Thomas (2006) "Empirical Study of Public Bureaucratic and Private Non-Profit organizations and The Adoption of A Market orientation," *Journal of Business & Leadership: Research, Practice, and Teaching (2005-2012)*: Vol. 2: No. 1, Article 10.

DOI: 10.58809/EAAM6054

Available at: <https://scholars.fhsu.edu/jbl/vol2/iss1/10>

This Article is brought to you for free and open access by the Peer-Reviewed Journals at FHSU Scholars Repository. It has been accepted for inclusion in Journal of Business & Leadership: Research, Practice, and Teaching (2005-2012) by an authorized editor of FHSU Scholars Repository. For more information, please contact ScholarsRepository@fhsu.edu.

EMPIRICAL STUDY OF PUBLIC BUREAUCRATIC AND PRIVATE NON-PROFIT ORGANIZATIONS AND THE ADOPTION OF A MARKET ORIENTATION

Leslie Twooroger, Nova Southeastern University
Thomas Twooroger, Nova Southeastern University

The purpose of this study was to investigate the relationship between the uses of power bases by leaders of private non-profit organizations and leaders in a bureaucratic governmental organization and the adoption of a market orientation by the firm. The study was conducted on a state bureaucracy and the corresponding newly privatized agency taking over the devolved services. Today, in an attempt to make government bureaucracies more efficient and economical, there is a major shift in governmental services to the private non-profit sector (O'Connell, 1996; Rosenthal, 2000; Alexander, 2000). These private agencies are expected to employ more business-like methods (Alexander, 2000) and be more focused on their operating environment (Vasquez, Alvarez, and Santos, 2002). This study sought to extend the existing research on the relationship between the leader and the market orientation of the firm.

INTRODUCTION

In an attempt to make government bureaucracies more efficient and economical, there is a major shift in governmental services to the private non-profit sector (O'Connell 1996, Rosenthal, 2000; Alexander, 2000). This devolution of governmental services is "manifested as a progressive 'bumping down' of responsibility and risk" and has resulted in the "adoption of business-oriented approaches" (Alexander, 2000: 287) such as customer focus, incentives, accountability, and competition. These new public managers are directed to be "entrepreneurial and to use incentives to guide and enhance the performance of people and systems" (Kaboolian, 1998:190). Government must move from having "bureaucratic mechanisms to market mechanisms, from funding inputs to funding outcomes" (Osborne, 1993: 349).

In light of the demands being placed on these privatized enterprises to be more effective and business-like, this study investigated the relationship between the uses of power bases by leaders of private non-profit organizations and leaders in bureaucratic governmental organizations and the adoption of a market orientation. This study sought to extend the existing research on the relationship between the leader's use of power and the adoption of "business-oriented practices" (Alexander, 2000: 287).

Because the leader is central in any effort to reorient the firm, Barberis, Boyco, and Shleifer (1996) studied restructuring in pre and post privatized firms in Russia. Their findings indicate that managers of pre-privatized firms were chosen on the basis of how capable they were

at managing the political process. However, the new private managers are selected for their market oriented skills (1996). Indeed, Barberis et al. (1996) indicated that their empirical research demonstrated that "restructuring requires new people, who have new skills more suitable to a market economy" (1996: 788).

Andrews and Dowling also recognized that changing the leader "profoundly influences performance in the newly privatized firms" (1998: 614). The new leaders must have skills and abilities more suitable to an economic rather than a political operating environment and they further encourage empirical research to distinguish the behavioral differences between these leaders.

Vasquez, Alvarez, and Santos (2002) suggest that market orientation involves not only an orientation to the customers and donors, but also includes an accompanying orientation to the environment of the firm. The changes driven by privatization generally result in improved performance and from a "production orientation to a customer orientation" (Cuervo & Villalonga, 2000: 588). However, little empirical research has been completed on the variables that influence this performance. Privatization drives structural, governance, and leadership changes. "These changes are enacted by the firm's management, which also undergoes a transformation as a result of privatization-through related changes in the firm's goals, incentives, and governance structure, and the replacement of the prior top management team itself" (Cuervo & Villalonga, 2000: 583).

Cuervo and Villalonga (2000) point out that change at the top levels of management is vital to bring about the

internal changes needed to improve performance. They further suggest that the “managers in state-owned firms in general have a different set of skills than their private counterparts” (2000: 584).

Empirical research by Harris and Ogbonna found that “participative and supportive leadership styles were strongly positively linked to market orientation, whilst an instrumental leadership style was negatively linked to market orientation” (2001: 757). Indeed this research confirms clearly that “leadership style is a critical antecedent of market orientation” (2001: 756). Certain leadership styles create barriers to developing market orientation, while other styles are “facilitating factors” (2001: 757). Leaders who provide “supportive and participative leadership styles” create the “environment in which market-oriented culture change may be possible” (2001: 757). Therefore, having a clear understanding of leadership styles is essential “to the process of market orientation development” (2001: 757).

The design of this research sought to illuminate the relationship between the various power bases of the leader and the propensity to adopt a market orientation by the firm. Prior research points to the relationship between a firm’s adoption of a market orientation and the key leaders in the firm. (Kaboolian 2000; Andrews & Dowling 1998; Barberis, N., Boycko, M., Shleifer, A., Tsukanova, N. 1996; Aherns, P., Brouters, K. 2001). However, at the present time, there is very little empirical research on the leader and the adoption of a market orientation. Furthermore, it appears that no study has been conducted on leaders in two distinct organizational cultures (governmental bureaucracy and private non-profit) and the propensity to adopt a market orientation.

Background

Leadership is an attempt to influence the behavior of the follower (Weber, 1947; French, 1956). French and Raven (1959) wrote further about leadership and the power derived from various bases of power. They identified the five power bases as coercive, expert, legitimate, referent and reward. In 1970 Raven and Kruglanski added information power as the sixth power base.

Hersey, Blanchard, and Natemeyer (1979) articulated the relationship between leadership and the uses of power and proposed a seventh power base, connection power. The goal of their work on power was to integrate “the concept of power with Situational Leadership by relating the perception of a leader’s power bases with various leadership styles” (418).

Yukl and Falbe indicated a “two factor taxonomy of power sources” by expanding on French and Raven’s taxonomy of power (1991: 421). Position power includes legitimate, coercive, and information sources of power while personal power includes expert, persuasive, and referent and charisma sources. They further found that using personal power sources results in commitment while using position power can result in compliance. They also found that “personal power is more important than position power as a source of leader influence on subordinate performance” (1991: 422).

Tjosvold and Andrews conducted empirical research on supervisors and employees in a heavy equipment distribution firm and found results that were “consistent with contingency perspective in that the success of the leader-influence strategies depends on the relationship between the manager and the employee” (Tjosvold, & Andrews, 1992: 46). They further found that “when both leaders and employees are powerful, leaders rely on collaborative influence” (1992: 46). This collaborative and cooperative environment is important for the development of “mutual power and employee empowerment” (1992: 46).

These collaborative and cooperative environments are examined by Gordon as he reflected on the changing character of “traditional power relationships” (2002: 153) in today’s more dispersed organizational structures where power is shared and followers are encouraged to be increasingly participatory. Gordon (2002), furthermore, recognized the paradox in these leader follower relationships; even as leaders empower their followers, deep within the organizational structure is the traditional notion that a leader has a right to power.

Haugaard (1997) recognized the deeply embedded nature of power relationships within organizations that reside at the structural level. Haugaard continued by discussing how “relations of domination are sustained by the social perceptions, or social knowledge, of the dominated” (2002: 65). Not only is power deeply embedded in relationships and structures, but Flyvbjerg suggests that “power defines physical, economic, ecological, and social reality itself” (1998: 36).

Kohli and Jaworski’s (1990) concept of market orientation indicated that the leader is a key antecedent to the adoption of a market orientation. Leaders who encourage positive attitudes about change and risk and foster open communication, will help set the stage for adoption of a market orientation. Empirical research by Harris and Ogbonna (2001) on leader styles and market orientation indicates that leadership styles that are participatory and supportive are closely tied to adoption

of a market orientation while more directive or instrumental styles were determined to be barriers to the adoption of market orientation.

Research in market orientation emphasizes the positive effects that adopting a marketing orientation has on an organization's performance (Narver & Slater, 1990; Kohli & Jaworski, 1993; Slater & Narver, 1994). However, most of this research has been conducted on for-profit firms. Literature on not-for-profit firms does indicate that the adoption of a market orientation should improve the performance of the organization (Boardman & Vining, 1989; Kotler & Andreasen, 1996; Balabanis, Stables & Phillips, 1997; Caruana, Ramaseshan, & Ewing, 1998).

RESEARCH QUESTIONS AND HYPOTHESES

Research Question 1. Is there a relationship between the leader's power base in private non-profit organizations and the adoption of a market orientation? It is hypothesized that there is a relationship between the leader's power base and the adoption of a market orientation and that leaders in private non-profits will use more personal power bases. Empirical research by Harris and Ogbonna analyzed the relationship between leader styles and the adoption of a market orientation. Indeed, "over 27% of the variation of the measure of overall market orientation around its mean can be attributed to varying leadership styles, indicating that leadership style is a key antecedent to market orientation" (2001: 756).

Research Question 2. Is there a relationship between a leader's power base in a public bureaucracy and the adoption of a market orientation? It is hypothesized that public bureaucracies that have leaders who use position power are less likely to adopt a market orientation. The use of position power, which includes legitimate, coercive, and information power bases (Yukl & Falbe, 1991), will be an obstacle to the adoption of a market orientation. In fact, Harris and Ogbonna found that a "leadership style characterized by leader behavior geared towards expectation specification, task allocation, and procedure setting (that is an instrumental leadership style) impedes all aspects of market orientation" (2001: 755).

Independent Variables. The seven independent variables represent Hersey, Blanchard, and Natemeyer's (1979) conceptualization of power:

- 1) **Expert Power:** The perception that the leader has relevant education, experience, and expertise.

- 2) **Information Power:** The perceived access to/or possession of useful information.
- 3) **Referent Power:** The perceived attractiveness of interacting with the leader.
- 4) **Legitimate Power:** The perception that it is appropriate for the leader to make decisions due to title, role, or position in the organization.
- 5) **Reward Power:** The perceived ability to provide things that people would like to have.
- 6) **Connection Power:** The perceived association of the leader with influential persons or organizations.
- 7) **Coercive Power:** The perceived ability to provide sanctions, punishments or consequences for not performing.

Dependent Variables. The dependent variable, or market orientation, "requires the integrated, internally coordinated development of three types of behaviors which are measured by the Market Orientation Scale" (Vazquez et al. 2002: 1039):

- 1) **Intelligence Generation:** Being informed about resource donors, beneficiaries, competitors, and the general environment.
- 2) **Intelligence Dissemination:** The information must be shared by all collaborators within the firm.
- 3) **Responsiveness:** The gathering and dissemination of information must then provide the bases for the development and implementation "an overall offer that satisfies the beneficiaries and resource donors collectively" (Vazquez et al., 2002: 1039).

METHODOLOGY

The regional leaders of the 14 districts in the State of Florida's Department of Children and Families were surveyed along with five of their executive staff. In addition, the executives and their five executive staff members in 14 private non-profits who have taken over devolved services from the Department of Children and Families were tested. Both groups were given the Power Perception Profile, a twenty- one question instrument developed by Hersey, and Natemeyer (1979). Two versions of the instrument were developed, one for the leader to measure self perceptions of power and one for the followers to provide feedback on the leader's uses of power. In addition, non-metric data such as education and prior work history was collected.

Market orientation was measured with a scale developed by Vazquez, Alvarez and Santos (2002) to measure market orientation in the non-profit sector. The survey was given to the same leaders and followers in the

Department of Children and Families and in the privatized agencies.

Packets containing six sets of the Power Perception Profile (Hersey and Natemeyer, 1979), Market Orientation Scale (Vazquez et al. 2002) and demographic survey were distributed to the 14 district administrators and 14 private non-profit executives who had taken over devolved services from the State of Florida. These leaders had been assembled at a two day statewide organizational meeting. Time was given on the agenda for a presentation by this researcher. One hundred and sixty-eight packets were handed out to the twenty-eight leaders along with a cover letter and directions. Each leader was asked to return to their organizations and complete the surveys themselves and to distribute the additional surveys to five of their executive staff. Each individual completing the surveys was given a stamped return envelope which they used to return the surveys

directly to this researcher. For the purposes of this study, only the responses from the followers were used to measure leader power of which there were 73 for a response rate from followers of 52.1%. A total of one hundred and thirteen surveys were returned from both the leaders and followers and one hundred and three were considered valid for a response rate of 63.1%.

Data Analysis and Results

Data analysis techniques included descriptive statistics, correlation analysis, regression analysis, and reliability analysis. SPSS software was used for this study. Table 1 presents the mean scores for the power bases as perceived by the followers. Expert power had the highest mean score of 12.1918, standard deviation of 2.82183, while coercive power had the lowest score of 6.9315 and standard deviation of 2.21941.

Table 1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Expert	73	4.00	16.00	12.1918	2.82183
Information	73	5.00	13.00	9.8904	1.78389
Referent	73	3.00	13.00	9.2192	2.39934
Legitimate	73	3.00	15.00	10.0000	2.14087
Reward	73	4.00	10.00	7.1781	1.83593
Connection	73	2.00	11.00	7.6301	2.11152
Coercive	73	2.00	10.00	6.9315	2.21941
Valid N (listwise)	73				

Table 2 presents the cross tabulation by organizational type. In the private non-profit organization, expert power, information power, and referent power were

perceived to be the dominant power bases. Use of legitimate power was only evident in the bureaucratic organization.

Table 2: Power Bases * Organizational Type Crosstabulation

Count		Organizational Type		
		Private	Bureaucratic	Total
Power	Expert	25	22	47
Bases	Information	3	0	3
	Referent	5	4	9
	Legitimate	0	14	14
Total		33	40	73

Table 3 presents results of the mean scores of market orientation adoption by organizational type. Note that on

every measure of market orientation, the newly privatized organizations scored the highest.

Table 3: Group Statistics

	Organizational Type	N	Mean	Std. Deviation	Std. Error Mean
Intelligence Generation	Private	33	5.5616	.96958	.16878
	Bureaucratic	46	5.1773	1.00947	.14884
Intelligence Dissemination	Private	33	5.3642	1.17798	.20506
	Bureaucratic	46	4.9674	1.10536	.16298
Responsiveness	Private	33	5.5970	.93591	.16292
	Bureaucratic	46	5.2684	1.08233	.15958

politically motivated, or formalized were found to be negatively correlated with market orientation. The authors emphasized that organizations should encourage behaviors such as communication and internal cooperation while recognizing that market orientation will not occur without the accompanying behavior change of the people within the organization.

These results are also consistent with Rahim and Afza who found that “the legitimate power base influenced behavioral compliance (conformity)” (1993: 622). In a later study Rahim, Kim and Kim found that “the use of legitimate power by leaders can result in follower compliance, but it can lead to a reduction in satisfaction” (1994: 150).

Hypothesis 2.

H0²: There is no relationship between a leader’s power base in a public bureaucracy and the adoption of a market orientation. **H1²:** There is a relationship between a leader’s power base in a public bureaucracy and the adoption of a market orientation. The regression analysis presented in Table VII below demonstrates that the leaders’ use of information power and legitimate power influences the adoption of market orientation in public bureaucratic organizations. Information power $\beta = -.720$; $t = -2.496$; $p = .019$. Legitimate power $\beta = .974$; $t = 2.378$; $p = .024$. The null hypothesis is rejected.

Table 7: Coefficients(a,b)

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.072	8.911		.233	.818
	Expert	.216	.163	.558	1.325	.196
	Information	-.590	.236	-.720	-2.496	.019
	Referent	.146	.156	.279	.937	.357
	Legitimate	.497	.209	.974	2.378	.024
	Reward	-.248	.256	-.532	-.968	.342
	Connection	.176	.179	.420	.983	.334
	Coercive	-.020	.190	-.041	-.103	.918

a. Dependent variable: Avg. market orientation
b. Selecting only cases for which BUREAU = Bureau

The regression analysis demonstrated that the leaders’ use of information power and legitimate power influences the adoption of a market orientation in bureaucratic organizations. Therefore, the null hypothesis is rejected and the alternate is supported. Information power is inversely correlated with adoption of a market orientation in a public bureaucracy, while legitimate power is positively correlated with the adoption of a market orientation in a public bureaucracy.

The results found here are consistent with Peabody’s research on three public bureaucracies. He found that “members of all three organizations, particularly welfare department employees, emphasized legitimacy and position as important bases of authority” (1964: 131). He found that social workers viewed their boss as a “source of authority” (129) and that authority of competence was less of a factor. Implications are that followers in public bureaucracies expect that their leaders will exercise legitimate power. Flyvbjerg (1998), Hugaard (1997, 2000) and Gordon (2002) recognized that the leader subordinate power relationship resides very deeply within the organizational structure and that the leader’s right to exercise dominating power is an accepted norm.

Furthermore, as this study indicates, the followers do not view it as an impediment to market orientation. Information power has an inverse relationship with market orientation, thus implying that the followers do not view a lack of information sharing as impeding market orientation. It should be pointed out that on every measure of market orientation: intelligence generation, intelligence dissemination, and responsiveness, the mean score of the public bureaucracy was lower than that of the private non-profit.

Limitations and Recommendations for Further Research

Fourteen District Administrators and their followers in the Florida Department of Children and Families were surveyed. Also, 14 leaders and their followers in private non-profit organizations that are taking over devolved services from the Department of Children and Families were surveyed. Survey results could differ in other states or if organizations of different sizes are surveyed. Executive staff, not line staff, was surveyed. Surveying additional staff, such as social workers in the field, could result in different findings.

These authors recommend that future research be conducted in other states where privatization is occurring. Furthermore, it is recommended that similar research be conducted with organizations of differing sizes and types that are privatizing. Additionally, conducting this research with additional staff might prove very helpful in giving additional insights into the relationship between the leader and market orientation.

CONCLUSION

The findings indicate that the use of power by the leader does influence the adoption of a market orientation in bureaucratic and private non-profit organizations. The organizations in this study are undergoing restructuring, which involves having the private non-profit organizations take over devolved services from the public bureaucracy. Barberis et al. indicated that their empirical research on privatization demonstrated that "restructuring requires new people, who have new skills more suitable to a market economy" (1996: 788). Andrews and Dowling (1998) also recognized that new leaders must have skills and abilities more suitable to an economic rather than a political operating environment. Aherns and Brouthers even suggest "replacing politically appointed managers with more efficiency focused managers" (2001: 393). Hennessey (1998) pointed out that finding and hiring leaders who manage change and develop supportive environments is crucial if bureaucracies are to change.

Harris and Ogbonna's research indicated that leaders are a "key antecedent to market orientation" (2001: 756) and that a supportive and participatory environment "fosters all facets of market orientation" (2001: 755). They further endorse assessment and training of new and current leaders to assist them in achieving the type of organizational environment that will foster market orientation. If, in fact, as Haugaard (1997, 2000), Flyvbjerg (1998) and Gordon (2002) recognized, power resides in the deep structures of organizations, it becomes even more necessary to change the leader and the structures that inhibit followers. It is necessary to hire leaders who are comfortable with empowering followers and who "devise ways of differentiating themselves without dominating their followers" (Gordon, 2002: 164).

It is clear from this study that public bureaucracies are less market oriented. Even though the public has been demanding that public bureaucracies become more responsive and market oriented, apparently it is a task that will not be easily accomplished. These organizations are less focused on the clients, resource donors, and the

business environment. They are more focused on the political environment which includes the legislative and executive branches of government. Furthermore, it seems that these behaviors in these organizations are deeply rooted in the bureaucratic structures which have been in place for decades.

From this research, it appears that the newly formed private non-profit organizations in this survey have had an opportunity to develop not only the necessary organizational structures but also to recruit executive leadership that are better equipped to focus on the operating environment. The new skills, behaviors, and attitudes brought to the new organizations enable these groups to focus more clearly on the clients and resource donors.

If market orientation is indeed desirable to make public bureaucracies more responsive, then, serious consideration must be given to the central role of the leadership in that process. Furthermore, forming new organizations that take over the devolved services appears to offer the best hope of achieving that market orientation.

REFERENCES

- Aherns, P., & Brouthers, K. 2001. Key stakeholder theory and state owned versus privatized firms. **Management International Review**, 41: 377-394.
- Alexander, J. 1999. The impact of devolution on nonprofits: A multiphase study of social service organizations. **Nonprofit Management and Leadership**, 10: 57-70.
- Alexander, J. 2000. Adaptive strategies of nonprofit human service organizations in an era of devolution and new public management. **Nonprofit Management and Leadership**, 10: 287-303.
- Andrews, W., & Dowling, M. 1998. Explaining performance changes in newly privatized firms. **Journal of Management Studies**, 35: 601-617.
- Balabanis, G., Stables, R., & Phillips, H. 1997. Market orientation in the top 200 British charity organizations and its impact on their performance. **European Journal of Marketing**, 31: 583-603.
- Barberis, N., Boycko, M., Shleifer, A., & Tsukanova, N. 1996. How does privatization work? Evidence from the Russian shops. **Journal of Political Economy**, 104: 764-790.

- Boardman, A., & Vining, A. 1989. Ownership and performance in competitive environments: A comparison of the performance of private, mixed, and state-owned enterprises. **Journal of Law and Economics**, 32: 1-33.
- Caruana, A., Ramaseshan, B., & Ewing, M. 1998. Do universities that are more market oriented perform better? **International Journal of Public Sector Management**, 11: 55-70.
- Cuervo, A., & Villalonga, B. 2000. Explaining the variance in the performance effects of privatization. **Academy of Management Review**, 25: 581-590.
- Flyvbjerg, B. 1998. **Rationality and power: Democracy and practice**. Chicago: University of Chicago Press.
- French, J. 1956. **A formal theory of social power**. **Psychological Review**, 63: 181-194.
- French, J., & Raven, B. 1959. The bases of social power. In D. Cartwright, (Ed.), **Studies in social power**, 150-165. Ann Arbor, MI: University of Michigan Press.
- Gordon, Raymond 2002. **Conceptualizing leadership with respect to its historical-contextual antecedents to power**. **Leadership Quarterly**, 13: 151-167.
- Harris, L., & Ogbonna, E. 2001. Leadership style and market orientation: An empirical study. **European Journal of Marketing**, 35: 744-764.
- Harris, L., & Piercy, N. 1999. Management behavior and barriers to market orientation in retailing companies. **Journal of Services Marketing**, 13: 113-131.
- Haugaard, M. 1997. **The constitution of power: A theoretical analysis of power, knowledge and structure**. Manchester U.K.: Manchester.
- Haugaard, M. 2000. Power, ideology and legitimacy. In H. Goverde, P. Cerny, M. Haugaard, & H. Lentner, (Eds.), **Power in contemporary politics: Theories, practices, globalizations**, 59-76. London: Sage.
- Hennessey, J. 1998. "Reinventing" government: Does leadership make the difference? **Public Administration Review**, 58: 522-532.
- Hersey, P., Blanchard, K., & Natemeyer, W. 1979. Situational leadership, perception, and the impact of power. **Group & Organizational Studies**, 4: 418-428.
- Kaboolian, L. 1998. The new public management: Challenging the boundaries of the management vs. administration debate. **Public Administration Review**, 3: 189-193.
- Kohli, A., Jaworski, B., & Kumar, A. 1993. MARKOR: A measure of market orientation. **Journal of Marketing Research**, 30: 467-77.
- Kotler, P., & Andreasen, A. 1996. **Strategic marketing for non-profit organizations**. Englewood Cliffs, NJ: Prentice Hall.
- Narver, J., & Slater, S. 1990. The effect of a market orientation on business profitability. **Journal of Marketing**, 54: 20-34.
- O'Connell, B. 1996. A major transfer of government responsibility to voluntary organizations? Proceed with caution. **Public Administration Review**, 56: 222-225.
- Osborne, D. 1993. Reinventing government. **Public Productivity & Management Review**, 4: 349-355.
- Peabody, R. 1964. **Organizational authority superior - subordinate relationships in three public service organizations**. New York: Atherton Press.
- Rahim, M. 1988. The development of a leader power inventory. **Multivariate Behavioral Research**, 23: 491-503.
- Rahim, M., & Afza, M. 1993. Leader power, commitment, satisfaction, compliance, and propensity to leave a job among U.S. accountants. **Journal of Social Psychology**, 133: 611-625.
- Rahim, M., Kim, N., & Kim, J. 1994. Bases of leader power, subordinate compliance, and satisfaction with supervision: A cross-cultural study of managers in the U.S. and S. Korea. **International Journal of Organizational Analysis**, 2: 136-154.
- Raven, B., & Kruglanski, A. 1970. Conflict and power. In P. Swingle, (Ed.), **The structure of conflict**, 69-109. New York: Academic Press.
- Slater, S., & Narver, J. 1994. Does competitive environment moderate the market orientation performance relationship? **Journal of Marketing**, 58: 46-55.
- Vazquez, R., Alvarez, L., & Santos, M. 2002. Market

orientation and social services in private non-profit organizations. **European Journal of Marketing** 36: 1022-1046.

Weber, M. 1947. **The theory of social and economic**

organization. New York: The Free Press.

Yukl, G., & Falbe, C. 1991. Importance of different power sources in downward and lateral relations. **Journal of Applied Psychology**, 76: 416-423.

Leslie Tworoger is an assistant professor of management at Nova Southeastern University. She received his DBA in management from Nova Southeastern University. Her current research interests are leadership, organizational change, uses of power in organizations, and privatization. She has published in *Journal of Applied Management and Entrepreneurship* and has written a chapter in a book on privatization.

Thomas Tworoger is chair of entrepreneurship department in school of business and entrepreneurship at Nova Southeastern University. He received his DBA in management from Nova Southeastern University. His current research interests include leadership and power base perceptions, relationship marketing, and entrepreneurial financing. He has published in *Journal of Business Case Studies*, *Journal of Leadership and Organizational Studies*, and the *Journal of Applied Management and Entrepreneurship*.