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**EFFECT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE
PERFORMANCE: A SURVEY OF FIVE SELECTED FAITH -BASED NON-
GOVERNMENTAL ORGANIZATIONS IN NAIROBI COUNTY.**

BY

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DECLARATION

This research project is my original work and has never been presented or published anywhere or in any institution. However, reference was made to material already published by other people as indicated under reference section.

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DEDICATION

I dedicate this work to my Husband Richard and my children Victor and Brianna for their encouragement and support during the time of carrying out this work.

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I would like to give thanks to God this far. My gratitude to my supervisor, Dr. Mary Namusonge and Mr. Wambua for their professional guidance, input and invaluable comments towards this research project.

ABSTRACT

With increasing competition among today's organizations, stakeholders tend to be more concerned about probing the new ways of getting the employees more committed to what they do and to the organization as well. Nevertheless, the role of leadership is an important determinant of subordinate's performance and commitment. The purpose of this study was to investigate the effect of transformational leadership on employee performance in Faith based Non-Governmental organizations in Nairobi County. Five faith based Nongovernmental organizations in Nairobi County were randomly selected and surveyed. The population of interest was faith based non-governmental organizations in development and disaster response in Nairobi County with a sample size of 10 employees and two senior managers from each organization; a sample size of 12 respondents from each of the five organizations. 60 respondents was the target population from which the researcher would generalize the results of the study. Stratified Random sampling technique was used to draw the sample. A questionnaire and an interview guide were used for data collection with closed ended questions designed for the employees while an open ended interview guide was designed for leaders. The questionnaires were administered to respondents on a 'drop and pick later' basis. The aspects of employee performance considered in this study included quantity of output, quality of output, timeliness of output, presence at work and co-operation among employees. This study set out to examine those qualities that employees look for in their leaders and how the perceptions of such qualities influence their performance using the transformational leadership factors as independent variables and the measures of performance as dependent variables. A descriptive survey design was used whereby leaders practicing transformational leadership as well as their subordinates subjected to this type of leadership formed the population of the study. Graphs and tables were used in data presentation. Findings of this study indicated that transformational leadership in faith based non-governmental organizations led to employee performance to some degree. When managers utilized inspiration, individualized consideration and intellectual stimulation, there were positive reactions from employees. The attention that managers gave to employees was reflected in their general positive attitude towards work which in turn, affected their performance in a positive way. Employees in this study seemed to react positively in terms of performance when a strong presence of leadership was maintained. With the role of leadership in the modeling of employee commitment and performance considered very crucial in the modern organization, it would be paramount for the faith based non-governmental organizations to put more effort in entrenching transformational leadership in their organizations.

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LIST OF ABBREVIATIONS AND ACRONYMS

NGOs	Non-Governmental Organizations
ADRA	Adventist Development and Relief Agency
NRC	Norwegian Refugee Council
MSF	Medecins sans Frontiers
VSF	Veterinaries sans Frontiers

DEFINITION OF OPERATIONAL TERMS

Transformational Leadership: Transformational leadership refers to a leadership style in which leaders possess charisma and provide intellectual stimulation, individualized consideration and inspirational motivation to followers (Avolio, 1994).

Employee performance can be defined as efforts along with the ability to put efforts supported with the organizational policies in order to achieve certain objectives. Employee performance is measured by staff output in terms of Quantity of output, quality of output, timeliness of output, presence at work and cooperativeness.

Top leadership is a person or group of people who direct and control an organization at the highest level.

Conceptual framework is defined as any empirical or quasi-empirical theory of social and/or psychological processes, at a variety of levels (e.g. grand, mid-range and explanatory) that can be applied to the understanding of phenomena.

NGO's (Non-governmental organizations) are legally constituted corporations created by natural or legal people that operate independently from any form of government. These organizations are not a part of a government and are not conventional for-profit businesses

Faith Based NGO's refers to organizations that are characterized by their affiliation with religious faiths.

CHAPTER ONE

INTRODUCTION

1.0 Background of the study

Transformational leadership is a concept introduced nearly thirty years ago by the political scientist James Mac Gregor Burns. It is a process of mutual exchange between leaders and followers involving reward-based transactions. It is a model that encourages leaders to "raise one another to higher levels of motivation and morality. Transformational leaders are future-oriented, Committed to planning, open-minded, and dynamic. They serve as role models and set a standard for high employee expectations by encouraging employees to think beyond themselves.

To run organizations smoothly, effectively and efficiently, the most valuable and indispensable factor organizations need is human resource (Mosadragh, 2003). Well-qualified and capable personnel are important in context of achieving goals and objectives of an organization. The success of an organization depends on the hard working, loyal and involved managers and employees. In this modern era where world has become a global village, firms are considered to be competitive on the basis of competence of their human resources. It is somewhat a difficult task to handle people who are physically, psychologically, culturally and ethnically different from each other.

Management of employees is largely dependent on the quality of leadership organizations have (Albion & Gagliardi, 2007). Leadership is a bond which makes people

to work together. Organizations at present are more concerned about understanding, development and improvement of their leadership. Transformational leadership is a modern approach towards leadership. Hall et al. (2008) defined transformational leadership as a system of changing and transforming people.

The view that transformational leadership enhances employee performance has gained wide popularity among researchers during the past decade. Lee and Chuang (2009), explain that the excellent leader not only inspires subordinate's potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals.

According to Elkanah Odembo in his article in the resource alliance (2003), the mental picture of the public towards NGOs in Kenya is negative. He goes further to state that in order to address the credibility question, Kenyan NGOs must urgently address a number of issues among them leadership. In the same article, Odembo (2003) states that as a result of the proliferation of NGOs and lack of standards over the past 20 years, the quality of NGO leadership has been on the decline and today, many of these Non-Governmental Organizations are struggling to attract and retain the talented employees who convert ideas into impact.

This study will reflect the Faith based NGOs scenario and it is all about the leaders who have adopted the transformational style of leadership by raising the consciousness levels of their followers beyond the call of duty. These leaders have attracted energized and excited people by taking them to a horizon from where they could think in a different

way. The leaders have made the process of articulation and communication of the vision of what their organizations could be and then mobilized support for change towards realizing the vision.

In recent years the number and scope of non-governmental organizations in Kenya, responsible for health, education, the economy and the environment, has greatly increased. They are highly influential in communities, at the grass-roots level, in the planning and implementation of social and economic policy. Increasingly, NGOs mediate the relationship between the private and public sectors and facilitate private sector investment in community development and the environment. Therefore, transformational leadership of NGOs is crucial to gain advantage in the competition for the limited resources available to the public sector (NGO Coordination Board website; 2012).

Kenya has about eight thousand five hundred NGOs that operate under the regulation and the supervision of the NGO Coordination board (NGO Board website). Among the faith based NGOs in Nairobi County include World Vision International; World Concern Development Organization; Food for the Hungry International; Zinduka Africa; Catholic Relief services; ADRA; World Relief; Samaritan's Purse; Christian Mission Aid; Across and Christian Children's Fund. Those selected specifically for this survey include World Concern Development Organization, Christian Mission Aid, Across, Zinduka Africa and Food for the hungry International (NGO board website, 2012).

1.1 Employee performance

According to a report by People in Aid (2012), two of the issues consistently high on the list of priorities of NGOs are staff performance and staff retention. The growth in the NGO sector in the developed and developing countries demands more management attention in encouraging the employees to perform better. Employee performance refers to an individual's ability to be creative, innovative, inspiring, and take on challenging tasks to achieve organizational goals for the greater good of the organization. The word performance is used to pass on the individual aptitude to be inspired, stirring, pioneering towards achieving the goals on an organization (Walumbwa & Hartnell, 2011).

The concept of performance is referred to the achievement of the results obtained from the job functions or activities carried out by individuals (Armstrong and Baron, 2005). Mangkunegara (2009) defines performance as what can be done by a person in accordance with the duties and functions. Some researchers (Judge, *et al.*, 2002b; Judge and Piccolo, 2004; Keller, 2006; McGrath and MacMillan, 2000; Meyer and Heppard, 2000; Purcell *et al.*, 2004; Yukl, 2002) have started to explore the strategic role of leadership, and investigate how to employ leadership paradigms and use leadership behavior to improve employee performance. For the strength of an organization job satisfaction plays a vital role which has significant effect on employee performance. The main theme of the every organization is to enhance employee performance. Walumbwa, Avolio & Zhu (2008) expressed, transformational

leadership correlated with subordinate skills with work worth to asses employees performance.

Leadership is associated with employee performance (Ogbonna & Harris 2000). The relationship between leadership and performance is established considerable attention (Gadot, 2006). The main theme of the every organization is to enhance employee performance. Howell, Merenda (1999) suggested that transformational leadership will play an imperative role in increasing job satisfaction as well as role play to achieve organization's goal and employees acts (Goodwin,2001). Walumbwa, Avolio & Zhu (2008) expressed, transformational leadership correlated with subordinate skills with work worth to asses employees performance. They trained their workers, arranged meeting with their subordinates and take feedback from their subordinates and in end result employee productivity added. Firm mostly increase employee's performance by giving empowerment to their team members (Ozaralli, 2002).

Performance is a measurable action. According to (Bernadin & Russel 1993), Performance is measured by quality of work; quantity of work; punctuality; cost efficiency; ability to do the work and ability to build work relationships. Performance, therefore, is a result of work that can be measured using certain standards by considering quality, quantity, and punctuality. Quantity refers to the amount of work resulted in a certain period of time, and punctuality refers to ability to stick to time allotment plan.

Thus, the present study will use performance as its dependent variable measured using the above performance indicators.

1.2 Statement of the problem

High staff turnover and poor performance have been persistent issues for both international and local non government organizations (NGOs) in Kenya with these issues often been connected to the difficulties in motivating staff (People in Aid Newsletter, 2007). Poor or inappropriate leadership may result in a decrease in employee motivation, a decrease in collaboration between managers and employees, and an increase in employee turnover rates (Lephoko, Bezuidenhout & Roos, 2006). Majority of the researchers have associated transformational leadership with employee performance and argued that transformational leadership can be the best predictor of employee performance (Raja & Palanichamy, 2011). Previous studies conducted on transformational leadership only cover and focus on other organizations although there are many faith based organizations currently operating in Kenya which may demonstrate different results due to difference in their environment. The lack of similarity between private, government owned and NGOs may have different effects and there may be some important variables of transformational leadership missing which have positive impact on employee performance. The researcher, therefore, found reason to investigate the effect of transformational leadership on employee performance in faith based NGOs in Nairobi County and try to fill in the gap that other researchers like (Raja & Palanichamy, 2011) have not been able to fill.

1.3 Objectives of the study

1.3.1 General objective

To evaluate the effect of transformational leadership on employee performance in faith based NGOs in Nairobi County.

1.3.2 Specific objectives

- i. To find out the effect of idealized influence on employee performance in faith based NGOs.
- ii. To establish the relationship between Intellectual stimulation and employee performance in faith based NGOs.
- iii. To evaluate the effect of inspirational motivation on employee performance in faith based NGOs.

1.3.3 Research questions

- i. Is there a significant relationship between idealized influence and employee performance in faith based NGOs in Nairobi County?
- ii. How does intellectual stimulation affect employee performance in faith based NGOs in Nairobi County?
- iii. Does inspirational motivation lead to employee performance in faith based NGOs in Nairobi County?

1.4 Significance of the study

Organizations looking forward to adopting transformational leadership will benefit from the results of this study and gain an understanding of whether this leadership style really leads to increased employee performance. The data will be cause for reflection and an

opportunity for improving development policies or changing leadership styles and will also help all the leaders and key decision makers in various organizations to introduce and adopt ethical qualities in their leadership. The study would also provide information to potential and current scholars on the benefits of implementing transformational leadership, a view of the NGO sector in Kenya.

1.5 Scope of the study

This study focused on five selected faith based NGOs in Nairobi County. All the primary data was obtained directly from the employees and top management.

1.6 Limitations of the study

The study's main focus was NGO's in Nairobi County, while those located in other counties across the country will not form part of this study. Another limitation is that the study focused on selected few faith based organizations yet a larger domain of the study would certainly throw more light on the various dimensions studied and hence further studies should include a large sample size that represents the leadership qualities.

In some cases, some respondents might be unwilling to participate in the research and might be cynical about the researcher's intentions in fear that information provided may be used against them. To tackle this, the researcher will assure them of the confidentiality of their information and that all the information received will be used purely for academic

purposes. Time and resource constraints might prevent the researcher from eliciting more information from more respondents.

1.7 Assumptions

The researcher basically proceeded with the assumption that the respondents would give correct information. Another assumption was that the employees would be interested in providing a completed and correct survey to the researcher.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This section begins with a brief theoretical review of literature on theories of leadership which are closely related to transformational leadership, then a review of existing research on transformational leadership and employee performance is provided followed by the conceptual framework.

2.1 Theoretical review

2.1.1 Transactional leadership theory

This leadership theory deals with the role of “reward” (e.g. pay, promotion, etc.,) as a motive for achieving results and “punishment” (e.g. loss of salary, demotion, loss of position) as a motive to ensure adherence to the goal to be achieved. The transactional leader is a leader whose actions take place within the existing organizational system or culture and who makes no effort to change that system (Waldman et al, 2001). By default this approach acts to strengthen the existing structures and culture within an organization. The leader’s role is to make the goal clear and to select the appropriate rewards to ensure motivation towards that goal (Sadler, 2003).

2.1.2 Servant leadership theory

The idea of servant leadership was first put forward in the 1970’s by Robert Greenleaf and it has gained a rather impressive following. His key idea was that the leader was first a servant. “The servant-leader is servant first...It begins with the natural feeling

that one wants to serve, to serve first. The conscious choice brings one to aspire to lead” (Greenleaf, 2002:27). Greenleaf argued that this view lifts leadership above the division of concepts, language and practice and allows leaders to bring people and organizations together towards a common goal. He proposes leadership that contains a depth of commitment to all the stakeholders.

The servant-leader displays authenticity and builds a community within the organization’s members (Washington, 2007). It is a leadership that is aware that the end and means are inseparable and that we live in a world of relationships (Covey, 2002). While measurement of servant leadership is (and will always be) problematic, it is felt that this is a construct of leadership which has a place in the current organizational reality (Melcher et al, 2008). Servant leadership might suggest a reply to dilemma of leadership where leader’s ethics, morals and standards are fundamental to overall success (Graham, 1991; Laub, 2003; Russell and Stone, 2002).

Servant leader’s character is composed of independent variables like humility, integrity and service (Wong and Page, 2003). A follower is developed by the servant leader who presents himself as a role model so as to inspire followers, thereby enhancing his trust, information and feedback (Liden et al., 2008). In order to inculcate feelings of ownership in organizational decision making process and employee’s commitment, follower’s autonomy is also encouraged. In addition,

creative and innovative atmosphere is also endeavored by servant leaders (Neubert et al., 2008).

Dasborough (2006) revealed that there is a connection between leadership and followership in terms of getting inspiration and motivation from leadership. Specifically, those followers are motivated to work harder and have higher levels of citizenship behavior, whose leadership portray motivational and inspirational values. Servant leaders are reported to be consistent and committed enough to serve their followers. Development of a trustworthy relationship between leaders and followers results in improved job satisfaction (Jenkins and Stewart, 2010).

2.1.3 Trait theory

Trait approach to the understanding of leadership perceives leadership as the core of organization effectiveness and performance. Like the great man theories, trait perspective assumes that great leaders are born with distinguished traits/characteristics that make them different from other people. According to Sashkin and Sashkin (2003), researchers like Ralph Stogdill, in his quest for the secret of great leaders, reviewed many research reports on leadership, based on the assumption that great leaders are born. Sashkin and Sashkin (2003) indicate that Ralph Stogdill found that leaders were a bit more intelligent, outgoing, creative, assertive, responsible, taller and heavier than average people. However, these differences in traits could not provide a solution to the search, as the list was found to be statistically insignificant. Thus, Ralph Stogdill (in

Sashkin and Sashkin 2003) concluded that a person does not become a leader because of a combination of traits since the impact of traits differs according to situation

2.2 Empirical review

2.2.1 Transformational Leadership

Transformational leadership is a leadership style that inspires followers' to transcend their self-interests for the good of the organization and are capable of having a profound and extra ordinary effect on the followers concern (Robbins, Judge, & Sanghi, 2009). It begins with the leader/follower relationship with a sense of "responsibility for" the development of followers. They enhance the relationship that arouse and maintain trust, confidence and desire of subordinates. The primary goal of this leadership is to transform followers toward a relationship that shift the dependent "responsibility for" into a relationship that is interdependent, and people are "responsible to" each other.

A transformational leader's bottom line goal is to bring followers up to the level of confidentially accomplishing organizational tasks without direct leader intervention (Einstein and Humphreys, 2001). Additionally, transformational leadership is an approach to leadership that is based on encouraging others to perform more than what they originally thought possible (Sarros, Gray, & Densten, 2002). Similarly, "transformational leaders motivate others to achieve more than they thought possible by addressing motivation and inspiring their subordinates' value and self-esteem to go beyond egoistic interests" (Felfe, Tartler, & Leipmann 2004).

Transformational leadership stimulates individuals to be able to be creative and excellent by introducing ideas and early solutions to problems (Avolio and Bass, 2002). However, it highlights rationality and new approaches for followers to follow. It also re-evaluates old beliefs and values and looks at difficulties as problems that need to be solved and seeks logical solutions to these problems. Transformational leadership does not criticize followers in public for their mistakes. Rather, it provides them with challenging tasks and encourages them to solve problems the way the like.

Transformational leadership concerns the transformation of followers' beliefs, values, needs and capabilities (Brand, et al., 2000). Yukl (1989, in Kent and Chelladurai, 2001) defines transformational leadership as the process of influencing major changes in attitudes and assumptions of employees and building commitment for the organization's mission and objectives. Transformational leadership is positively related to a subordinate's perceptions of leader effectiveness and higher levels of motivation. Studies have found that followers of transformational leaders report high satisfaction and motivation. Further research could include an investigation of the transformational leader's motivation of followers and the effects of this motivation which could include increased commitment to the vision and mission articulated by the leader (Givens, 2008).

The connection between transformational leadership and follower satisfaction is likely substantial. Leaders who are inspirational and show commitment can challenge their followers to think and provide input, and who show genuine concern for them should

have more satisfied followers (Bass & Avolio, 2006). Transformational leadership and satisfaction of followers are positively related. According to the recent study conducted by Badla and Nawaz (2010), all dimensions of transformational leadership have positive correlation with satisfaction except for individualized consideration (Boadla and Nawaz, 2010).

Toor and Ofori (2009) in their study have observed that transformational leaders have ethical leadership qualities and this relation is positive. They change the core values of followers for the benefit of the common interest by committing people and seeing them as ends not as means. They inspire followers to go beyond their own self-interests for the good of the organization with their vision (Avolio and Bass, 2004). They are proactive, raise follower awareness for transcendent collective interests and motivate followers to achieve out of range goals (Antonakis et al., 2003).

Another characteristic of transformational leaders is that they heighten the awareness of followers with vision they create and the strategies for reaching them (Avolio and Bass, 2004). They create self-confidence in followers by empowering them, tend to direct specific activities as much as to alter moods, to evoke symbolic images and expectations, and to inspire desires and objectives (Egri and Herman, 2000), they create fresh approaches to long-standing problems and transform the organization by defining the need for change, creating new visions, mobilizing commitment to these visions and by providing awareness of the organizational vision and goals. They develop higher level

needs for followers such as achievement, autonomy, and affiliation, which can be both work and not work related (Avolio and Bass, 2004).

2.2.2 Components of Transformational leadership

Transformational leadership is seen from its three components: idealized influence or charisma, inspirational motivation, and intellectual stimulation. According to Mintzberg (2010) Leadership is the key of trust that comes from the respect of others. Leadership that creates valuable and positive change in the followers is Transformational Leadership. Such a leader focuses on "transforming" others to help each other, to look out for each other, to encourage and be harmonious, and to pay attention towards organization as a whole. Lievens, Geit & Coetsier (1997) and Berson, Shamir, Avolio & Popper (2001) articulate that transformational leadership is helpful for innovation implemented by the organization in the era of competition.

2.2.2.1 Intellectual stimulation

Intellectual stimulation is defined as the ability of an individual to be logical, rational and able to intelligently adopt from certain situations (Dionne et al., 2003). A recent study conducted in Niger Delta stated that intellectual stimulation provokes followers to think new methods and means in an innovative ways by getting them involved in the process of decision-making as well as problem solving that impact on their social, economic, environmental and political wellbeing (Nwagbara, 2010) Intellectual simulation had a statistically significant positive correlation with effectiveness and satisfaction in the

quantitative study. Leaders who are intellectually stimulating see the advantages of creating unity through diversity. By bringing together and integrating a diverse range of perspectives, they are able to create genuinely new ideas and initiatives. The goal of intellectual stimulation is to continuously generate the highest levels of creativity from the subordinates (Avolio, 2005).

2.2.2.2 Individualized consideration

Individualized considerate leaders pay special attention to each individual follower's needs for achievement and growth by acting as an advisor, coach or mentor. Subordinates and colleagues are developed successively to the higher levels of potential. Individualized consideration is practiced when new learning opportunities are created along with a supportive climate. Individual differences in terms of needs and desires are recognized. The leader delegates tasks as a means of developing followers. Delegated tasks are monitored to sincerely identify if the followers need further support (Bass and Riggio, 2006).

The finding on Impact of transformational leadership on followers influence strategies support the above idea in that the followers of transformational leaders experience a total and unqualified belief in and identification with the leaders and their mission. Thus, transformational leaders are seen as helpful and friendly, and therefore followers would use friendliness strategy more frequently (Krishnan, 2004).

2.2.2.3 Idealized influence:

Idealized influence is about building confidence and trust and providing a role model that followers seek to emulate (Bono & Judge, 2004, Simic, 1998, Stone, Russell & Patterson, 2003,) Confidence in the leader provides a foundation for accepting (radical) organizational change. That is, followers who are sure of the virtues of their leader will be less likely to resist proposals for change from her/him. According to Humphreys & Einstein, 2003, Charisma, or idealized influence or attributes is characterized by vision and a sense of mission, instilling pride in and among the group, and gaining respect and trust.

Besides, Idealized leadership at its core represents the highest levels of moral reasoning and perspective-taking capacity. These leaders are willing to sacrifice their own gain for the good of their work group and organization. They set high standards for work conduct and are a role model for those standards. They build trust in people because those who work for them know they are working toward the common good, and their sacrifices along the way are evidence of their consistency for their actions and values. These are people who see the good in others first and when it is not obvious they work to build it out with concern for people. Leaders with idealized characteristics can walk first on the way they talk about (Avolio, 2005).

2.2.2.4 Inspirational Motivation

Inspirational motivation is about encouragement to raise the consciousness of workers about the organization's mission, vision, and committing to the vision is a key theme of this factor. The key indicators of inspirational motivation are organizational vision, communication, challenging to workers encouragement, working with workers, and giving autonomy are the core values of inspirational motivation (Sarros & Santora, 2001).

Transformational leaders get followers involved in envisioning attractive future states; they create clearly communicated expectations that followers want to meet and also demonstrate commitment to goals and the shared vision (Bass and Riggio, 2006)

Transformational leaders make clear an appealing view of the future, offer followers the opportunity to see meaning in their work, and challenge them with high standards. They encourage followers to become part of the overall organizational culture and environment (Kelly, 2003; Stone, Russell & Patterson, 2003,). According to McGuire & Hutchings (2007), the outcomes of transformation leadership are developmental and motivational changes in followers and institutional and organizational change. As a result, transformational leadership could lead to higher followers' performance in the organizations.

Evidence provided by researchers like Walumbwa and Hartnell (2011) confirmed the positive relationship between transformational leadership and employee performance.

Wang and Chen (2005) studied the adaptation of leader member exchange theory (LMX) and discussed the effect of various factors like psychological empowerment, self concordant goals, and intrinsic motivation and job characteristics as important contributor to employee work performance. Sluss and Ashforth (2007) studied the interpersonal form of identification i.e. rational identification which focuses on ones role related relationships, where followers define themselves in term of his or her given roles. The results suggest relational identification expands follower's sense of what defines them and this is one important dimension of transformational leadership.

Ashford et al. (2008) point out that there is empirical support for relationships between the meaning individuals find in their work and their organizational identification. For example, in an empirical study of blue-collar workers in the shipping industry, Erturk (2010) reported a positive relationship between psychological empowerment and organizational identification. Similarly, prior research has demonstrated a positive association between psychological empowerment and affective organizational commitment for nurses in hospitals (Avolio et al., 2004) and for employees and their supervisors (Liden, Wayne, & Sparrow, 2000).

Liao and Chuang (2007) hypothesize that transformational leadership is related to relational identification with the supervisor, because such leaders serve as exemplary role models, articulate a compelling vision, and communicate high performance expectations (charisma), provide emotional appeal, meaning, and challenge to their

followers (inspirational motivation), pay specialized attention to their followers' needs, expectations, and development (individualized consideration) while also challenging their followers to look at issues from different perspectives (intellectual stimulation) and the results also confirmed their hypothesis.

Tims and Bakker (2011) investigated how transformational leaders enhance followers daily work engagement and suggest that among other dimensions of work engagement employee dedication, absorption and social persuasion are strongly correlated with effective adaptation of transformational leadership. As a result of the transformational leader's focus on developing followers into leaders and of active leaders' positive exchange relationships, followers are likely to feel that their roles are worthwhile and meaningful, thus raising their level of self-esteem, which, in turn, increases follower identification with the organization (Ashford et al., 2008). Furthermore, since empowered followers have a sense of psychological self-worth and meaningfulness, they are likely to be proud members of the organization and have stronger identification with their organization (Wang & Lee, 2009).

In a survey conducted by Bono and Judge (2003) as to whether the followers of transformational leaders exhibit higher performance, it was found that Transformational Leadership behaviors as evaluated by followers, was positively related to followers' job performance. From the answers given by the employees about the transformational leadership, Nemanich and Keller (2007) concluded that the Transformational Leadership

behaviors had a significantly positive relationship with acquisition acceptance and to be positively related to goal clarity, creative thinking, and follower performance.

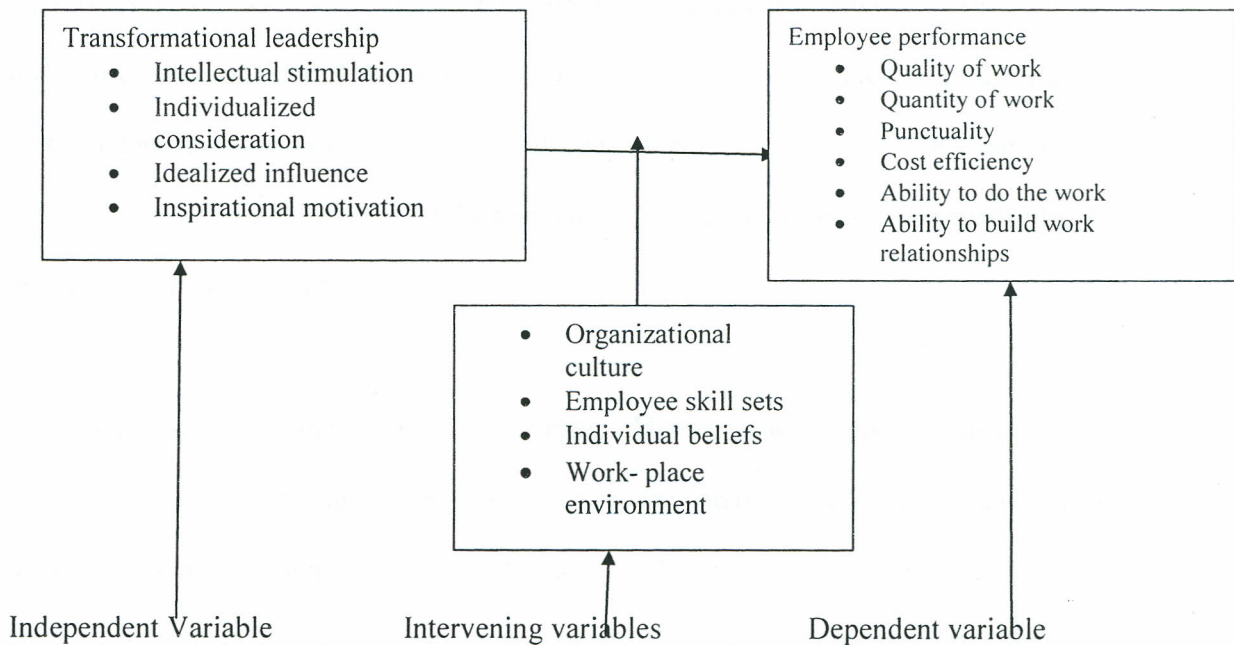
A study by Riaz et al, (2010) finds that transformational leadership significantly affects employees' work performance. Employees' performance is determined by ability and motivation. If employees do not have such good ability, then they will also not be able to perform well in their job. To improve employees' performance, a leader whose orientation is on changes and improvement on work environment, motivation, values, and patterns to improve overall organizational performance is needed. Performance is directly related to satisfaction. This argument is supported by Chong et.al, (2010) who found out that job satisfaction affects performance significantly. Employees feeling satisfied with salary, promotion, supervision, and colleagues will commit to their work more.

In a similar study of Piccolo and Colquitt (2006) the authors found Leadership Transformational behaviors had a significantly positive relationship with task performance. Transformational Leadership had a positive relationship with follower job satisfaction, follower leader satisfaction, follower motivation, leader job performance, group performance, rated leader effectiveness.

2.3 Conceptual Framework

The literature has been used as foundation to develop a conceptual framework for this study as shown in Figure 1. The conceptual framework will have the four dimensions of

transformational leadership; idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. Quality of work; quantity of work; punctuality; cost efficiency; ability to do the work and ability to build work relationship



2.4 Critique of existing literature

Transformational leadership theory has been subject to criticism, and its potential weaknesses have been identified over the years. One criticism is that transformational leadership is elitist and antidemocratic, and that too much emphasis is placed on the ‘heroic’ aspects of leadership (Northouse, 2007). Because transformational leaders create and communicate a vision in an effort to achieve change, it may seem as though they are acting independently of their followers. This criticism has been opposed by others including Bass and Riggio (2006), who argue that transformational leaders can be either

directive or participative, and either authoritarian or democratic. Also, as Bass argues, charisma is only one part of the transformational leadership concept (Northouse, 2007). Related to this criticism is the idea that transformational leadership has the potential to be abused. Transformational leaders change employees' values and provide a new vision of the future. Who decides if the new vision is better than the old one? Who determines whether the new direction taken is a good one? History provides us with examples of leaders who have exploited their followers and where their vision has eventually led to the death of their followers.

Although many scholars such as Weber, House, and Bass emphasize that transformational leadership is concerned with leader behaviour, empirical studies have demonstrated relationships between personality and transformational leadership. Bono and Judge (2004) found in their meta-analysis that extraversion was the strongest predictor of transformational leadership, although all of the Big Five traits, except for conscientiousness, were significantly related to transformational leadership. They concluded that even though their findings provided some support for the dispositional basis of transformational leadership, especially regarding the charisma dimension, the generally weak associations suggest that non-dispositional predictors of transformational leadership play an important role.

Further, it is unclear what unites the four dimensions of transformational leadership compared to other leadership behaviour (van Knippenberg & Sitkin, 2013). This raises

concerns about the validity of transformational leadership theory. However, it has also recently been suggested that it may be more fruitful to investigate the sub-dimensions of transformational leadership independently without using the higher-order label of transformational leadership (van Knippenberg & Sitkin, 2013).

A final criticism revolves around the lack of specification as to how transformational leaders influence their followers and under which conditions transformational leadership emerges and is effective. Bryman (2004) joins this line of thinking, and adds that if the mechanism of the way in which leaders are supposed to influence their followers is poorly understood; charismatic leadership theories are likely to be a short-lived phenomenon.

2.5 Summary of the literature

Although transformational leadership has been the dominant focus of contemporary leadership research, and although positive effects of transformational leadership have been established, surprisingly little is known of the transformational leadership process, such as the way in which its emergence and effectiveness is influenced by context. Accordingly, several scholars have called for additional research on the mechanisms of transformational leadership (e.g., Jugde et al., 2006; Yukl, 2010). Knowledge of the underlying psychological processes, mechanisms, and conditions through which transformational leaders influence their followers' attitudes and behaviours is important, as it contributes to a better understanding of why transformational leadership is effective

and a greater ability to predict and account for those times when transformational leadership behaviours emerge and are effective (Avolio, Walumbwa, & Weber, 2009). In all, this calls for further investigation of the transformational leadership process in general and in the public context such as the non- government bodies in particular.

Transformational leaders inspire and motivate followers to develop and grow, feel connected to the larger vision or mission of the organization, and work with others to attain common goals. The Idealized Influence and Inspirational Motivation attributes of transformational leaders help ensure employees feel they are working under a visible and inspired leadership team that promotes honesty, integrity, respect, collaboration, and trust.

2.6 Research gaps

Poutiatine (2009) points out that up to date the personal perspective of transformation is not addressed in transformational leadership. For instance, it is not understood, how the influence on the follower is affected and by which process the follower is “transformed”. Poutiatine (2009) introduces the process of transformational learning as potential explanatory process for the functionality of transformational leadership.

Transformational learning relates to the theory of Mezirow (2000) and the elaborations of Cranton (2006). Thereafter transformational learning occurs when people critically examine their habitual expectations, revise them, and act on the revised point of view (Cranton, 2006). The applicability of this theory in transformational leadership remains

unexplored. Overall there is only a very limited amount of qualitative research approaches so far on transformational leadership in comparison to the overwhelming number of quantitative approaches ranging in thousands.

In the light of the reported gaps in understanding the functionality of transformational leadership, a reassessment of research approaches seems appropriate and necessary in order to measure the performance effects of transformational leadership behaviors in a Kenyan context and specifically in the NGO sector.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This study is aimed at investigating the effect of transformational leadership on employee performance in faith based non –governmental organizations in Nairobi County. This chapter presents the overall strategy which was used to collect information required for the study. This chapter addresses the following sub-topics; Research Design, Population of the Study, sample size and sample selection, data collection procedures and instruments, reliability, Data analysis and presentation.

3.1 Research design

The design of this study was a descriptive survey. The data collection was multifaceted using interviews with the respondents and through distribution of questionnaires to key leaders, followers and various other stakeholders. The purpose of a Descriptive survey is to describe the current status of a variable or an already identified phenomenon. In this type of a research, the researcher does not have to start off with a hypothesis but can design one after the collection of the data. The test of the hypothesis will therefore arise from the analysis of the data. A survey simply means that the researcher is interested in gathering data on the present state of affairs, which enables the researcher to obtain the value of the facts and to focus her attention on the most important issues that need to be reported. In this study, the goal of the researcher was to report on the level and impact of

transformational leadership in the faith based non-governmental organizations operating in Nairobi County. A questionnaire acted as the research instrument that the researcher used in gathering and collecting the data.

3.2 Population of the study

The population of interest was five leading faith based non- governmental organizations in development and disaster response in Nairobi County. 10 employees and two representatives from top leadership in each organization formed the target sample of the study from which the researcher would generalize the results. However, 49 out of the 60 sampled responded.

3.3 Sample size and sample selection

For the purpose of this study, the sample size was generated from the employees and leaders of five faith based Non-Governmental Organizations in Nairobi County. Stratified Random sampling technique was used to draw the sample. A sample size of ten employees and two senior managers from each of the five organizations was randomly selected; a total target population of 60 respondents. Although an increased sample size increases the quality of statistical results it was not possible to use larger sample size due to time factor and budgetary constraints. According to Mugenda & Mugenda (2003), sample size of between 10% and 30 % is a good representation of the target population. To this effect, the study used 10 % of each of the target organizations population .This means in each organization chosen; a sample size of 10 % of all employees was to be interviewed.

3.4 Data collection procedures and instruments

A questionnaire and an interview guide were used for data collection. The questionnaire was structured to include both closed and open-ended questions to allow variety. These types of questions allowed the respondent to present their feelings on the subject matter enabling a greater depth of response. The questionnaires were administered to respondents on a 'drop and pick later' basis.

3.5 Pilot testing

The questionnaire was pre-tested on employees randomly selected from the target population. The purpose of pilot testing was to establish the accuracy and appropriateness of the questions and to enable remove all ambiguities from the questionnaire. Thus ambiguous questions were removed or rephrased after the pilot testing.

3.6 Reliability

To ensure consistency, the pilot data was subjected to reliability tests using the split half method to determine the internal consistency and reliability of research instrument. The split half procedure involved scoring two halves (odd items versus even items) of the instrument for each respondent and then a correlation coefficient for the two sets of scores is calculated. The correlation coefficient indicates the degree to which the two halves of the instrument provide the same results and hence describe the internal consistency (reliability for half test) of the instrument as recommended by Mugenda and Mugenda (1999).

3.7 Data analysis and presentation

Data was analyzed using descriptive statistics. Statistical package for social sciences (SPSS) version 21 was used in the analysis. This version was used since it is the most recent version of SPSS and hence it has got advanced features. Descriptive statistics includes mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. Data was presented in tables, charts and graphs.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

The main objective of the study was to evaluate the effect of transformational leadership on employee performance in faith based non-governmental organizations in Nairobi County. From this survey of five faith based non-governmental organizations in Nairobi County, the researcher has established the extent to which transformational leadership has influenced employee performance.

4.1.1 Response Rate

The study targeted 60 respondents in collecting data with regard to effect of transformational leadership and employee performance in faith based non-governmental organizations in Nairobi County. From the study, 49 respondents out of the 60 sample respondents filled-in and returned the questionnaires making a response rate of 81.67%. With the researcher visiting the sampled organizations to personally follow up with the respondents, a reasonable response rate was achieved.

4.2 Demographic information

This is the information describing the characteristic of the respondents and included education level, length of employment in the organization and their position in the organization.

4.2.1 Level of education of the respondents

The respondents in this study were at different levels of education. The level of employees of education can affect performance in that those well-educated may be better endowed in their areas of expertise.

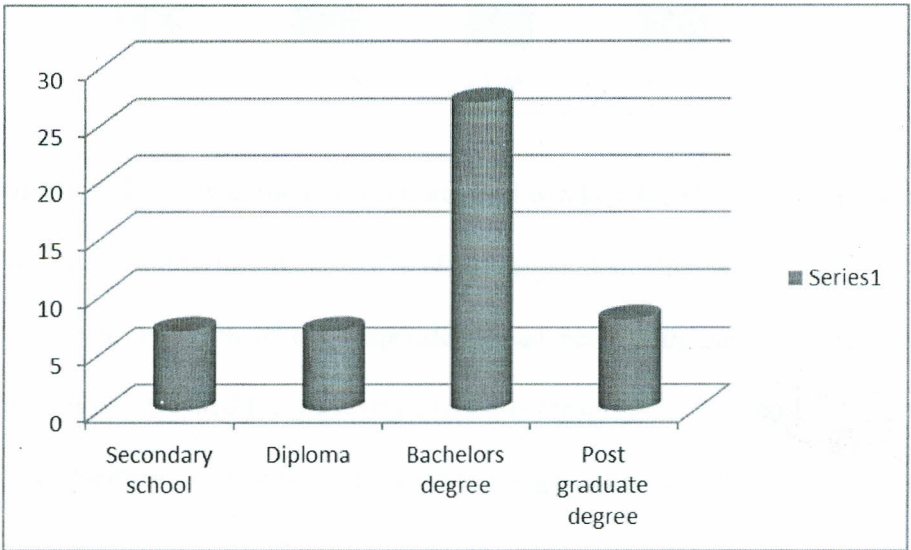


Figure 4.1: Highest level of education of the respondents

8% of the respondents had post graduate qualifications, 27% had bachelor’s degrees, 7 % were diploma holders and the rest of the 7% had form four certificates.

4.2.2 Period the respondents had worked for the organization

Another important detail was for the researcher to find out the period these respondents had been with the organizations under study.

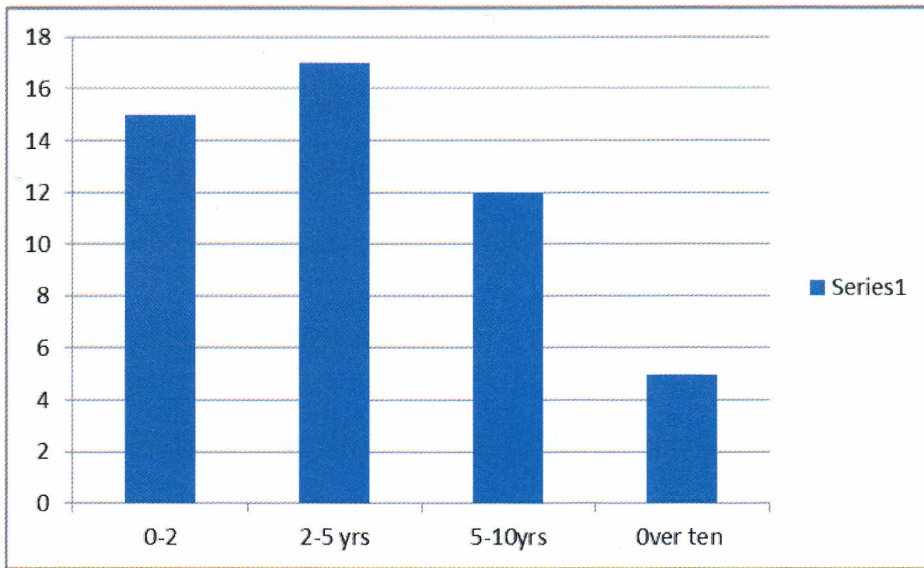


Figure 4. 2. Period the respondents had worked for the organization

According to the findings, 30.6% of the respondents had worked in the organizations for 0-2 years, 34.69 % of the respondents had been with the organizations for 2-5 years, 34.64% had worked for these organizations for more than 5 years.

4.2.3 Position of the respondents in the organization

The study sought to find out the position of the respondents in the organization.

Table 4.1: Position of the respondents in the organization

Position	Frequency	Percentage
Top management (Senior Directors)	4	8.16
Mid level Management	6	12.24
Program Support staff	28	57.14
Others	11	22.45

According to the findings, 8.16% of the respondents represented the top management, 12.24 % of the respondents were middle management, and 57.14 % of the respondents were program support staff and 22.45% of the respondents were others.

4.3 Intellectual Stimulation

On Intellectual stimulation, 53% of the employees did not think that there was any notable intellectual stimulation taking place in the faith based non-governmental organizations, while 26% expressed an indifference opinion, and only 25% of the sampled employees agreed that transformational leadership had led to intellectual stimulation. On specific details 26% of the sampled employees agreed that their supervisor encouraged them to express their ideas and opinions, 28% of the employees agreed that they were encouraged to address problems by using reasoning and evidence. 29% of the sampled employees acknowledged that their supervisors suggested new ways of looking at how they did their jobs. 26% of the employees believed that their supervisors encouraged them to rethink ideas that had never been questioned. 26% of the employees did not express any opinion, which means that additional efforts in entrenching transformational leadership would turn the tide. Knowledge, opinion and perception about Intellectual stimulation were assessed through expression of ideas and opinions. From the 31% of the employees who strongly disagreed that there was any notable intellectual stimulation, this clearly was an indication that their supervisors did not place much stress upon encouraging them to being more innovative and coming up with solutions to work related problems.

Intellectual stimulation displayed a unique positive relationship with employee performance as employees who felt that their supervisors intellectually stimulated their thinking felt valued when they were encouraged to actively engage in bringing in new ideas and suggestions of doing things. Employees felt that their managers articulated a clear vision and provided a model for employee success and as a result the employees flourished on new ideas and innovative thinking, leading to increased performance. In addition, employee performance was predicted by how the leaders encouraged their staff in being innovative in the way they approached issues. Intellectual stimulation played a big role in the relationship between transformational leadership and employee performance in that those who were encouraged by their supervisors to solve their own problems performed better. Based on these results, by empowering employees, transformational leaders demonstrated their trust in their employee's capabilities and this significantly impacted on their work, leading to increased output and improved performance.

The results are shown in Figure 4.3 below.

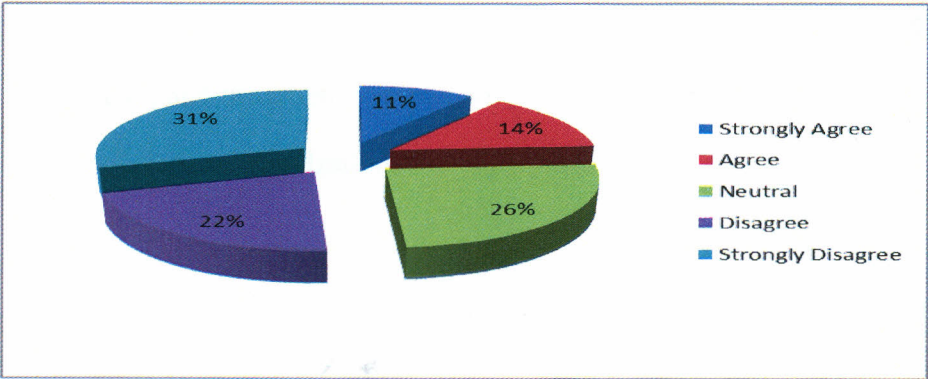


Figure 4.3: Intellectual Stimulation

4.4 Inspirational Motivation

In this section, the researcher wanted to find out how well employees believe that their supervisors inspire confidence, charts the way, and encourage performance. In general 24% of the employees sampled believed that their performance in their organizations was inspired by their supervisors. 22% of the employees agreed that their supervisors talked enthusiastically about what needed to be accomplished while 33% of the employees believed that their supervisors were able to articulate a compelling vision for the future of their organization. 21% of the employees agreed that their supervisors exhibited determination to accomplish what they set out to do, while 20% of the employees felt that their supervisors had been able to offer continuous encouragement. 24% of the employees did not express any opinion, and this presents a great potential for increasing the impact of inspirational motivation through more concerted efforts.

The results revealed that inspirational motivation was significantly positively associated with employee performance. Expressing positive and encouraging messages about the organization was positively associated with emotional attachment to the organization; individuals' confidence in their capacity to carry out a range of proactive and integrative tasks, and the extent to which employees voluntarily helped others towards the common good of the organization.

The results are shown in Figure 4.4

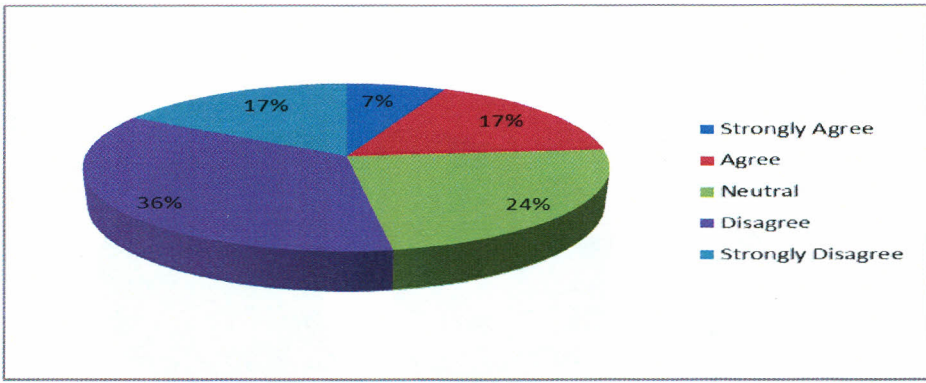


Figure 4.4: Inspirational Motivation Chart

4.5 Idealized Influence

In this section, the researcher intended to find out how well the organizational leaders had performed in influencing the values, beliefs, trust, and confidence among the employees. The research findings showed that 15% of the employees believed that their leaders had been able to influence a value system in the organization and inspired trust and confidence. Among the sampled employees, 30% agreed that their leaders talked to them about their most important values and beliefs, 25% of the employees felt that their leaders emphasized the importance of upholding beliefs, 29% of the employees agreed that their leaders encouraged them to trust each other as a way of overcoming their difficulties and 24% of the employees believed that their leaders displayed power and confidence.

The results are displayed in Figure 4.5

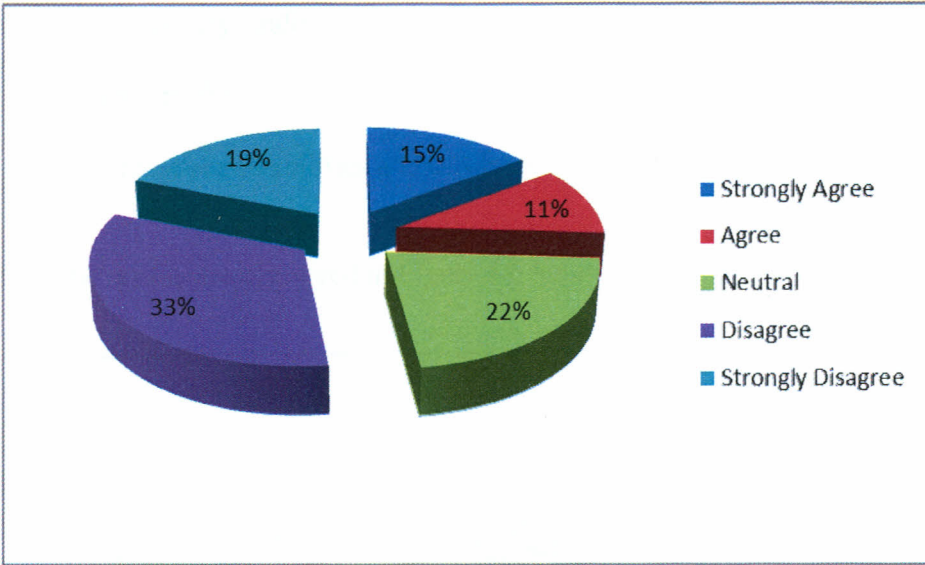


Figure 4.5: Idealized Influence

4.6 Individualized Consideration

The researcher investigated the extent to which organizational leaders committed time and effort to the individual needs of the employees in order to develop their skills and competencies and to provide opportunities for personal growth. On average, 47% of the employees agreed that their leaders accorded them individualized consideration in their organizational roles. 37% of the employees agreed that their supervisors spend time teaching and coaching them, while 41% of the employees acknowledged that they were given the opportunity to learn how to identify the needs and capabilities of their colleagues. 48% of the employees felt that their organization treated them as individuals with different needs, abilities, and aspirations while 43% believed that their supervisors focused on developing their personal strengths.

The study clearly indicated that individualized consideration affected employee performance in the organizations to a very great extent with their managers focusing on their strengths and abilities and this increased their performance.

151 The results are displayed in Figure 4.6 below.

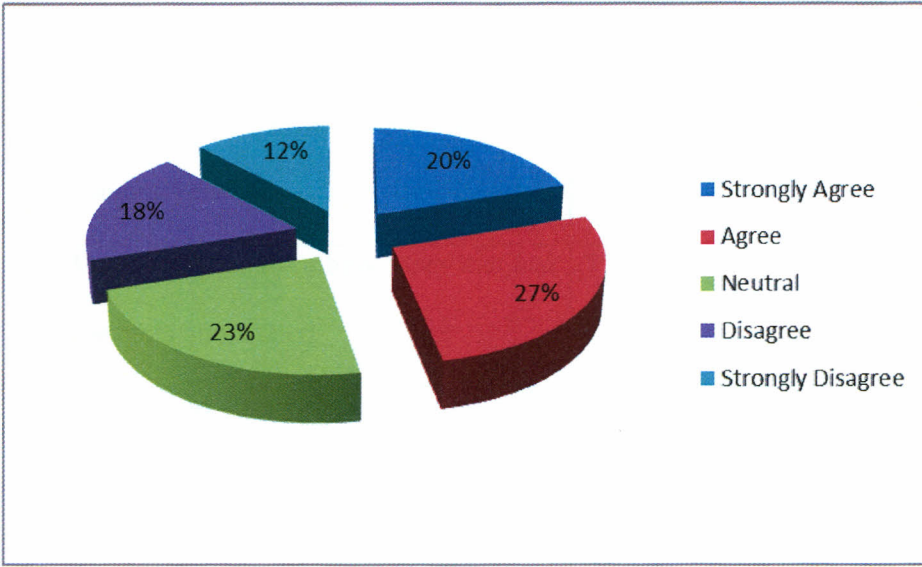


Figure 4.6: Individualized Consideration

The detailed employee feedback results are outlined in Table 2 below

Table 2: Employee feedback on transformational leadership

	Narrative variables	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
		1	2	3	4	5
A	Intellectual Stimulation					
	My Supervisor					

	1. Encourages me to express my ideas and opinions	15%	11%	19%	20%	35%
	2. Encourages addressing problems by using reasoning and evidence, rather than supported opinion	12%	16%	18%	23%	36%
	3. Suggests new ways of looking at how we do our jobs	8%	11%	24%	23%	38%
	4. Encourages us to rethink ideas that had never been questioned	7%	19%	41%	20%	13%
B	Inspirational Motivation					
	My Supervisor					
	1. Talks enthusiastically about what needs to be accomplished	5%	17%	24%	36%	18%
	2. Articulates a compelling vision for the future	10%	23%	30%	27%	10%
	3. Shows determination to accomplish what he/she sets out to do	4%	17%	11%	39%	29%
	4. Provides continuous encouragement	10%	10%	30%	40%	10%
C	Idealized Influence					
	My Supervisor					
	1. Talks to us about his/her most important values and beliefs	14%	16%	31%	19%	20%

	2. Emphasizes the importance of being committed to our beliefs	13%	12%	26%	31%	18%
	3. Talks about how trusting each other can help us to overcome our difficulties	20%	9%	21%	30%	20%
	4. Displays power and confidence	11%	13%	20%	37%	19%
D	Individualized Consideration					
	1. My Supervisor Spends time teaching and coaching me	11%	26%	33%	22%	8%
	2. I get the opportunity to be taught how to identify the needs and capabilities of others	23%	18%	42%	15%	2%
	3. We are treated each as individuals with different needs, abilities, and aspirations	17%	31%	12%	27%	13%
	4. My supervisor focuses me on developing my strengths	21%	32%	16%	11%	20%

4.7. Leadership Views

An open ended questionnaire was administered to two leaders from each of the five selected faith based non-governmental organizations. The goal of the researcher was to investigate the views of these leaders on transformational leadership and its impact on employee Performance in terms of quality of work; quantity of work; punctuality; cost efficiency; ability to do the work and ability to build work relationships The

results showed that transformational leadership style had a slightly positive relationship with employee performance in these faith based organizations. However, other intervening factors may affect the performance of an employee and transformational leadership alone may not be the main determinant of performance.

This study provided evidence of transformational leadership effects in a real organizational setting where employees were assessing their leaders well known to them and whom they interacted with on a day to day basis. The results from this study closely relates to what Bass and Avolio (2006) concluded in their study; that transformational leadership was positively related to performance in the business, military, educational, government, and not-for-profit sectors. The results from this study also supports many of the key propositions of the major theories of charismatic and transformational leadership concepts to NGOs as shown by (Barker, Sullivan, & Emery, 2006; Packard, 2004; Yoo & Brooks, 2005).

The results of this study are comparable to Gumusluoglu and Ilsev (2009) who discovered that transformational leadership is positively related to individual creativity and innovation. In their study, transformational leadership was found to positively influence individual creativity and innovation (Gumusluoglu & Ilsev, 2009). The study found that individualized consideration had an effect on employee performance and affected employee performance to a great extent. Employees also understood what was expected of them thus there was increased quantity of output.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presented the discussion of key data findings, conclusion drawn from the findings highlighted and recommendation made there-to. The conclusions and recommendations drawn are focused on addressing the objective of the study.

5.2 Summary of Findings

The study found that transformational leadership had a direct impact on employee performance.

5.2.1 Idealised influence

When the employees identified with their leaders and when leaders acted as role models to the employees, they felt the need to emulate them and be identified with the organizations thus improving on performance. Commitment of top management also improved the quality of output from the employees because of identifying with the employees.

5.2.2 Intellectual stimulation

This study revealed that intellectual stimulation affected employee performance to a great extent. When the leaders inspired and motivated employees by developing their capabilities, employees got creative and found new reasonable ways to solve work related

problems. In believing that there solutions hidden in every problem, the employees were able to accomplish their duties efficiently

5.2.3 Inspirational motivation

There was increased output when leaders inspired and motivated employees by communicating high expectations to followers and inspiring them through motivation to become committed to and be a part of the shared organizational vision.

5.2.4 Individualization consideration

When leaders expressed concern and care for their employees, they felt that they were valued as individuals with the leaders acting as their coaches to develop the employees according to their own characteristics leading to higher outputs and job satisfaction.

5.3 Conclusion

The results of the study provide much-needed insight into the relationship between transformational leadership and employee performance in faith based non-governmental institutions. The results also point to issues that these organizations could address to root out the causes of poor performance. In answering the research question of whether transformational leadership affects employee performance, this study shows that there is indeed a relationship between transformational leadership and performance. The findings support the expectation that transformational leaders try to transform the abilities,

personal values and self-concepts of employees and move them to higher levels of needs and aspirations and in the process encourage them to enjoy what they do.

5.4 Recommendations

The study focused on four main areas of transformational leadership which include intellectual stimulation, inspirational motivation, idealized influence, and individualized consideration. Competition is stiff across board and for stakeholders to look for new ways of fostering employee performance and commitment to the organization. Organizational leaders play a very important role in modeling the performance and commitment of the employees and with the role of leadership in the modeling of employee commitment and performance being considered very crucial in the modern organization, it will be paramount for organizations to put more effort in entrenching transformational leadership in their organizations. Although transformational leaders exist in most of these organizations, this study has established that more will need to be done. The findings should encourage leaders to engage in transformational leadership behaviors in order to boost the creative performance of their employees or subordinates and to address the ever-increasing and continuously changing demands of the work environment and society.

Lastly, the researcher wishes to emphasize that since transformational leadership has been shown to be a key factor for eliciting higher levels of individual satisfaction,

organizations should focus on training and developing their managers and key influencers in enhancing their transformational leadership skills.

5.5 Suggestions for Further Research

The researcher considers this study a ground breaking study on transformational leadership in faith based non-governmental organizations. Much more intensive research studies should therefore be undertaken in future focusing on how to model employee commitment and performance through transformational leadership. As the present study conducted focused only on faith based non-governmental organizations in Nairobi County, further research should replicate the results in other sectors of the economy. The study also relied on selected organizations and a larger domain of study would certainly throw more light on the various dimensions and hence should include a large sample size. The results of the present study however, can be used for future cross unit and cross institutional studies and investigate the role played by other intervening variables like organizational culture, employee skill sets, individual beliefs and work- place environment.

Given the limitations of this design, there are several areas that should be explored by future researchers. Future researchers should focus on using a larger sample from a variety of other cross cultural institutions. In addition, it would be beneficial for future research to examine the specific components of transformational leadership, idealized influence, intellectual stimulation, inspirational motivation, and individualized consideration in respect to specific employee performance measures to allow leaders

identify the extent to which specific transformational leadership components influence specific employee performance outcomes. Further research on how to promote transformational leadership behaviors among leaders and managers in these institutions would be useful.

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APPENDICES

Appendix I: Time Frame

ACTIVITY	DECEMBER 2012	APRIL 2013	MAY 2013	JUNE 2013	JUNE- JULY 2013
Project Proposal					
Formulation of Questionnaires					
Pilot study					
Data collection					
Data analysis and report writing					
Submission of final report					

Appendix II: Research Budget

	Item	Cost per item	Total (in Kes.)
1	Printing and binding of draft copies for defense purposes	6 copies @400	2,400.00
2	Printing (questionnaires)	60 copies/ 3 page @10 per copy	1800.00
3	Transport to various Organizations	@ 500 per trip	5,000.00
4	Meetings with the supervisor		5,000.00
5	Communication(Airtime and internet)		5,000.00
6	Printing of final documents for submission and binding	6 copies @1,100	6,600.00
7	Miscellaneous		3,000.00
	Total		28,000.00

Appendix III: List of NGO's in Kenya

<ul style="list-style-type: none">• Africa Harvest Biotech Foundation International
<ul style="list-style-type: none">• African population and health research centre
<ul style="list-style-type: none">• America Friends Service Committee
<ul style="list-style-type: none">• Amnesty International Kenya
<ul style="list-style-type: none">• Arise Child Development Organization
<ul style="list-style-type: none">• African Development and Emergency Organization (ADEO)
<ul style="list-style-type: none">• Clinton Health Access Initiative
<ul style="list-style-type: none">• Crisis Pregnancy Ministries
<ul style="list-style-type: none">• Engender Health Ltd
<ul style="list-style-type: none">• Equality now
<ul style="list-style-type: none">• Forbes consultants
<ul style="list-style-type: none">• Future Kids Project
<ul style="list-style-type: none">• Gibb Africa Ltd

<ul style="list-style-type: none"> • Oxfam
<ul style="list-style-type: none"> • Plan International
<ul style="list-style-type: none"> • Hijra Somalia
<ul style="list-style-type: none"> • International Rescue Committee
<ul style="list-style-type: none"> • Kenya Aids NGO's Consortium
<ul style="list-style-type: none"> • Kenya Community Based Health Financing Association.
<ul style="list-style-type: none"> • Kenya Voluntary Development Association
<ul style="list-style-type: none"> • Kenyan-Heart National Foundation
<ul style="list-style-type: none"> • Kick start
<ul style="list-style-type: none"> • Licasu
<ul style="list-style-type: none"> • Mag Regional Office Africa
<ul style="list-style-type: none"> • Moraa new hope foundation
<ul style="list-style-type: none"> • National council of NGOs
<ul style="list-style-type: none"> • Nesi Network

<ul style="list-style-type: none">• NPI Africa.
<ul style="list-style-type: none">• NRC
<ul style="list-style-type: none">• Relief international
<ul style="list-style-type: none">• Olive Leaf Foundation
<ul style="list-style-type: none">• Pan Africa Climate Justice Alliance
<ul style="list-style-type: none">• Pangea Network
<ul style="list-style-type: none">• Pathfinder International
<ul style="list-style-type: none">• Poverty Be History Organization
<ul style="list-style-type: none">• Save the Children
<ul style="list-style-type: none">• Separations International
<ul style="list-style-type: none">• Support For Tropical Initiative In Poverty Alleviation
<ul style="list-style-type: none">• Techno serve
<ul style="list-style-type: none">• Theo vision international
<ul style="list-style-type: none">• Ufadhili Trust

<ul style="list-style-type: none"> • Undugu Society Of Kenya
<ul style="list-style-type: none"> • Worldview Kenya
<ul style="list-style-type: none"> • World Vision International
<ul style="list-style-type: none"> • World Concern International
<ul style="list-style-type: none"> • Al-manaar Islamic stereo
<ul style="list-style-type: none"> • Pathfinder International
<ul style="list-style-type: none"> • Islamic Relief
<ul style="list-style-type: none"> • Zinduka Africa
<ul style="list-style-type: none"> • World Relief
<ul style="list-style-type: none"> • Food for the Hungry international
<ul style="list-style-type: none"> • German Agro
<ul style="list-style-type: none"> • International Rescue Committee
<ul style="list-style-type: none"> • America Friends Service Committe
<ul style="list-style-type: none"> • Amnesty International Kenya

<ul style="list-style-type: none">• ADRA
<ul style="list-style-type: none">• MSF Spain
<ul style="list-style-type: none">• VSF Germany
<ul style="list-style-type: none">• Concern Worldwide

Source: NGO Board website

Appendix IV: Questionnaire

I am a final year student at Kenyatta University, School of Business pursuing a Masters of Business Administration degree. As part of my course requirement, I'm undertaking a research titled "EFFECT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE PERFORMANCE: A SURVEY OF FAITH BASED NON – GOVERNMENTAL ORGANIZATIONS IN NAIROBI COUNTY". In this regard, you are kindly requested to support by responding to the questions below. Your quick and honest responses will be highly appreciated. Please note that your responses will be treated with the highest level of confidentiality and shall not be used for any other purpose except for this academic examination.

DEMOGRAPHIC INFORMATION

1) Level of education

- a. 'O' level []
- b. College certification/diploma []
- c. Bachelor's degree []
- d. Postgraduate []

2) How long have you worked for the organization?

- a. Less than 5 years []
- b. 5-10 years []
- c. More than 10 years []

3) Position in the organization

- a. Top level management []
- b. Middle level management []
- c. Operations staff

Name of Organization _____

1.) What is your level of agreement with the following statements concerning your supervisor? Use a scale of 1-5 where 5= strongly agree, 4=Agree, 3= Neutral, 2= Disagree, 1= strongly disagree.

A: Intellectual stimulation: My Supervisor:

	1	2	3	4	5
Encourages me to express my ideas and opinions					
Encourages addressing problems by using reasoning and evidence, rather than unsupported opinion.					
Suggests new ways of looking at how we do our jobs.					
Encourages us to rethink ideas that had never been questioned.					

B: Inspirational motivation; my supervisor

Talks enthusiastically about what needs to be accomplished					
Articulates a compelling vision for the future.					
Shows determination to accomplish what he/she sets out to do.					
Provides continuous encouragement.					

C: Idealized influence; my supervisor

	1	2	3	4	5
Talks to us about his/her most important values and beliefs.					
Emphasizes the importance of being committed to our beliefs.					
Talks about how trusting each other can help us to overcome our difficulties.					
Displays power and confidence.					

D: Individualized consideration

	1	2	3	4	5
My supervisor spends time teaching and coaching me					
I get the opportunity to be taught how to identify the needs and capabilities of others					
We are treated each as individuals with different needs, abilities and aspirations					
My supervisor focuses me on developing my strengths					

Thank you for your time and participation

Appendix IV: Interview Guide for top management

I am a final year student from Kenyatta University in the School of Business pursuing a Masters of Business Administration degree. As part of my course requirement, I'm undertaking a research titled "EFFECT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE PERFORMANCE: A SURVEY OF FAITH BASED NON – GOVERNMENTAL ORGANIZATIONS IN NAIROBI COUNTY". In this regard, you are kindly requested to support by responding to the questions below. Please note that your responses will be treated with the highest level of confidentiality.

- 1) Since transformational leadership was implemented, has there been an improvement in the performance of employees as pertains to:
 - i. Quality of work Yes () No ()
 - ii. Quantity of work, Yes () No ()
 - iii. Punctuality, Yes () No ()
 - iv. Cost efficiency Yes () No ()
 - v. Ability to do the work, Yes () No ()
 - vi. Ability to build work relationships. Yes () No ()
- 2) Is there significant change in terms of following procedures and job requirements as outlined by the various organizational policies? Yes () No ()
- 3) Is there an increase on employee job performance discussions Yes () No ()
- 4) Were employees excited by the changes and requirements which come with the implementation of transformational leadership? Yes () No ()

- 5) Has implementation of transformational leadership given the organization a competitive edge? Yes () No ()
- 6) Has implementation of Transformational leadership given the organization a competitive edge?
- 7) How does the organization handle employees who do not show an improved performance?