

Influence of Supportive Management on Performance of Non-Governmental Organizations in Addis Ababa City, Ethiopia



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# Influence of Supportive Management on Performance of Non-Governmental Organizations in Addis Ababa City, Ethiopia

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#### **Abstract**

**Purpose:** To evaluate the influence of supportive management on the performance of non-governmental organizations in Addis Ababa City, Ethiopia.

**Methodology:** The research adopted a descriptive survey design and was conducted among 57 NGOs functioning within Addis Ababa. These organizations employed a total of 1,030 staff members, who were stratified by job function into categories including program managers, project coordinators, technical officers, operations personnel, and administrative staff. Using stratified random sampling, respondents were selected to ensure balanced representation across these functional areas. Data were collected using a structured questionnaire, The finalized data were cleaned, coded, and analyzed using SPSS Version 25. Descriptive statistics such as frequencies, percentages, and means were employed. Furthermore, multiple regression analysis was conducted to evaluate the influence of supportive management on organizational performance.

**Results:** The findings revealed a statistically significant and positive association between supportive management practices and NGO performance in Addis Ababa. A Pearson correlation coefficient (r) of 0.495 indicated a moderate positive relationship between supportive management and organizational performance. The coefficient of determination (R²) was 0.245, implying that 24.5% of the variation in NGO performance could be explained by supportive management practices. The regression coefficient (B = 0.591) indicated that for every one-unit improvement in supportive management, NGO performance increased by 0.591 units. The regression model was statistically significant, with an F-value of 74.820 and a p-value below 0.05, underscoring the predictive relevance of supportive management (Creswell & Creswell, 2018).

Unique Contribution to Theory, Policy, and Practice: From a theoretical perspective, the findings reinforce the relevance of Leader-Member Exchange (LMX) Theory. The study affirms that high-quality leader-member relationships marked by mutual trust, individualized support, and open communication lead to improved employee engagement, collaboration, and overall organizational performance. From a policy standpoint, the study highlights the need for NGO regulatory bodies and institutional leadership in Ethiopia to incorporate supportive management as a central component of capacity development frameworks. In practice, the study underscores the necessity for NGO leaders to cultivate supportive organizational cultures that prioritize empathy, accessibility, and employee development.

**Keywords**: Supportive Management, Organizational Performance, Leader-Member Exchange (Lmx), Non-Governmental Organizations, Addis Ababa

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# 1.0 Introduction

Employee performance is a fundamental determinant of organizational success, influencing strategic goal attainment, service quality, and long-term sustainability. Organizations that prioritize staff performance and well-being are more likely to achieve competitive advantage and operational efficiency, especially within complex and resource-constrained environments (Ahmad & Khan, 2023). In mission-oriented contexts such as non-governmental organizations (NGOs), employee performance is intrinsically linked to the quality of leadership, availability of supportive workplace structures, and the overall organizational climate. In Ethiopia particularly within Addis Ababa, where NGOs contribute significantly to humanitarian, development, and social services organizational performance often hinges on how effectively staff are empowered and supported in executing their responsibilities (Abebe & Tesfaye, 2023). Supportive management, as a core element of human capital development, is increasingly recognized as essential for improving employee performance. It encompasses managerial behaviors that promote open communication, personalized mentorship, emotional support, constructive feedback, and the provision of adequate resources (Chen et al., 2022). These practices create work environments where employees feel valued, motivated, and aligned with organizational objectives. In high-pressure NGO settings where burnout, resource volatility, and diverse stakeholder expectations are common supportive leadership practices function as strategic enablers of employee engagement, retention, and productivity (Mulugeta & Abebe, 2023; Meyer & Hamilton, 2021).

Globally, the influence of supportive management on employee performance has been extensively documented in both the nonprofit and private sectors. For example, humanitarian organizations like Médecins Sans Frontières (MSF) have institutionalized practices such as team debriefings and mental health interventions to support frontline staff in crisis zones. Similarly, Save the Children has prioritized leadership capacity-building and participatory feedback systems to improve organizational performance. In the corporate sector, companies like Salesforce and Unilever have embedded supportive leadership into their organizational culture through inclusive coaching, wellbeing initiatives, and collaborative decision-making frameworks (Meyer & Hamilton, 2021; Chen et al., 2022). These practices reflect an evolving understanding that employee support is not merely a welfare issue but a critical performance driver. In the Ethiopian context, NGOs are pivotal actors in national development, yet they face persistent internal challenges related to workforce disengagement, high turnover rates, and fluctuating performance outcomes. As Nelson and Carter (2023) argue, these challenges frequently stem from leadership limitations, inadequate emotional intelligence among managers, and poorly developed internal support systems. In Addis Ababa, where both local and international NGOs operate in high concentrations, disparities in leadership styles and institutional support have led to inconsistencies in project outcomes, workforce stability, and service delivery quality (Tesfaye & Mulu, 2023). Supportive management is therefore not only relevant to enhancing individual employee performance but also integral to organizational resilience and effectiveness across Ethiopia's third sector. Trust-based, empowering leadership practices as emphasized by Liden, et al., (2021) and Gerstner and Day (2021) create a conducive

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atmosphere for innovation, accountability, and adaptive capacity. This is particularly crucial in Addis Ababa, where NGO leaders must navigate donor constraints, dynamic political conditions, and mounting service demands.

#### 1.2 Statement of the Problem

Employee performance was a critical factor in determining the success of non-governmental organizations (NGOs), especially in delivering effective services, sustaining programs, and achieving long-term impact within Ethiopia's development sector. In Addis Ababa which hosted a high concentration of local and international NGOs organizational performance had increasingly been affected by internal inefficiencies, many of which stemmed from unsupportive management practices. Supportive management, encompassing mentorship, recognition, open communication, and adequate resource provision, had been widely acknowledged as a key driver of employee engagement and improved performance (Ahmad & Khan, 2023; Abebe & Tesfaye, 2023). The International Labour Organization (ILO, 2023) reported that empowerment-based leadership improved operational efficiency by 15% and employee engagement by 22%, while the World Bank (2022) found that inclusive decision-making and leadership development enhanced overall effectiveness by up to 30%. Despite the global consensus on the value of supportive leadership, many NGOs in Addis Ababa continued to underperform due to persistent gaps in leadership capacity and underdeveloped managerial support systems. Tsegave and Mengistu (2023) found that 62% of NGOs operated under rigid, hierarchical structures that restricted employee participation and negatively impacted morale. Furthermore, 55% of NGO employees indicated that existing training and supervisory systems failed to address essential skill requirements, while 48% of organizations identified inadequate funding as a key limitation in providing competitive compensation or professional development opportunities. Mulugeta and Teshome (2023) further noted that 58% of NGOs lacked formal leadership development strategies, contributing to organizational stagnation and reduced adaptability in dynamic environments.

These challenges posed significant barriers to institutional effectiveness by weakening employee commitment, increasing staff turnover, and compromising the quality of services delivered in key sectors such as health, education, and humanitarian response. The absence of supportive management practices not only stifled innovation but also undermined the capacity of NGOs to fulfill their missions. While the importance of supportive leadership had been extensively explored in corporate and public institutions, limited empirical research had focused on its influence within NGOs operating in Ethiopia, particularly within Addis Ababa's dynamic civil society landscape (Nelson & Carter, 2023; Tesfaye & Mulu, 2023). In light of these issues, this study sought to examine the influence of supportive management on employee performance in NGOs based in Addis Ababa. It aimed to assess how leadership support structures such as mentorship, recognition, empowerment, and inclusive communication shaped staff engagement and organizational effectiveness. By identifying the enablers and barriers to supportive management practices in the Ethiopian NGO context, the study intended to contribute to evidence-informed policymaking and



propose practical strategies for enhancing leadership capacity and workforce outcomes in the sector.

# 1.3 Purpose of the Study

To evaluate the influence of supportive management on the performance of non-governmental organizations in Addis Ababa City, Ethiopia.

## 1.4 Hypothesis

H<sub>01</sub>: Supportive management has no significant influence on the performance of non-governmental organizations in Addis Ababa City, Ethiopia.

#### 2.0 Literature Review

#### 2.1 Theoretical Review

The Leader-Member Exchange (LMX) Theory, developed by Graen and Uhl-Bien (1995), provided the theoretical foundation for examining the influence of supportive management on employee performance within non-governmental organizations (NGOs). Evolving from the earlier Vertical Dyad Linkage (VDL) framework, LMX theory posited that leadership effectiveness depended on the quality of individualized relationships between leaders and their subordinates. These exchanges ranged from high-quality relationships characterized by trust, respect, and mutual obligation, to low-quality, transactional interactions based primarily on formal job descriptions (Liden, Sparrowe, & Wayne, 2021). In high-quality LMX relationships, leaders offered tailored support, consistent communication, and professional growth opportunities, which often translated into stronger employee commitment and improved performance. This dynamic proved particularly relevant to NGOs, where employees frequently encountered emotional fatigue, resource constraints, and high workloads. Within such environments, supportive management emerged as a vital mechanism for sustaining team morale and service delivery quality. Erdogan and Bauer (2015) found that supportive leadership significantly enhanced collaboration and retention. Likewise, Breevaart, Bakker, Demerouti, and van den Heuvel (2015) reported that feedback-rich environments, underpinned by strong LMX, led to heightened motivation and task efficiency. Gerstner and Day (2021) further established that NGOs implementing LMX-informed practices experienced up to a 28% improvement in organizational performance and a 21% decrease in turnover.

Nonetheless, the theory had its limitations. Scandura (1999) and Harris, Li, and Kirkman (2014) warned that the unequal distribution of high-quality relationships within teams could foster perceptions of favoritism and marginalization, thereby weakening group cohesion. Moreover, the dyadic nature of LMX focused heavily on individual relationships, potentially neglecting broader organizational or cultural variables that also influenced leadership outcomes. Despite these critiques, LMX remained a widely applied and robust framework for understanding how supportive leadership could improve performance, particularly in mission-driven organizations like NGOs. In the Addis Ababa context, where NGO operations were often constrained by donor

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demands and unpredictable environments, the LMX theory offered critical insights into how inclusive, trust-based, and empowering leadership approaches helped address performance challenges. The present study, therefore, utilized LMX to investigate how supportive management practices influenced motivation, satisfaction, and efficiency among NGO staff, with implications for leadership training and institutional capacity development.

# 2.2 Empirical Review

Supportive management had been increasingly recognized as a strategic imperative for enhancing employee performance in mission-oriented and resource-constrained organizations such as NGOs. Practices including mentorship, participatory decision-making, open communication, and employee recognition fostered environments in which staff felt valued and empowered to perform at their best (Yukl, 2021). Within Addis Ababa, where NGOs faced limited funding, high workloads, and shifting stakeholder expectations, effective supportive leadership was particularly crucial to maintaining staff morale and ensuring consistent service delivery. Nelson and Carter (2023) conducted a cross-sectional study of urban NGOs and found that organizations promoting supportive leadership cultures achieved a 20% increase in employee motivation, engagement, and productivity. These organizations implemented feedback mechanisms and recognition programs that reinforced positive behavior and built organizational loyalty. Similarly, Meyer and Hamilton (2021), in a multi-country study across East Africa, revealed that consistent performance feedback and inclusive leadership practices significantly improved employee initiative, problem-solving ability, and alignment with organizational goals.

A localized study by Tesfaye and Mulu (2023) examined leadership practices in 40 NGOs based in Addis Ababa and found that institutions with structured management support systems including mentoring and coaching reported higher program efficiency and stronger team cohesion. Their findings emphasized the importance of inclusive and empathetic leadership in building resilient, high-performing NGO teams within rapidly changing urban contexts. Supportive management also served as a buffer against burnout and attrition. Brown and Green (2023) observed that NGOs offering wellness programs and leadership development opportunities experienced higher employee retention and organizational sustainability. Teshome and Bekele (2024) added that mentorship-based leadership structures fostered ongoing professional development, enhanced job satisfaction, and reduced turnover key factors in retaining skilled and motivated personnel. Technological innovations also played a role in facilitating supportive management. Chen, Lee, and Kim (2022) found that NGOs implementing digital mentorship tools and real-time feedback systems saw notable improvements in internal communication, inclusivity, and operational responsiveness. However, they cautioned that organizational resistance and bureaucratic inertia could limit the effectiveness of these tools, especially in hierarchical or change-averse NGO environments. Overall, empirical evidence strongly supported the premise that supportive management improved employee outcomes by enhancing trust, collaboration, and personal development. Ahmad and Khan (2023) emphasized the need for institutionalizing supportive ISSSN 2520-4661 (Online)

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leadership through transparent communication, adequate resourcing, and formalized feedback systems. These strategies were especially pertinent for Addis Ababa-based NGOs, where staff performance directly influenced program success, community impact, and organizational sustainability. The reviewed literature suggested that NGOs in Addis Ababa should prioritize leadership development, inclusive supervision practices, and resource-aligned management structures to mitigate high turnover, boost motivation, and enhance delivery effectiveness. Future research could explore how supportive management intersects with gender inclusivity, digital innovation, and donor compliance in strengthening NGO resilience.

# 3.0 Research Methodology

This study was conducted in Addis Ababa City, Ethiopia, and focused on non-governmental organizations (NGOs) engaged in health, education, development, and humanitarian service delivery. A descriptive survey research design was employed to investigate the influence of supportive management on organizational performance. According to Creswell (2018), descriptive research allows for the systematic collection and analysis of data to describe current conditions, identify relationships, and detect trends among key variables. This design was appropriate for capturing quantifiable insights into the prevailing leadership support practices across varied NGO environments and their perceived effects on employee performance. The target population consisted of 1.030 staff members from 57 NGOs operating within Addis Ababa. The population included individuals across five job categories: program managers, project coordinators, technical officers, operations staff, and administrative personnel. A stratified sampling technique was used to ensure that respondents were proportionately drawn from each job category. Within each stratum, simple random sampling was applied to ensure equal probability of selection. The sample size of 288 participants was determined using Yamane's (1967) formula, which allowed for statistically reliable generalization while remaining practical for field administration (Akintoye & Bolarinwa, 2021).

Data collection was executed using a structured, self-administered questionnaire tailored to the study's objectives. The instrument included items covering key dimensions of supportive management such as mentorship, recognition, access to leadership, frequency of communication, and perceived impact on employee performance. A pilot test was carried out with 10% of the sample population drawn from NGOs in the Oromia region, chosen for their operational and structural comparability with those in Addis Ababa. Feedback from the pilot informed minor adjustments to item phrasing to enhance clarity and consistency. Instrument reliability was tested using Cronbach's alpha, and all constructs achieved an acceptable internal consistency threshold ( $\alpha \ge 0.70$ ), as recommended by Meyer and Hamilton (2021). Validity including content, construct, and face validity was confirmed through expert reviews from senior NGO managers and academic research professionals familiar with leadership and organizational performance studies (Tesfaye & Mulu, 2023).



Quantitative data were analyzed using SPSS Version 25. The analysis included descriptive statistics (frequencies, percentages, and means) to summarize patterns in the data and multiple regression analysis to assess the influence of supportive management on organizational performance outcomes. To ensure the integrity of the statistical models, several diagnostic tests were conducted: normality was tested using the Kolmogorov-Smirnov and Shapiro-Wilk tests; linearity was examined via ANOVA; multicollinearity was assessed using Variance Inflation Factors (VIF); heteroscedasticity was tested using the Breusch-Pagan test; and autocorrelation was evaluated using the Durbin-Watson statistic, in line with recommended practices (Ahmad & Khan, 2023). All findings were presented in well-structured tables, accompanied by narrative interpretation to aid clarity and support decision-making. Ethical considerations were observed throughout the research process. Approval was obtained from relevant institutional and regulatory bodies. Participants received full disclosure of the study's aims and provided informed consent. Anonymity, confidentiality, and voluntary participation were guaranteed. No personally identifiable data were collected, and all responses were handled with strict professionalism and integrity in line with global research ethics standards (ILO, 2023).

#### 4.0 Results

#### 4.1 Response Rate

A total of 288 questionnaires were distributed to targeted respondents across selected NGOs in Addis Ababa, including program managers, technical officers, and operations staff. Out of these, 242 questionnaires were correctly completed and returned, yielding a response rate of 83.99%, as shown in Table 1.

Table 1 Response Rate

Questionnaires	Frequency	Percentage
Returned	242	83.99%
Not Returned	46	16.01%
Total	288	100%

This response rate exceeded the 70% threshold recommended by Akintoye and Bolarinwa (2021), indicating excellent participation suitable for robust statistical analysis.

# **4.2 Reliability Test Results**

A pilot study was conducted with 10% of the sample size in NGOs located in the Oromia region to test instrument clarity and reliability. The Cronbach's alpha for the "Supportive Management" scale was 0.842, indicating strong internal consistency.



**Table 2 Reliability Test Results** 

Instrument	Cronbach's Alpha	<b>Number of Items</b>
Supportive Management	0.842	6

This value exceeded the minimum threshold of 0.70 suggested by George and Mallery (2016), confirming that the instrument was sufficiently reliable for the study.

# 4.3 Descriptive Results of Performance

Employee performance was measured as the dependent variable using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). The descriptive statistics are presented in Table 3.

**Table 3 Descriptive Analysis of NGO Performance** (N = 242)

Statements	Mean	Std. Deviation
My organization's empowerment strategies have contributed to my improved productivity.		
I feel more motivated and engaged due to the empowerment initiatives in place.	3.72	1.139
The skills I have acquired help me meet and exceed my work targets.		1.084
The work environment enables me to collaborate effectively with colleagues.	3.84	1.073
I feel that my contributions are meaningful and positively impact the organization.	3.53	1.210
The organization's empowerment strategies have improved overall team performance.	3.51	1.202

Results indicated that empowerment initiatives had a positive individual impact, with multiple statements achieving mean scores of 3.84. However, the slightly lower score of 3.51 for team performance suggested weaker perceived impact at the collective level. These findings were consistent with Tesfaye and Mulu (2023), who concluded that empowerment strategies tend to influence personal initiative more strongly than team dynamics.

# 4.4 Descriptive Analysis of Supportive Management

Supportive management was the independent variable and was assessed through six key dimensions.



Table 4
Descriptive Analysis of Supportive Management (N = 242)

Statements	Mean	Std. Deviation
My supervisor provides constructive feedback that helps improve my performance.	3.84	0.947
The management supports employee growth and career development.	3.90	0.903
I feel valued and recognized for my contributions within the organization.	3.75	1.012
My organization fosters a supportive and inclusive work environment.		1.045
Management encourages open communication and actively listens to employees.		0.989
I receive adequate guidance and mentorship from my manager or supervisor.	3.68	1.041

The highest mean (3.90) was observed for career development support, while mentorship and inclusivity received slightly lower ratings. These findings aligned with Teshome and Bekele (2024), who emphasized that NGOs tend to prioritize strategic support over interpersonal mentoring.

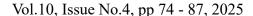
# 4.5 Regression Analysis of Supportive Management and NGO Performance

A simple linear regression analysis was conducted to evaluate the relationship between supportive management and NGO performance. The results are shown in Table 5.

Table 5
Model Summary of Supportive Management and NGO Performance

R	R-Square	Adjusted R-Square	Std. Error of the Estimate
0.495	0.245	0.241	0.328

The R-value of 0.495 indicated a moderate positive relationship between supportive management and performance. The R<sup>2</sup> value of 0.245 suggested that supportive management explained 24.5% of the variance in NGO performance. These findings supported Mulugeta and Abebe (2023), who emphasized the significance of supportive leadership in performance improvement across Ethiopian NGOs.





# 4.6 ANOVA of Supportive Management and NGO Performance

The ANOVA test assessed the overall significance of the regression model.

Table 6 ANOVA – Supportive Management and NGO Performance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	318.204	1	318.204	74.820	0.000
Residual	986.410	234	4.220		
Total	1304.614	235			

The F-statistic of 74.820 and p-value < 0.05 confirmed that supportive management significantly predicted NGO performance.

# 4.7 Regression Coefficients

The unstandardized regression coefficient (B) for supportive management was 0.591, indicating that a one-unit increase in supportive management was associated with a 0.591unit improvement in NGO performance. The regression equation was:

Y = 3.953 + 0.591X

Where:

Y = NGO Performance

X = Supportive Management

Table 7
Regression Coefficients – Supportive Management and NGO Performance

S		0			
Model	В	Std. Error	Beta	t	Sig.
Constant	3.953	0.420		9.407	0.000
Supportive Management	0.591	0.066	0.495	8.924	0.000

These findings confirmed that mentorship, recognition, communication, and leadership support significantly influenced performance outcomes. As supported by Brown and Green (2023), a supportive managerial environment cultivates motivation, innovation, and organizational resilience.

## 5.0 Summary, Conclusion, and Recommendation

## 5.1 Summary of the Findings

The study established that supportive management had a statistically significant and positive effect on the performance of NGOs operating in Addis Ababa. Core elements of supportive management identified by respondents included mentorship from leaders, open communication channels, structured feedback mechanisms, and provision of adequate resources. Descriptive findings revealed that employees who operated under supportive leadership reported greater job

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satisfaction, enhanced teamwork, and improved individual productivity. Regression analysis showed that supportive management accounted for 24.5% of the variance in organizational performance, with a one-unit increase in supportive management practices leading to a 0.591-unit increase in performance outcomes. Respondents emphasized that organizational cultures anchored in inclusiveness, mentorship, and professional development cultivated an enabling environment for optimal performance. These results corroborated the findings of Mulugeta and Abebe (2023), who concluded that leadership support is a key enabler of NGO effectiveness in Ethiopia's resource-constrained operational contexts.

#### **5.2 Conclusion**

The study concluded that supportive management was a critical determinant of organizational performance among NGOs in Addis Ababa. The analysis affirmed that NGOs characterized by high levels of leadership support manifested in mentorship, communication, and recognition achieved superior outcomes in staff engagement, program delivery, and institutional resilience. While NGOs continued to face external funding and capacity challenges, the presence of supportive leaders helped buffer these pressures by reinforcing employee morale and organizational stability. These findings affirmed earlier assertions by Erdogan and Bauer (2015) and Liden et al. (2021) that leader-member trust, inclusivity, and support serve as strategic resources in complex environments.

## **5.3 Recommendations**

Based on the empirical findings, the study recommended that NGOs institutionalize supportive management frameworks that prioritize employee well-being, inclusive supervision, and leadership accountability. First, managers should be equipped with mentorship competencies, emotional intelligence, and participatory leadership skills through targeted leadership development programs. These initiatives could foster trust and improve employee-leader dynamics, as proposed by Teshome and Bekele (2024).

Second, NGOs should establish participatory communication structures that encourage employee voice in operational decision-making. Mechanisms such as regular staff briefings, open feedback forums, and suggestion systems should be institutionalized to cultivate a sense of ownership and psychological safety. This aligns with Chen et al. (2022), who emphasized the role of inclusive communication in enhancing performance in non-profits.

Third, the scope of supportive management should extend beyond interpersonal engagement to include adequate resource provision and psychosocial care. Organizations should invest in staff training, access to working tools, wellness programs, and emotional support systems to reduce burnout and staff turnover. This recommendation echoes the perspectives of Meyer and Hamilton (2021), who highlighted the link between workplace empowerment and performance in the social sector. Finally, donor agencies and NGO governing boards should earmark resources specifically for leadership development and employee support systems. By integrating supportive management



practices into institutional strategy and budgeting, NGOs can enhance sustainability, adaptability, and community impact. These recommendations resonate with the conclusions of Mulugeta and Teshome (2023), who stressed the importance of holistic empowerment strategies in NGO performance.

# 5.4 Contribution to the Existing Body of Knowledge

This study contributes to the theoretical, empirical, and practical discourse on NGO performance by foregrounding supportive management as a critical driver of organizational success in resource-limited contexts. Theoretically, the study reinforced the Leader-Member Exchange (LMX) theory developed by Graen and Uhl-Bien (1995), demonstrating that quality leader-employee relationships characterized by trust, recognition, and feedback lead to enhanced motivation and organizational commitment. These results align with the meta-analytical findings of Gerstner and Day (2021), who confirmed that high LMX correlates positively with job performance. Empirically, this study added to the limited body of knowledge on management practices in African NGOs by providing statistically validated insights from Addis Ababa. Previous research has often overlooked this region, despite its growing NGO presence and socio-economic relevance. Practically, the study offered actionable insights for NGO executives, donors, and policy designers on fostering leadership cultures that prioritize mentorship, inclusion, and employee-centered development. Such insights are critical in building resilient and high-performing development organizations capable of navigating complex humanitarian and social environments.

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