

Leadership Support and Organizational Performance in Humanitarian International Non-Governmental Organizations under Funding Volatility: Evidence from South Sudan

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ABSTRACT

This study examines how leadership support shapes organizational performance in a humanitarian international non-governmental organization operating in a fragile, conflict-affected setting during acute funding volatility. Drawing on Dynamic Capabilities Theory, the study conceptualizes leadership support as an organizational mechanism through which emerging threats are interpreted, communicated, and translated into coordinated responses. A concurrent mixed-methods, cross-sectional research design was employed at Save the Children International (SCI) in Akobo County, South Sudan. The study targeted a population of 200 participants, from whom a sample of 127 respondents was selected to participate in the quantitative component of the study. Complemented by semi-structured interviews with 17 purposively selected key informants. Quantitative data were analysed using descriptive statistics, Pearson correlation and linear regression, while qualitative data were subjected to thematic analysis. Leadership support was strongly and positively associated with organizational performance ($r = 0.672$, $p < 0.01$). The regression model explained 45.2% of the variance in performance ($R^2 = 0.452$), and leadership support was a statistically significant predictor ($B = 0.312$, standardized $\beta = 0.672$, $p < 0.001$). Vision communication received the highest leadership rating ($M = 3.82$), whereas transparency in resource-allocation decisions was rated lowest ($M = 3.38$). Qualitative evidence showed that honest communication, staff wellbeing, and procedural fairness were central to maintaining trust and operational continuity during funding cuts. The study extends DCT to humanitarian organizations in fragile states and proposes “ethical sensing” as a refinement of the sensing micro-foundation: the transparent, procedurally fair, and morally legitimate interpretation and communication of environmental threats and organizational responses. The findings indicate that leadership effectiveness under severe resource constraints depends not only on strategic direction, but also on the perceived fairness and legitimacy of difficult allocation decisions.

Keywords: Leadership Support; Organizational Performance; Dynamic Capabilities Theory

1.0 Introduction

Humanitarian organizations increasingly operate in an environment in which donor volatility, protracted crises, insecurity, climatic shocks, and institutional fragility are persistent rather than exceptional conditions. This environment places unusual demands on leadership because organizations must preserve service continuity while repeatedly adjusting priorities, staffing, resource allocations, and operational models. In fragile and conflict-affected states, the consequences of weak adaptation are particularly severe because humanitarian agencies often provide essential services where public-sector capacity is limited.

South Sudan illustrates this challenge. Since independence in 2011, the country has experienced recurrent armed conflict, displacement, climatic shocks, macroeconomic instability, and sustained humanitarian need. Humanitarian response plans have consequently faced a persistent gap between needs and available resources (OCHA, 2024; OCHA, 2025). International NGOs, including Save the Children International (SCI), therefore operate under simultaneous pressures to respond to expanding needs, comply with donor requirements, retain skilled personnel, and sustain programme quality despite uncertain funding.

Within SCI South Sudan, internal organizational evidence reported reductions in critical programmes, rising staff turnover, and declining beneficiary satisfaction during a period of funding pressure (SCI Internal Report, 2024). Such patterns raise an important management question: when resources contract sharply, to what extent can leadership support protect organizational performance? Existing leadership and change-management

research generally associates clear vision, employee support, participation, and ethical communication with commitment, resilience, and performance (Alrowwad et al., 2020; Puni et al., 2023). However, much of this evidence comes from comparatively stable organizational environments. The transferability of these findings to humanitarian INGOs operating amid conflict, institutional fragility, and funding shocks remains insufficiently established.

This study addresses that gap by examining the effect of leadership support on organizational performance at SCI in Akobo County, South Sudan, during funding cuts. It asks: What is the effect of leadership support on organizational performance at SCI South Sudan amid funding cuts? The null hypothesis states that leadership support has no statistically significant effect on organizational performance. Beyond testing this relationship, the study investigates how leadership communication, staff support, and resource-allocation practices are experienced during crisis and uses these findings to refine the application of Dynamic Capabilities Theory in humanitarian settings.

2.0 Theoretical Background and Hypothesis Development

2.1 Dynamic Capabilities Theory and leadership support

Dynamic Capabilities Theory explains how organizations renew competencies in response to rapidly changing environments. Teece (2007) organizes dynamic capabilities around three interrelated micro-foundations: sensing threats and opportunities, seizing appropriate responses, and transforming organizational assets and routines. In humanitarian organizations, these capabilities are especially salient because managers must continuously interpret donor signals, security conditions, beneficiary needs, and operational constraints.

This study positions leadership support primarily within the sensing domain, while recognizing that leadership also facilitates seizing and transformation. Leaders contribute to sensing when they identify emerging threats, interpret their organizational implications, communicate a credible direction, and build shared understanding. Leadership support should therefore enhance performance when it reduces uncertainty, aligns staff around priorities, and enables coordinated adaptation. Yet sensing is not purely analytical. In high-stakes humanitarian settings, leaders also determine how information is communicated and how difficult trade-offs are justified. This ethical dimension becomes important when funding cuts require decisions about programme closure, staffing, or resource protection.

2.2 Leadership support and organizational performance

Research generally links transformational and supportive leadership with employee commitment, resilience, innovation, and organizational effectiveness (Alrowwad et al., 2020; Puni et al., 2023). During uncertainty, clear vision and accessible leadership can reduce ambiguity, while psychological support and employee involvement can preserve morale and commitment. Evidence from nonprofit and African organizational settings further suggests that participatory leadership and stakeholder engagement strengthen adaptive capacity under resource constraints (Singh, 2022; Ombisa et al., 2025).

Nevertheless, leadership effects are not universally positive. Oreg and Berson (2019) show that leadership during organizational change is contingent on context, while Herold et al. (2008) demonstrate the importance of employee participation. In settings characterized by hierarchical cultures or high power distance, directive leadership may provide clarity but can also weaken participation and perceived fairness. These findings suggest that the effectiveness of leadership support depends on the way authority, communication, and procedural justice are combined.

Accordingly, the study hypothesizes that stronger leadership support is associated with higher organizational performance during funding cuts. In the humanitarian context examined here, organizational performance is reflected in programme continuity and resilience, adaptive capacity, stakeholder trust, and staff-related outcomes rather than conventional commercial indicators.

3. Methodology

The study adopted a pragmatist philosophy and a concurrent mixed-methods cross-sectional design to examine the relationship between leadership support and organizational performance while capturing participants' experiences during funding contraction (Creswell & Creswell, 2018; Tashakkori et al., 2021). The study was conducted at Save the Children International (SCI) in Akobo County, Jonglei State, South Sudan. The target population comprised 200 participants, including 120 SCI employees and 80 programme beneficiaries. Based on Krejcie and Morgan's (1970) sample-size determination table, a quantitative sample of 127 respondents was selected and proportionately allocated to 76 employees and 51 beneficiaries. Simple random sampling was applied within each stratum. Additionally, 17 participants (12 staff and five beneficiaries) were purposively selected for semi-structured interviews to provide contextual insights into the quantitative findings.

Leadership support was measured using six items on a five-point Likert scale, while organizational performance was assessed using 12 items covering programme continuity and resilience, adaptive capacity, stakeholder trust,

and staff-related outcomes. Questionnaires were administered electronically through KoboCollect and supplemented with printed copies where digital access was limited. Quantitative data were analysed using IBM SPSS Statistics through descriptive statistics, Pearson correlation, and simple linear regression. The measures demonstrated satisfactory internal consistency, with Cronbach's alpha coefficients of 0.842 for leadership support and 0.897 for organizational performance. Qualitative data were analysed thematically following Braun and Clarke's (2006) six-phase procedure, with NVivo supporting data management and coding. Quantitative and qualitative findings were integrated during interpretation. Ethical approval and organizational authorization were obtained from Victoria University, the South Sudan Relief and Rehabilitation Commission, and SCI management. Participation was voluntary, informed consent was obtained, and anonymity and confidentiality were maintained throughout the study.

4.0 Results

1 Response Profile

A total of 127 questionnaires were administered to the sampled respondents, comprising 76 SCI staff and 51 programme beneficiaries. All 127 questionnaires were completed and found usable for analysis, representing an overall response rate of 100%. The complete response ensured representation of both respondent categories and provided the full quantitative sample determined using Krejcie and Morgan's (1970) sample-size guidelines.

Table 1. Response Rate by Respondent Category

Respondent category	Questionnaires administered	Questionnaires returned	Response rate (%)
SCI staff	76	76	100.0
Programme beneficiaries	51	51	100.0
Total	127	127	100.0

Source: Field data (2026).

The composite mean for leadership support was 3.61. Vision communication was rated highest ($M = 3.82$, $SD = 0.94$), whereas transparency and ethics in resource allocation received the lowest rating ($M = 3.38$, $SD = 1.15$). This pattern suggests that respondents perceived leadership as comparatively effective in articulating direction, but less effective in explaining or legitimizing difficult allocation choices.

4.3 Organizational performance

Table 3. Organizational performance

Dimension	Indicative content	Mean	SD
Programme continuity and resilience	Service continuity, adaptation of plans, sustained quality	3.51	1.04
Adaptive capacity and stakeholder trust	Review, innovation, community trust, staff morale	3.45	1.07
Overall composite		3.48	

Source: Field data (2026).

The overall organizational-performance mean was 3.48, indicating moderately positive perceptions of performance despite funding cuts. Community trust was the strongest individual performance indicator ($M = 3.78$), while staff morale and retention was the weakest ($M = 3.28$), highlighting the human-resource consequences of prolonged financial pressure.

4.4 Association and predictive effect

Table 4. Correlation between leadership support and organizational performance

Variable	1	2
1. Leadership support	1.000	
2. Organizational performance	0.672**	1.000

Source: Field data (2026).

Leadership support was strongly and positively correlated with organizational performance ($r = 0.672$, $p < 0.01$). Thus, respondents reporting stronger leadership support also tended to report stronger organizational performance.

Table 5. Regression model summary

R	R ²	Adjusted R ²	Std. error of estimate
0.672	0.452	0.448	0.4512

Source: Field data (2026).

Table 6. Regression coefficients

Predictor	B	SE	Standardized β	t	p
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Constant	0.458	0.161		2.845	0.005
Leadership support	0.312	0.045	0.672	11.162	<0.001

Source: Field data (2026).

The model was statistically significant (reported $F = 124.567$, $p < 0.001$) and explained 45.2% of the variance in organizational performance ($R^2 = 0.452$; adjusted $R^2 = 0.448$). Leadership support was a significant positive predictor of performance ($B = 0.312$, standardized $\beta = 0.672$, $p < 0.001$). The null hypothesis was therefore rejected.

4.5 Qualitative findings

Three interconnected themes explained how leadership support operated during the funding crisis. First, participants emphasized honest and regular communication. Town-hall meetings and direct explanations of the funding situation reduced uncertainty and helped staff understand the need for organizational adjustment. Second, funding cuts placed substantial pressure on staff wellbeing and morale. Supervisory recognition and interpersonal support helped sustain motivation, but respondents still described anxiety about continuity and retention. Third, procedural justice emerged as a decisive condition for trust. Participants were more willing to accept difficult decisions when the criteria and rationale were explained; where programme cuts or resource protections appeared arbitrary, confidence in leadership weakened.

5. Discussion

The results provide consistent quantitative and qualitative evidence that leadership support is closely associated with organizational performance during funding contraction. The strong correlation ($r = 0.672$) and substantial explained variance ($R^2 = 0.452$) indicate that leadership is not merely a peripheral contextual factor in this setting. Rather, it appears to be an important organizational capability through which uncertainty is interpreted, staff are aligned, and continuity is protected. This finding is consistent with research linking transformational and supportive leadership to commitment, resilience, and performance under uncertainty (Alrowwad et al., 2020; Puni et al., 2023).

However, the descriptive and qualitative results add an important qualification. Respondents rated vision communication considerably more positively than transparency in resource allocation. Leadership was therefore perceived as stronger in explaining the existence of the crisis than in demonstrating the fairness of the organizational response to it. This distinction matters because funding cuts require distributive choices: which programmes continue, which activities contract, and which positions or resources are protected. In such circumstances, communication without procedural legitimacy may provide direction while still generating distrust.

This result also helps reconcile contradictory leadership evidence. Oreg and Berson (2019) and Herold et al. (2008) emphasize that leadership effects depend on context and participation. The present findings suggest that, in a fragile humanitarian setting, directive clarity and participative legitimacy are complementary rather than competing requirements. Clear direction is valuable when conditions are unstable, but staff acceptance is strengthened when decision criteria are transparent and affected stakeholders understand the rationale for difficult trade-offs.

5.1 Theoretical contribution: from sensing to ethical sensing

Dynamic Capabilities Theory provides a useful explanation for the observed relationship because leadership helps the organization sense funding threats, interpret their implications, and create shared understanding (Teece, 2007; Teece, 2025). Yet the evidence also exposes a limitation in treating sensing as primarily an informational or analytical activity. In humanitarian organizations, the interpretation of threats is inseparable from ethical questions about whose needs, programmes, and jobs are prioritized.

To capture this dimension, the study proposes the concept of ethical sensing: the transparent, procedurally fair, and morally legitimate interpretation and communication of environmental threats and the organizational responses they trigger. Ethical sensing extends conventional sensing by emphasizing not only whether leaders correctly identify a threat, but also whether they explain its implications and justify consequential decisions in ways that organizational members perceive as fair. The empirical basis for this refinement is the observed gap between strong vision communication and weaker resource-allocation transparency, reinforced by interview accounts linking acceptance of difficult decisions to clear rationale and procedural fairness.

The contribution is therefore twofold. First, the study extends DCT into a humanitarian INGO operating in a fragile state characterized by simultaneous conflict, climate, institutional, and funding pressures. Second, it identifies ethical legitimacy as a potential micro-foundational condition of effective sensing in organizations where adaptation involves high-stakes allocation decisions. This proposition requires further validation, but it offers a theoretically testable bridge between dynamic capabilities, ethical leadership, and procedural justice.

5.2 Practical implications

For humanitarian managers, the findings imply that crisis leadership should combine strategic clarity with procedural transparency. Organizations should communicate explicit criteria for programme prioritization and resource reductions, provide regular funding updates, create structured opportunities for staff input where feasible, and document the rationale for difficult decisions. Leadership-development programmes should therefore include procedural justice, ethical decision-making, and transparent crisis communication alongside conventional strategic and operational competencies.

Staff wellbeing also warrants direct attention. Recognition, psychological support, career-development pathways, and retention planning can help preserve institutional knowledge and implementation capacity during prolonged funding uncertainty. For donors, greater use of flexible and multi-year funding may enable humanitarian organizations to protect core capabilities, invest in leadership and staff retention, and avoid destabilizing short-term adjustments that undermine programme continuity.

5.3 Limitations and future research

Four limitations should guide interpretation. First, the cross-sectional design supports association and prediction but not definitive causal inference. Second, the reliance on perceptual survey measures creates potential common-method and social-desirability bias. Third, the single-site focus on SCI in Akobo County limits statistical generalizability to other INGOs or fragile-state contexts. Fourth, conflict intensity, climatic shocks, macroeconomic conditions, and donor dynamics were not modelled directly, although they may influence organizational performance independently of leadership. Future research should employ longitudinal and multi-site designs, incorporate objective and stakeholder-specific performance measures, and test contextual moderators.

A particularly important research agenda is the development and validation of an ethical-sensing scale. Future studies could examine whether ethical sensing is empirically distinct from ethical leadership, procedural justice, and conventional sensing capability; whether it predicts trust and adaptive performance; and whether its effects are stronger when resource scarcity requires highly consequential allocation decisions.

6. Conclusion

This study shows that leadership support is strongly associated with organizational performance in a humanitarian INGO operating under severe funding pressure in South Sudan. Leadership support explained 45.2% of the observed variance in performance, while qualitative evidence demonstrated that honest communication, staff support, and procedural fairness shaped the way employees experienced organizational adaptation. The findings suggest that leadership during funding crises is effective not simply when it communicates a compelling direction, but when it also makes difficult decisions intelligible and legitimate.

By proposing ethical sensing, the study extends Dynamic Capabilities Theory toward the ethical and procedural realities of humanitarian adaptation. In fragile settings, organizations must not only sense threats quickly; they must interpret and communicate those threats in ways that preserve trust among staff, beneficiaries, and other stakeholders. This theoretical proposition and the empirical evidence supporting it offer a foundation for further research on leadership, dynamic capabilities, and organizational resilience in humanitarian contexts.

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