P. Karacsony[1]
M. V. Vinichenko[2]
T. S. Demchenko[3]
Sz. Szabo[4]
M. V. Demchenko[5]

EXAMINING THE CHARACTERISTICS OF THE LEADERS IN NON-PROFIT ORGANIZATIONS

At almost every moment of our lives, we are in contact with organizations. Our daily actions are greatly influenced by organizations around us, from school and non-profit organizations to workplaces. In our study, we deal with the particular case of non-profit organizations.
The current study provides a deeper insight into the factors of effective leadership of non-profit organizations. The research conducted in the period from 2018 to 2019, made it possible to establish that the leaders of Hungarian non-profit organizations mostly belong to the transformational leadership style. Our purpose with this study is to provide an understanding of the leader's characteristics which has an impact on non-profit organizations' operating.
JEL: M10; M12; M13

Introduction

In the first half of the 1990s, non-profit organizations that appeared after the collapse of the eastern European socialist systems took over some of the former duties of the state. Some common features of non-profit organizations which do not divide profits between stakeholders or directors are that they operate independent of the government and are institutionalized. They also govern themselves, are based on non-mandatory membership,

[1] J. Selye University, Faculty of Economics and Informatics, Bratislavská cesta 3322 Komarno, SK 94501, e-mail address: karacsonyp@ujs.sk.
[2] Russian State Social University, Wilhelm Pieck Street, Moscow, RU 129226, e-mail address: mih-vas2006@yandex.ru.
[3] Russian State Social University, Wilhelm Pieck Street, Moscow, RU 129226, e-mail address: DemchenkoTS@rgsu.net.
[4] Budapest Metropolitan University, Nagy Lajos király útja 1-9., Budapest, Hungary, 1148, e-mail address: szszabo@metropolitan.hu.
[5] Financial University under the Government of the Russian Federation Leningradsky Prospekt 49., Moscow, RU 125993, e-mail address: demchenkomv@mail.ru.

and rely on self-employment. The non-profit organization is characterized by volunteering, charity, citizens' initiatives, public benefit and public service. Overall, it can be said that non-profit organizations deal with problems that the socio-economic sector has not solved. Therefore, non-profit organizations are important and necessary, so it is worthwhile to research elements of their leadership style.

The main difference between profit and non-profit sector is that any profit that is made in the non-profit sector is used for the organizations' mission and not for profits to the organization's owners (Andreasen, Kotler, 2008).

The groups around non-profit organizations consist of clients, volunteers, donors. Clients are those who are the beneficiaries of the organizations' output while volunteers and donors supply the non-profit organization with various resources, for example, working time, money, knowledge, etc. (McLeish, 2011).

In nowadays fierce market conditions the non-profit organizations face a number of challenges. According to Tschirhart and Bielefeld (2012) one of the most important challenges for non-profit organizations is keeping continuously their mission in mind. Another critical point that can be considered as a challenge in the non-profit sector is a heavy reliance on volunteers. The main problem is often a different motivation of the volunteer and a paid worker in the for-profit sector and usually, this leads to more difficult human resources management practice in the non-profit sector (Andreasen et al., 2005).

Leadership in non-profit organizations is an area of study which has a lack of the attention of both the academic researcher and the non-profit organization practitioner. According to Green (2009), the five basic problems of the non-profit sector include the lack of funding, government regulation, insecurity of funds, lack of volunteers, and the 'lack of good leadership'.

Leaders play a significant role in the development of the non-profit organization, they inspire, motivate, and encourage those who make up these organizations. The intent of our research is to understand the role of a leadership in the non-profit organizational setting. To achieve this goal, we would like to examine how the leadership style influences the non-profit organizational performance. This paper seeks to contribute to the emerging literature on leadership in the non-profit sector by exploring leadership in practice.

Theoretical Background

Over the last century, there has been considerable theoretical and empirical work conducted on leadership theories. During the past decades, the impact of leadership styles on organizational performance has been the main topic of interest among academics and researchers (Yukl, 1999; Hofmann, Jones, 2005; Rowe et al., 2005; Tatar et al., 2017).

Several studies are shows how to improve the efficiency of organizations through the improvement of the leadership style, the use of various instruments of the influence of leaders on employees. In some of the research, it is noted that leaders in their work as incentives use the possibility of self-realization, collegiality in making managerial

decisions, favorable working conditions, good internal communications (Sahraee, Abdullah, 2018; Liu, Perry, 2016). Organizational leadership has been defined as an interpersonal process for influencing individuals to achieve organizational goals (Noda, 2005).

According to House et al. (1999) leadership is "the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization".

For the purpose of effectiveness, every organization must exploit the full potential of its employees, and leadership plays an essential role in this process. Burns (1978) considered that leadership is the key factor in directing all organizational components towards effective accomplishment organizational goals and it needs to provide interaction between all members of the organization.

Several kinds of research on the relationship between leadership style and motivation have shown that leadership style influences employees' motivation. According to Kotter (1990) the leader has to communicate with the employees, support cooperation, and motivate and inspire the employees in order to create a commitment to the goals.

According to great man theories, the leaders are born, not made. The basic of the trait theory was an assumption that some people are natural leaders and therefore possess personal attributes that other people do not have (Tannenbaum, Schmidt, 1973).

Kouzes and Posner (1987) asked in their study the workers and lower-level managers what the characteristics of superior leaders were the first two choices were honesty and competence.

In theory, there are three basic leadership styles: autocratic, democratic and laissez-faire (Lewin, Lippit and White, 1939). Autocratic leaders make all the decisions themselves, they do not consult their team. This kind of leader is likely to ignore suggestions made by subordinates. Democratic leaders take an active role in the decision-making process but they involve others. In contrast, laissez-faire leadership behaviour or 'hands-off' leadership is where leaders avoid accepting their responsibilities. Laissez-faire leaders have very little involvement in decision-making, mostly leaving everything up to their subordinates.

Modern theories of leadership have tended to focus more on the interaction between leaders and followers, as well as the situational context. For example, Fiedler's (1967) contingency theory suggests the success of a leader depends on a given situation's favorability.

Table 1

Main leadership theories

Theory	Main representatives
Great Man or Trait school	Tannenbaum and Schmidt, 1973
Behavioral school	Lewin et al., 1939; Blake and Mouton, 1964; Skinner, 1974; Kouzes and Posner, 1987
Situational school	Hersey and Blanchard, 1977; Vroom and Yetton, 1973
Contingency school	Fiedler, 1967
Transactional and Transformational school	Bass and Avolio, 1990; Burns, 1978

Hersey and Blanchard's (1977) situational leadership theory is one of the famous theories in the field of leadership. In this model, a leader applies different leadership styles according to a subordinate's maturity level.

Vroom and Yetton (1973) in their model, five decision processes were specified that ranged from highly autocratic through consultative to highly participative.

The two leadership theories that have dominated the New Leadership Theories are transactional and transformational (Woods, 2007). According to Bass and Avolio (1990), the transactional leader understands employee's needs and makes provision to meet the needs through the given reward. Employees' relationship with the transactional leader is based on the outcome of their performances.

Burns (1978) argues that transformational leadership is when 'leaders and followers help each other to advance to a higher level of morale and motivation'. Transformational leaders inspire people because they expect the best from them, they communicate a shared vision, they are self-aware and highly empathetic.

According to Naylor (1999), the effective leader must be visionary, passionate, creative, flexible, inspiring, innovative, courageous, imaginative, experimental, and initiates change.

Humane oriented leadership draws especially on the moral or ethical school of leadership theory (Ciula, 1995). According to Trevino et al. (2000), ethical leaders personify certain traits such as honesty, integrity, truthfulness, openness to input, respect and principled in decision making, and concerns for others. De Hoogh and Den Hartog (2009) defined ethical leadership as the process in which a leader influences group activities to the attainment of the organizational goals in a socially responsible way.

Greenleaf (1977) defined servant leadership as the one who emphases on empowering and development of followers. According to Buchen (1998), empowerment is one of the most important characteristics of servant leadership. Empowerment is entrusting power to others, and involves effective listening, making people feel significant, putting an emphasis on teamwork (Russell, Stone, 2002).

Non-profit organizations are created by civil society and rely on volunteers who dedicate their efforts to mitigate social problems (Drucker, 1990). They actively participate in youth, students, implementing the principles of self-employment (Demchenko et al., 2017).

According to Estrada and Garza Carranza (2016) leaders of the non-profit organizations generally tend to face a greater need to adapt to changing economic means and need to encourage team spirit, sense of belonging, inspiration, motivation, and integration of staff (mostly volunteers).

Non-profit leaders exhort staff to greater effort on behalf of their mission. Effective non-profit leaders embody passionate missions (Dym, Hutson, 2005).

Leaders in the non-profit sector differ from the leaders of profit-oriented organizations. Dobbs (2004) suggests that relationship building is very important in non-profit leadership (thinking in the 'social collective'). For a non-profit organization's vision and mission to be efficient, they must involve the organization's culture and must be evaluated internally and

externally. Internal evaluation involves how the organization is interpreted by its members. External evaluation – which involves all the stakeholders – is valuable because it offers a different viewpoint (Dimitrios et al., 2013).

Lindberg (1999) states that it is difficult to manage a non-profit organization because the leaders are expected to be effective in their work and at the same time stand up for their organization's ideals and values. Furthermore, also be difficult to manage non-profit organizations since part of the working force is employed while others work voluntarily, which could create conflict between employees.

Summarizing the literature review, leadership has extensive literature, but there are fewer studies on the leadership of non-profit organizations, so it is definitely worth researching further.

Research Aim and Objectives

The purpose of this paper was to examine Hungarian non-profit organizations to see how leadership characteristics relate to these organizations effective operation. This research further suggests that the interrelationship of leadership and employee seems to foster a synergy that may have qualities that achieve an effective organizational performance. The above view also supported by many researchers (Knies et al., 2016, Lowe and Kroeck, 1996, Yammarino et al., 1993) who argues effective performance by an individual, group, or organization is assumed to depend on leadership.

In order to achieve the aim, this paper has the following objectives:

1. *To evaluate the characteristics of leaders in Hungarian non-profit organizations.*

2. *To analyze the impact of leadership on the performance of non-profit organizations.*

In order to find answers on the paper objectives, the following research questions are defined:

What are the main characteristics of leaders in Hungarian non-profit organizations?

What is the relationship between the leadership style and organizational performance in Hungarian non-profit organizations?

Methodology

To collect data, we chose the mixed method. The mixed-method is widely used to collect primary data in social science research. Mixed methods research is a methodology for conducting research that involves collecting, analyzing and integrating quantitative (e.g. surveys) and qualitative (e.g. interviews) research. This approach to research is used when this integration provides a better understanding of the research problem. According to Stentz et al. (2012), the mixed-method approach can develop more complete and complementary understandings, and increase the validity of results.

Qualitative methods were used within the first phase, using semi-structured interviews for the exploration and examination of opinions regarding the importance of the topic. Interviews are some of the most widely used data collection methods in qualitative research. Easterby-Smith et al. (2014) argue that interviews are the best method for gaining information. This is because the researcher can gain an understanding of the phenomenon based on the interviewees' own perspective. Interviews can be divided into structured, semi-structured or unstructured interviews (Saunders et al., 2012). In our research, we used the method of semi-structured interviews. These interviews have an outline of predetermined questions or themes to be discussed during the course of the interview, but the interviewer is free to moderate the wording and sequence of the questions. Another important characteristic of semi-structured interviews is that there is a possibility to ask clarifying and supplementary questions to form a better understanding of the interviewee's views on the topic.

Table 2

Research structure

Literature review
Methodology
Data collection (interview and questionnaire survey)
Research findings, conclusions

Source: Designed by the authors

Each of the interviews lasted for approximately 45 minutes, and in total 10 participants took part. Interviews were conducted in the first half-year of 2019. The participants were leaders of Hungarian non-profit organizations. The interviews were recorded with a speech dictation device and later transcribed verbatim in order to ease the analysis of them.

Within the second phase, we used a questionnaire survey to identify the leadership role and impact on non-profit organizations. A simple random sampling technique was used to select the respondents between 2018 and 2019. A total of 500 questionnaires were sent out via email, from which 364 were fully answered and involved in the research.

Before own research, pilot testing was conducted to help identify and change confusing, awkward, or offensive questions and techniques, thereby enhancing the validity and reliability of the research instruments. Feedback from the pilot test was generally agreed by the respondents that the questionnaire had been constructed in a clear way.

When constructing the questionnaire, we formulated simple and clear questions. The self-filling questionnaire contained both closed (mostly Likert-scaled) and open questions. The first part of the questionnaire asks about the general data of the respondents (gender, age, educational level, etc.). The second part of the questionnaire deals with questions such as leadership style, decision-making process, used motivation tools, and organizational performance etc.

This was followed by questionnaire coding and data entry, data preparation and addressing inaccuracies in the coding. Collected data were processed using Microsoft Excel and SPSS 21.0 software.

All participants were advised that their participation was voluntary. Respondents were also assured that their own identity together with the name of the organizations they work for will remain confidential. It was explained to participants that the questionnaire is completely anonymous and does not include questions asking for any personal details, such as names of participants or names of non-profit organizations.

Empirical Results and Discussion

According to data from the Hungarian Central Statistical Office (KSH), by 2018, the total number of non-profit organizations in Hungary was around 62,000 and the total number of people working in the sector was over 142,000 people including 101,000 full-time and 41,000 part-time employees.

Figure 1. is shown that in our research we examined non-profit organizations related to education (27%), leisure (23%), sports associations (13%), social care (14%), culture (16%) and others (7%).

Figure 1

Type of examined non-profit organizations, percentage
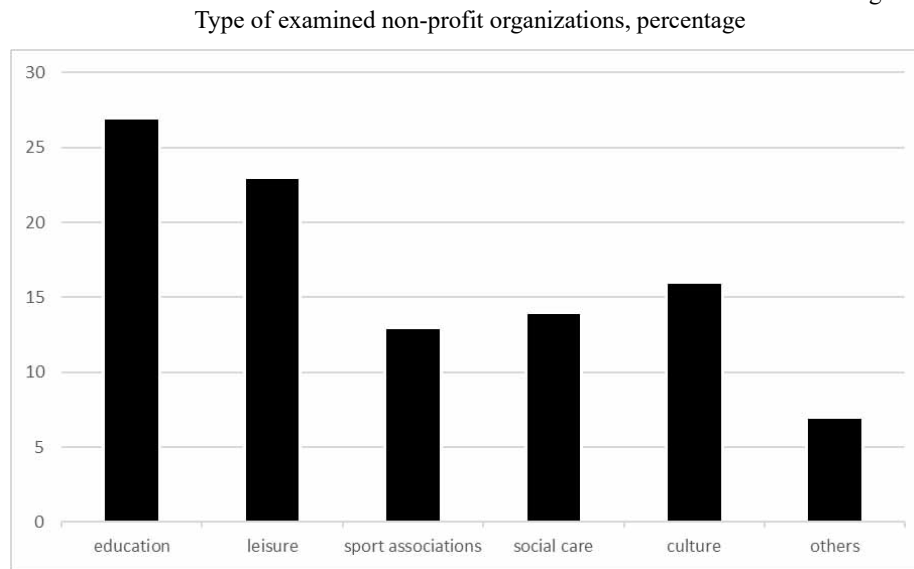
Source: own research.

Table 3 represents the main characteristics of interviewees. According to the data, 60% of the interviewees were male, while 40% were female. The interviewees had 2 years to 21 years of leadership experience in non-profit organizations. The experience year and age are a correlation with each other. The youngest interviewees were 36 years at the research time, while the oldest one was 57 years old.

The non-profit organizations are facing challenges everywhere in the world. In our first interview question, we asked from our interviewees *what is the main challenges of Hungarian non-profit organizations*. Figure 2 shows what are the main challenges of Hungarian non-profit organizations.

Table 3

Main characteristics of interviewees

CODE	Age	Gender	Type of non-profit organization	Experience in leadership (year)
INT1	47	male	education	13
INT2	41	female	social care	9
INT3	54	male	sport	21
INT4	43	male	sport	14
INT5	36	male	leisure	3
INT6	44	female	education	8
INT7	57	male	leisure	19
INT8	47	female	social care	14
INT9	52	female	education	20
INT10	36	male	culture	2

Source: own research.

Figure 2

The main challenges of Hungarian non-profit organizations, %
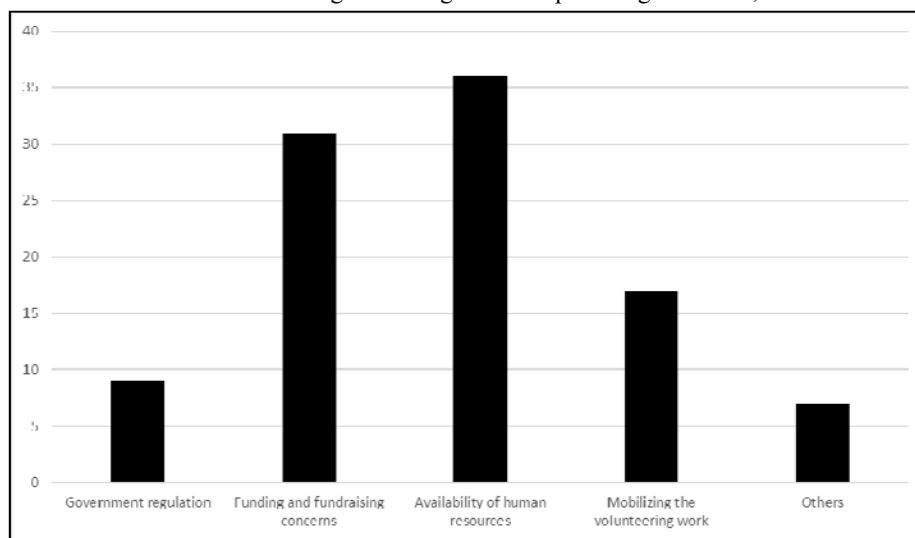
Source: own research.

According to interviewees the main challenges of Hungarian non-profit organizations were the availability of human resources (36%), funding and fundraising concerns (31%), mobilizing the volunteering work (17%) and government regulation (9%). For example, INT4 stated that *"continuously we face the lack of employees…"* Similarly, INT6 indicated

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that *"without loyal and committed employees, non-profit organizations cannot be successful..."* INT2 stated that *"governmental funding is vital for us...if is not enough we face big problems...."*. In relation to funding, INT8 stated that *"we should survive and for this, we need support from government and local communities..."* This view was further supported by INT9, who noted that *"we are worried from the government funding structure change..."*. According to interviewees to find volunteers nowadays is an almost impossible mission. Because, very few people want to help wholeheartedly, voluntarily and selflessly for non-profit organizations. In relation to this sentence, INT5 stated that *"finding volunteers to organize programs is almost impossible ..."*.

As described above, non-profit organizations leaders face more challenges than profit-oriented organizations leaders, because they have less budget, which makes it harder to motivate their employees and find the right people to operate the programs.

Table 4

The ranking of the main traits and skills of examined non-profit organizations leaders

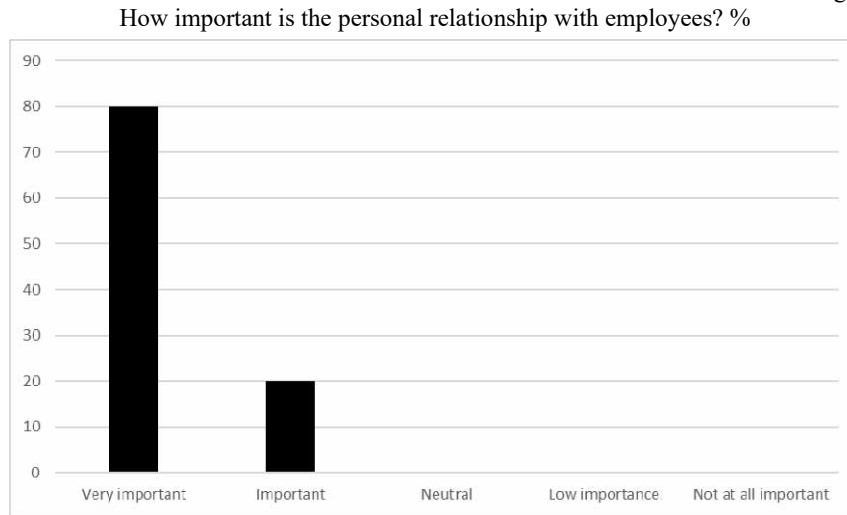| Traits and skills of leaders	Rank
Trustworthiness	1
Inspiring	2
Emotional stability	3
Friendly	4
Warmth	5
Courage	6
Self-confidence	7

Source: own research.

The interviewed leaders consider trustworthiness (1st place), inspiring (2nd place), and emotional stability (3rd place) to be the most important traits and skills of the leader that is needed for a non-profit organization to work well.

Working with subordinates in non-profit organizations is a very important factor to achieve high organizational performance. In our semi-structured interview, we asked from the leaders: *How important is the personal relationship with employees for them?* The percentage of responses received for this question is shown in Figure 3. Based on the results obtained, it can be unequivocally stated that for the evaluated leaders, the relationship with their subordinates is a very important factor (80%). For example, INT9 stated that *"the personal relationship is important because it has its influence on the work. ..."* Similarly, INT3 indicated that *"without subordinates, we are incapable of success and for this important to maintain a favourable relationship with them..."*. None of the interviewed leaders said that, would not be important a good relationship with their subordinates in daily work.

To confirm the above results, in our questionnaire, we asked the respondents how they evaluate the relationship with their leaders?

The result of Figure 4 shows that 74% of the subordinates agree that they have good relationships with their superiors. 21% of the workers believed that their level of relationship is average, while 5% agree they have a bad relationship.

Figure 3

How important is the personal relationship with employees? %

Source: own research

Figure 4

Relationship with the leaders, percentage
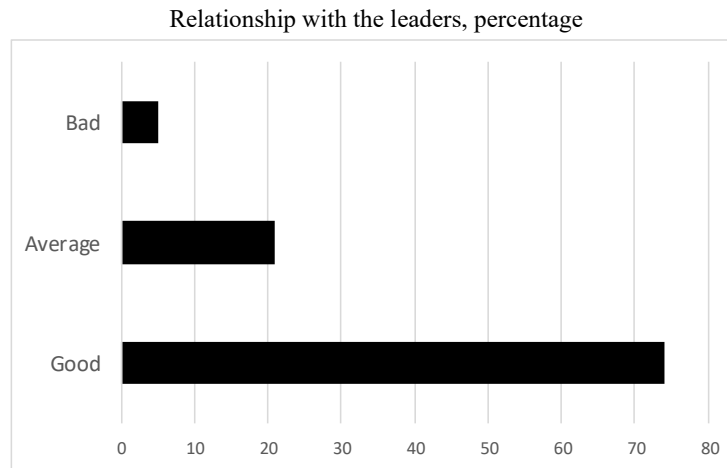
Source: own research

In our opinion, the good relationship between the colleagues promotes the effectiveness of workers. Therefore, leaders should strive to establish a good relationship between members of the organization with good communication or a pleasant organizational culture.

Table 5 shows the main demographic characteristics of the respondents, 65.7% of respondents were male and 34.3% were female. We can see that there is a negative

tendency for non-profit organizations in the age group, as there are very few young people among the employees in these organizations. In terms of age, 32.97% of respondents declared themselves to be under 35 years, while 67.03% over 35 years. Most respondents (142 persons) are more than 45 years, followed by those between 35 and 44 years (102 persons). The age group with the smallest representation in the sample (36 persons) was the group between 18 and 24 years of age. If we take a look at the educational background of the respondents, most of them, 191 persons (52.5%) have finished their secondary school education. The following group is the respondents with a university qualification (36.3%). Those who finished primary school make up below 11.3% of the respondents and are mainly from the older age groups. It was found that 26.37% of the employees had 0 to 2 years of experience, while 34.07% had more than 2-5 years of work experience (Table 5).

Table 5

Demographic characteristics of the respondents

Age	Frequency	Percent
18-24	36	9,89
25-34	84	23,08
35-44	102	28,02
45+	142	39,01
Gender	**Frequency**	**Percent**
Male	239	65,7
Female	125	34,3
Education	**Frequency**	**Percent**
Primary	41	11,3
Secondary	191	52,5
University degree	132	36,3
Work experience	**Frequency**	**Percent**
0-2 year	96	26,37
2-5 year	124	34,07
6-10 year	103	28,30
more than 10 year	41	11,26

Source: own research.

Table 6

Comparison of transformational and transactional leadership qualities

Factor	Transformational Leadership	Transactional Leadership
Time orientation	long	short
Coordination mechanism	goal and value	rules and regulation
Communication	multidirectional	vertical
Focus	employee	financial
Reward system	personal (intrinsic)	organizational (extrinsic)
Source of power	from below	from position
Decision making	decentralized	centralized
Employees	valuable resources	replaceable commodity
Guiding mechanism	vision	profit

Source: Alsayah, 2011.

In our research, we assumed that leaders of non-profit organizations belong to the category of transformational leadership. We based this assumption on the fact that there are many references (Estrada, Garza Carranza, 2016; Geer et al., 2008; Freeborough, Patterson, 2015; Renz, Herman, 2010) in the scientific literature that leaders of non-profit organizations belong to the transformational leadership type.

A transformational leader is a person who stimulates and inspires followers to achieve extraordinary outcomes. In the following Table 7, we show the most important characteristics of examined non-profit organizations leaders.

Table 7

Characteristics of examined Hungarian non-profit organizations leaders

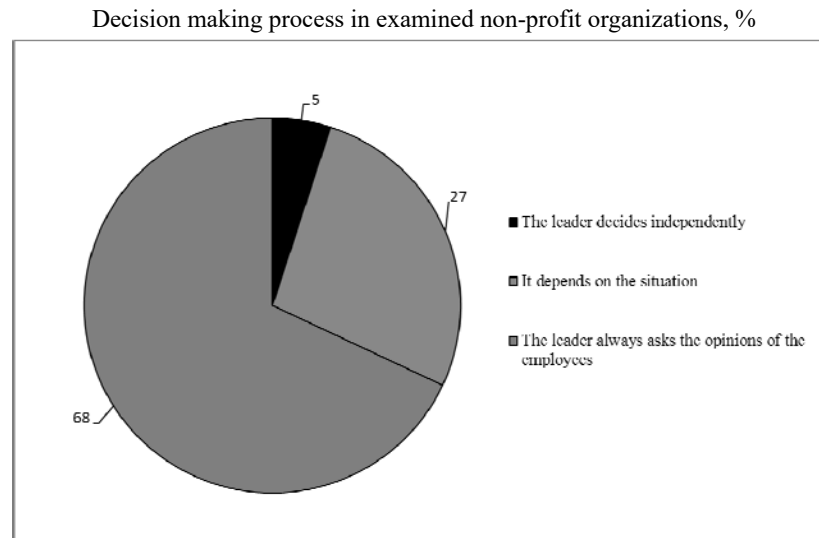|	Mean	Std. Deviation
Importance of teamwork	3,41	0,785
Respect always subordinates	3,78	0,741
Build a balance between power and confidence	3,34	0,561
Values and beliefs are important	3,75	0,597
Considering the moral and ethical consequences of decisions	3,37	0,751
Emphasize the importance of having a collective sense of mission	3,32	0,596
Talk enthusiastically about what needs to be accomplished	3,69	0,562
Vision for the future	3,44	0,743
Express confidence that the team can achieve its goals	3,25	0,751
Seek different perspectives when solving problems	3,27	0,593

Source: own research.

Respondents were asked to adopt a 5-point scale for their responses ranging from 0 (not at all) to 4 (frequently, if not always). The results in Table 7 indicate that our respondents believe they exhibit most of the behaviours listed to a significant extent. All the mean scores are of the order of 3-4. The highest mean is related to respect always subordinates with a value of 3.78, followed with little difference by values and beliefs are important 3.75, enthusiastically talk about what needs to be accomplished 3.69, vision for the future 3.44, and importance of teamwork 3.41, respectively. Finally, it is evident that all transformational leadership factors stand higher than average.

In considering leadership decision making (Figure 5), we came to the conclusion that leaders of non-profit organizations are characterized by a transformational leadership style: 68% of respondents said that the leader asks their opinion before decision making, and another 27% of respondents said that in some situations the leader consults with them before decision making. Only 5% of respondents to the questionnaire said that leaders make decisions alone.

It is important for every organization to find suitable methods for motivating its employees. In our questionnaire survey, we examined the non-profit organizations' employee motivational tools too. According to Figure 6, it can be concluded that in the case of non-profit organizations, recognition and praise (64%) for a job were extremely high as motivating tools. It is interesting that some of the questioned leaders (15%) do not use motivational methods to encourage employee performance.

Figure 5

Decision making process in examined non-profit organizations, %

Source: own research.

Figure 6

Motivational tools used by evaluated non-profit organizations, %
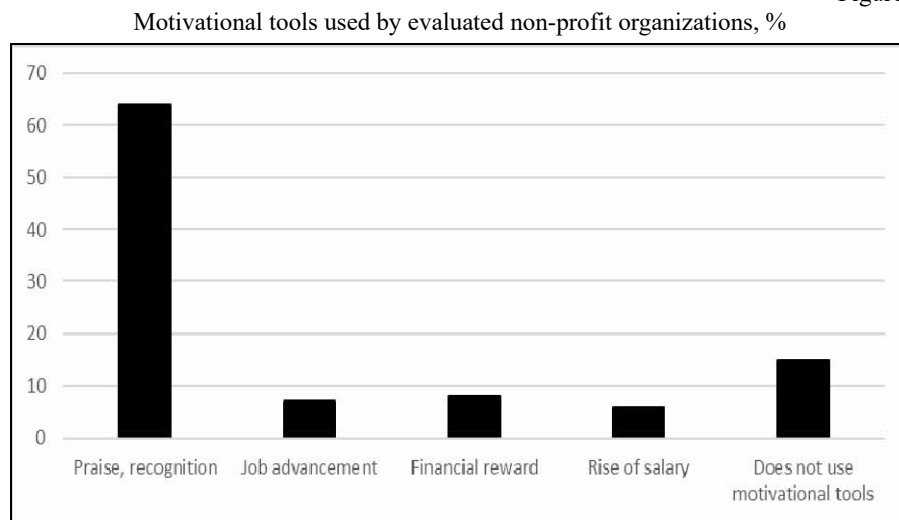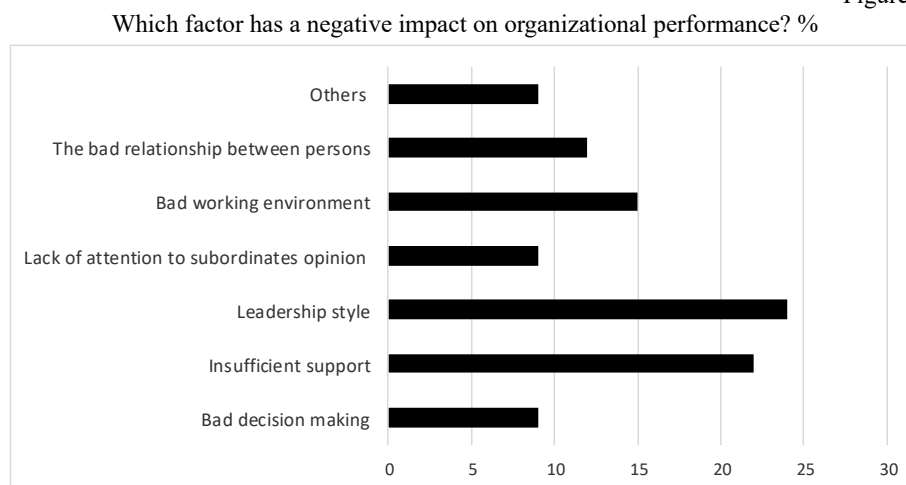

Source: own research.

The above result also confirms that leaders of non-profit organizations have less money at their disposal and therefore need to use non-financial incentives to motivate their employees.

There are many factors that influence organizational performance. According to our respondents, the following factors could have a negative impact on the performance of their non-profit organization.

24% of respondents agreed that a leadership style could be a factor which has a negative impact on organizational performance, 22% of respondents said that the insufficient support is responsible for low organizational performance, while 15% of respondents picked a bad working environment as a factor acting against organizational performance (Figure 7).

Leaders have a role not only in the organizational performance of the for-profit organizations but also in non-profit organizations. Because the success and future of an organization depend on the decisions and attitudes of its leaders, it is very important to choose the best leaders to be successful in non-profit organizations.

Figure 7

Which factor has a negative impact on organizational performance? %

Source: own research.

Based on the above and on the data obtained from processing the questionnaires, we tried to position the style of the leaders of examined Hungarian non-profit organizations. In summary, we came to the conclusion that the leaders of non-profit organizations are mostly characterized by a *transformational leadership style*.

In our hypothesis, we assumed that *the relationship between transformational leadership and organizational performance has a positive correlation.*

According to the data in Table 8., there is a moderate (.449) correlation between transformational leadership style and organizational performance, and it follows that the results of the questionnaire analysis described above can be statistically proven.

Table 8

Regression analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,449[a]	,202	,199	2,183

a. Predictors: (Constant), transformational leadership style
b. Dependent Variable: organizational performance

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	435,626	1	435,626	91,399	,000[b]
	Residual	1725,372	362	4,766		
	Total	2160,997	363			

a. Dependent Variable: organizational performance
b. Predictors: (Constant), transformational leadership style

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,822	,310		9,111	,000
	transformational leadership style	,567	,059	,449	9,560	,000

a. Dependent Variable: organizational performance
Source: own research

In our regression model the transformational leadership style was the independent variable and organizational performance the dependent variable. The regression analysis (Table 8.) indicates that transformational leadership style has a considerable impact on the organizational performance of Hungarian non-profit organizations. As the Model Summary section of Table 8. shows, the R value is 0.449. The R value represents the correlation value between transformational leadership style and organizational performance. The R Square value is 0.202 and the Adjusted R Square value is 0.199. Since, the Adjusted R Square value is 0.199, it can be concluded that the independent variable accounts for nearly 20% of the variation in the dependent variable. The ANOVA section of Table 8. illustrates that the F value is 91,399. Since the F statistic is significant at 0.000 it can be said that transformational leadership style an important role in determining the organizational performance orientation of non-profit organizations. The Beta value is 0.449 at a significance level of 0.000. It indicates that transformational leadership style contributes significantly to organizational performance. The t value is 9.560 and the associated p value is 0.000. As the p value is smaller than 0.05 it can be concluded that the independent variable (transformational leadership style) reliability predicts the variation in the dependent variable (organizational performance) and the relationship between them is significant. This clearly indicates that the transformational leadership style has a positive

impact on the organizational performance undertaken by Hungarian non-profit organizations and thereby *supports our hypothesis.*

Conclusions

The results of the research show that the peculiarity of leaders of examined Hungarian non-profit organizations is that leaders use transformational leadership style, based primarily on the motivation of employees, providing them with the opportunity for a favourable socio-psychological climate, good, sincere relations between all members of the collective and favourable working conditions.

Leadership style plays a decisive role in the life of every organization. The purpose of our study was to evaluate the leadership styles used by non-profit organizations. A lot of scientific literature demonstrates that one of the most important parts of organizational performance is the leader of the organization. This conclusion is also supported by our own survey, non-profit organizations, where leaders used a transformational leadership style, had higher organizational performance due to the favourable working conditions.

We recognized during our research that the leaders of the non-profit organizations did their best to try and find the leadership style that best suited their own internal and external environment.

The transformational leaders involve their employees in their decisions, listen to their opinions, and even encourage their employees to confidently voice their views. It can be said of the leaders of the non-profit organizations surveyed that they have an appropriate professional background and experience, and are characterized by positive attributes. Praise and recognition play a decisive role among motivational tools for non-profit organizations where it is well-known that a lack of capital is common.

In our opinion, to increase organizational performance, the leaders of the examined non-profit organizations should pay more attention to creating a better workplace atmosphere, in which the creation of a favourable organizational culture can be of great help.

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