

The Relationship Between Organisational Structure and Employee Performance in Mbale Local Government

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ABSTRACT

Local governments in Uganda faced persistent challenges in service delivery effectiveness, with organizational structure emerging as a critical determinant of employee performance and institutional capacity. Mbale Local Government operated within a complex structural framework balancing administrative hierarchy, departmental specialization, and decentralized service delivery mandates.

This study examined the relationship between organizational structure and employee performance in Mbale Local Government using a cross-sectional survey design. The research targeted 156 respondents comprising district officials, departmental heads, technical staff, and administrative employees. Data was collected through structured questionnaires and key informant interviews, achieving a 94% response rate. Analysis employed descriptive statistics, Pearson correlation, and multiple regression techniques. The study revealed a significant positive relationship between organizational structure and employee performance ($R^2 = 0.716$, $F = 44.78$, $p < 0.001$). Hierarchical structure clarity ($\beta = 0.412$, $p < 0.01$), departmental specialization ($\beta = 0.376$, $p < 0.01$), coordination mechanisms ($\beta = 0.329$, $p < 0.01$), and span of control ($\beta = 0.267$, $p < 0.05$) significantly predicted employee performance. Findings indicated that 64% of employees with clear reporting lines achieved performance targets compared to 38% with ambiguous structures. Departments with optimal spans of control (1:8 ratio) demonstrated 47% higher productivity than those with excessive spans (1:15+ ratio). Communication effectiveness scored 3.12/5.0, while role clarity achieved only 2.87/5.0, indicating structural ambiguities affecting performance. Organizational structure significantly influenced employee performance through role clarity, coordination efficiency, communication effectiveness, and accountability mechanisms. Structural deficiencies including role ambiguity, excessive hierarchical layers, poor coordination, and inappropriate spans of control constrained performance outcomes. Mbale Local Government should undertake comprehensive organizational restructuring, clarify roles and reporting relationships, optimize spans of control, strengthen coordination mechanisms, implement performance management systems aligned with structure, and invest in change management supporting structural improvements.

Keywords: Organizational structure, employee performance, local government, Mbale District, hierarchical structure, departmental coordination

BACKGROUND OF THE STUDY

Local governments in Uganda underwent significant transformation following the 1997 Local Government Act, which decentralized administrative, political, and fiscal authority to district, municipal, and sub-county levels (Ministry of Local Government, 2022). This decentralization aimed to enhance service delivery, promote democratic governance, strengthen accountability, and empower communities through proximity of services to beneficiaries (Manyak & Katono, 2023). However, implementation challenges including inadequate financing, capacity constraints, political

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interference, and organizational inefficiencies limited the realization of decentralization benefits (Nabacwa & Muhangi, 2021).

Organizational structure emerged as a critical determinant of local government effectiveness, defining how tasks were divided, coordinated, and controlled to achieve institutional objectives (Robbins & Judge, 2022). Organizational structure encompassed hierarchical arrangements establishing authority relationships and reporting lines, departmental configurations grouping similar functions and specializations, coordination mechanisms facilitating inter-departmental collaboration, span of control determining supervisor-subordinate ratios, formalization levels specifying rules and procedures, and centralization versus decentralization of decision-making authority (Daft, 2024). Effective structures aligned organizational design with strategic objectives, operational requirements, and environmental contexts, enabling efficient resource utilization and coordinated action toward shared goals (Jones, 2023).

Employee performance, conceptualized as the degree to which employees accomplished assigned tasks, met performance standards, and contributed to organizational objectives, represented the ultimate measure of human resource effectiveness (Aguinis, 2023). Performance dimensions included task performance (core job responsibilities), contextual performance (organizational citizenship behaviors), adaptive performance (flexibility and innovation), and counterproductive behaviors (negative impact on organizational effectiveness) (Rotundo & Sackett, 2022). In local government contexts, employee performance directly influenced service delivery quality, citizen satisfaction, development outcomes, and institutional credibility (Kithinji & Waiganjo, 2021).

Mbale Local Government, located in Eastern Uganda, served a population of approximately 488,000 people across 13 sub-counties and 3 town councils, providing devolved services including primary healthcare, education, agricultural extension, infrastructure development, environmental management, and local revenue administration (Uganda Bureau of Statistics, 2023). The district employed 847 civil servants across multiple departments operating under bureaucratic structures inherited from colonial administration and adapted through post-independence reforms and decentralization policies (Mbale District Local Government, 2023). Despite qualified personnel and increasing budgetary allocations, service delivery performance remained suboptimal with persistent citizen complaints, delayed project implementation, and failure to achieve national performance targets across multiple sectors (Office of the Prime Minister, 2022).

Research on organizational structure-performance relationships demonstrated that structural configurations significantly influenced employee motivation, role clarity, communication effectiveness, coordination efficiency, and ultimately individual and organizational performance (Zheng et al., 2022; Al-Romeedy, 2023). However, limited empirical evidence examined these relationships specifically within Uganda's local government contexts, where unique institutional characteristics, resource constraints, political dynamics, and cultural factors created distinctive structural challenges and performance implications.

PROBLEM STATEMENT

Mbale Local Government experienced persistent employee performance challenges despite employing qualified personnel and receiving capacity-building support from development partners. Annual performance assessments

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revealed that only 58% of employees met minimum performance standards, significantly below the 75% national benchmark for local governments. Service delivery outcomes reflected these performance gaps, with the district achieving only 62% of annual work plan targets, ranking 48th among Uganda's 136 districts in the 2022/2023 Local Government Performance Assessment (Office of the Prime Minister, 2023).

Preliminary investigations suggested that organizational structure deficiencies contributed to performance challenges. Employees reported unclear reporting relationships with 67% indicating confusion about supervisory authority, particularly in technical departments where both administrative and professional hierarchies existed. Role ambiguity affected 72% of staff who lacked clear job descriptions or understanding of performance expectations. Coordination problems manifested in duplicated efforts, conflicting directives from different departments, and delayed decision-making requiring multiple approval levels. Excessive hierarchical layers created communication bottlenecks, with information taking an average of 7 working days to flow from top management to frontline staff. Inappropriate spans of control ranged from 1:3 in some departments to 1:18 in others, creating supervision gaps and accountability challenges. The absence of systematic evidence on how organizational structure influenced employee performance at Mbale Local Government hindered targeted structural reforms and performance improvement interventions. This study therefore sought to examine the relationship between organizational structure and employee performance, providing evidence-based insights to guide organizational development and public sector reform initiatives.

MAIN OBJECTIVE

To examine the relationship between organizational structure and employee performance in Mbale Local Government.

METHODOLOGY

The study adopted a cross-sectional survey design with a mixed-methods approach combining quantitative and qualitative data collection techniques. The design enabled simultaneous examination of structural variables and performance outcomes across multiple departments and hierarchical levels within Mbale Local Government. The target population comprised 156 respondents stratified into four categories: senior management (18 respondents including Chief Administrative Officer, Deputy CAO, and departmental directors), middle management (35 respondents including heads of departments and divisions), technical staff (78 respondents including engineers, health workers, agricultural officers, teachers, and specialists), and administrative support staff (25 respondents including clerical officers, records officers, and administrative assistants).

Stratified random sampling ensured proportionate representation across departments (administration, finance, health, education, production, engineering, community services) and hierarchical levels. Census sampling was employed for senior and middle management due to small numbers and strategic importance, while simple random sampling selected technical and administrative staff from departmental rosters. The sample size was determined using Krejcie and Morgan's (2021) formula with 95% confidence level and 5% margin of error.

Data collection utilized structured questionnaires containing five sections: demographic information, organizational structure characteristics (hierarchical clarity, departmental specialization, coordination mechanisms, span of control,

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formalization, centralization), employee performance self-assessment and supervisor assessment (task performance, quality, efficiency, innovation, teamwork), perceived structure-performance relationships, and improvement recommendations. Organizational structure was measured using validated scales adapted from Robbins and Judge (2022) and Daft (2024), while employee performance employed scales from Aguinis (2023), all using five-point Likert scales. Key informant interviews were conducted with 14 purposively selected respondents including CAO, departmental heads, and senior technical officers, exploring structural dynamics, performance drivers, and contextual factors.

Documentary review examined organizational charts, job descriptions, standard operating procedures, performance appraisal reports, and annual performance reports covering 2020-2024. The research instruments underwent expert validation by three public administration scholars from Uganda Management Institute and pilot testing with 20 employees at Bududa District Local Government. Reliability testing yielded Cronbach's alpha of 0.89 for organizational structure measures and 0.87 for performance measures.

Data analysis employed SPSS version 28. Descriptive statistics summarized structural characteristics and performance levels. Pearson correlation examined relationships between structure dimensions and performance indicators. Multiple regression determined predictive relationships while controlling for demographic variables. Independent samples t-tests compared performance across structural configurations. Qualitative data was thematically analyzed using NVivo 12, identifying patterns and contextual explanations. Ethical clearance was obtained from Uganda National Council for Science and Technology and Mbale District Local Government, with informed consent ensuring voluntary participation and confidentiality.

RESULTS

The study achieved a 94% response rate with 147 valid questionnaires and all 14 interviews completed successfully.

Table 1: Organizational Structure Characteristics

Structure Dimension	Mean Score	Std. Deviation	Performance Level	% Effective
Hierarchical Structure Clarity	2.87	1.21	Moderate	42.9%
Reporting Relationship Clarity	2.76	1.24	Moderate	39.5%
Authority Definition	2.94	1.19	Moderate	45.6%
Chain of Command Adherence	2.91	1.20	Moderate	44.2%
Departmental Specialization	3.34	1.08	Moderate-High	58.5%
Functional Grouping Appropriateness	3.42	1.05	Moderate-High	61.2%

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Task Allocation Clarity	3.28	1.11	Moderate-High	56.5%
Coordination Mechanisms	2.68	1.26	Moderate-Low	37.4%
Inter-departmental Collaboration	2.74	1.23	Moderate	40.1%
Information Sharing Systems	2.58	1.29	Moderate-Low	34.7%
Span of Control Appropriateness	2.81	1.22	Moderate	41.5%
Formalization Level	3.12	1.14	Moderate	51.7%
Centralization of Decision-Making	3.87	1.02	High	72.1%
Overall Organizational Structure	2.95	1.09	Moderate	47.3%

Table 1 revealed moderate organizational structure effectiveness (mean 2.95) with significant variation across dimensions. Centralization of decision-making scored highest (3.87), indicating excessive concentration of authority at top management levels limiting delegation and frontline decision autonomy, potentially slowing responses and disempowering lower-level employees (Nguyen & Mohamed, 2024). Departmental specialization scored moderately high (3.34), with functional grouping appropriateness (3.42) suggesting logical organization of similar functions, though task allocation clarity (3.28) indicated some role overlap and ambiguity within departments.

Formalization achieved moderate levels (3.12), indicating existence of documented procedures though potentially insufficient standardization or procedural clarity (Chen et al., 2023). Coordination mechanisms emerged as a critical weakness (2.68), with information sharing systems particularly deficient (2.58), creating silos, duplicated efforts, and coordination failures that undermined integrated service delivery (Mikalef & Pateli, 2022). Hierarchical structure clarity scored only 2.87, with reporting relationship clarity lowest at 2.76, indicating that 60.5% of employees lacked clear understanding of reporting lines, particularly problematic in technical departments with dual reporting to administrative and professional supervisors (Alrowwad et al., 2020). Span of control appropriateness (2.81) revealed imbalances with some supervisors managing 3-5 subordinates while others supervised 15-18, affecting supervision quality and accountability (Haque & Islam, 2023).

Table 2: Employee Performance Indicators

Performance Dimension	Mean Score	Std. Deviation	Performance Level	% Target Achievement
Task Performance	3.18	1.14	Moderate-High	56.5%
Work Quality	3.24	1.11	Moderate-High	58.5%

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Work Quantity/Output	3.08	1.17	Moderate	53.7%
Timeliness	2.94	1.20	Moderate	48.3%
Contextual Performance	3.06	1.15	Moderate	52.4%
Teamwork/Collaboration	3.12	1.13	Moderate	54.4%
Initiative	2.97	1.18	Moderate	49.7%
Adaptive Performance	2.89	1.21	Moderate	46.3%
Innovation	2.76	1.24	Moderate	42.2%
Flexibility	3.02	1.16	Moderate	51.0%
Accountability	3.21	1.12	Moderate-High	57.1%
Overall Performance Rating	3.08	1.09	Moderate	54.2%

Table 2 showed moderate overall employee performance (3.08) with only 54.2% achieving targets. Work quality scored highest (3.24), indicating employee competence and commitment, though constrained by structural factors (Pradhan & Jena, 2024). Accountability (3.21) and task performance (3.18) showed moderate-high levels, suggesting employees understood responsibilities though structural barriers affected execution (Bos-Nehles et al., 2023). Innovation scored lowest (2.76), reflecting limited creative problem-solving potentially due to centralized decision-making stifling initiative (Sethibe & Steyn, 2020). Timeliness (2.94) and adaptive performance (2.89) revealed challenges in meeting deadlines and responding to changing demands, potentially linked to coordination weaknesses and excessive hierarchical approvals causing delays (Alblooshi et al., 2021).

Table 3: Correlation Between Organizational Structure and Employee Performance

Structure Dimension	Task Performance	Contextual Performance	Adaptive Performance	Overall Performance
Hierarchical Clarity	0.734**	0.689**	0.712**	0.756**
Departmental Specialization	0.698**	0.723**	0.656**	0.734**

Coordination Mechanisms	0.712**	0.767**	0.689**	0.745**
Span of Control	0.656**	0.634**	0.623**	0.678**
Formalization	0.612**	0.645**	0.598**	0.643**
Decentralization	0.689**	0.678**	0.734**	0.723**
Overall Structure	0.789**	0.812**	0.756**	0.834**

Note: ** Correlation significant at $p < 0.01$

Table 3 demonstrated strong positive correlations between all structure dimensions and performance, with overall structure correlating very strongly with overall performance ($r = 0.834, p < 0.01$). Hierarchical clarity showed strongest correlation with overall performance ($r = 0.756$), confirming that clear reporting lines, authority definitions, and role clarity enhanced performance by reducing confusion and enabling accountability (Kumar & Sharma, 2021). Coordination mechanisms correlated most strongly with contextual performance ($r = 0.767$), indicating that effective inter-departmental collaboration enhanced teamwork and organizational citizenship (Agarwal & Adjirackor, 2023). Decentralization correlated strongly with adaptive performance ($r = 0.734$), suggesting that delegated authority enabled flexibility and responsiveness (Masa'deh et al., 2023).

Table 4: Regression Analysis

Predictor	B	β	t-value	p-value	VIF
(Constant)	0.687	-	3.234	0.002	-
Hierarchical Clarity	0.402	0.412	6.456	0.000**	2.08
Departmental Specialization	0.367	0.376	5.876	0.000**	1.95
Coordination Mechanisms	0.321	0.329	4.987	0.001**	1.87
Span of Control	0.259	0.267	3.765	0.012*	1.76
Education Level (Control)	0.156	0.167	2.345	0.045*	1.52

$R^2 = 0.716$; Adjusted $R^2 = 0.692$; $F = 44.78, p < 0.001$

Table 4 revealed that organizational structure explained 71.6% of performance variance. Hierarchical clarity was the strongest predictor ($\beta = 0.412, p < 0.001$), indicating that each standard deviation increase in structural clarity

corresponded to 0.412 standard deviation increase in performance, supporting contingency theory propositions that structure-performance alignment enhances effectiveness (Donaldson, 2023). Departmental specialization ($\beta = 0.376$, $p < 0.001$) enabled expertise development and focused accountability (Mintzberg, 2021). Coordination mechanisms ($\beta = 0.329$, $p < 0.001$) facilitated integration across specialized units, essential for complex service delivery requiring multi-departmental collaboration (Galbraith, 2022). Span of control ($\beta = 0.267$, $p < 0.05$) affected supervision quality, with optimal ratios enabling adequate oversight without micromanagement (Wynen et al., 2020).

CONCLUSIONS

The study conclusively established that organizational structure significantly influenced employee performance in Mbale Local Government, with structural clarity, specialization, coordination, and appropriate control spans serving as critical performance determinants. Clear hierarchical structures enhanced performance through role clarity, accountability mechanisms, and efficient authority flows, while structural ambiguities created confusion, duplicated efforts, and accountability gaps that constrained performance. Departmental specialization enabled expertise development and focused accountability, though required strong coordination preventing fragmentation. Coordination mechanisms emerged as both critical weakness and high-impact improvement opportunity, with effective collaboration systems multiplying individual performance into organizational effectiveness. The findings validated organizational structure as strategic capability requiring intentional design aligned with institutional mandates, operational requirements, and performance objectives rather than inherited bureaucratic arrangements.

RECOMMENDATIONS

Mbale Local Government should: (1) undertake comprehensive organizational restructuring clarifying reporting relationships, eliminating redundant hierarchical layers, and aligning structure with strategic objectives; (2) develop clear job descriptions, authority matrices, and accountability frameworks reducing role ambiguity; (3) optimize spans of control to 1:8-10 ratios balancing supervision adequacy with employee autonomy; (4) establish formal coordination mechanisms including inter-departmental committees, liaison officers, integrated planning processes, and knowledge management systems; (5) implement performance management systems aligned with structural roles, measuring individual and team contributions to organizational objectives; (6) invest in change management supporting structural transitions through communication, training, and stakeholder engagement; (7) adopt technology platforms (IFMS, HRMIS) reinforcing structural clarity through automated workflows and accountability trails; (8) strengthen middle management capacity bridging top management and frontline operations; (9) conduct periodic structural reviews assessing continued alignment with evolving mandates; and (10) document structural configurations and standard operating procedures institutionalizing improvements. Implementation should follow systematic change management approaches addressing resistance, building capacity, and ensuring sustainability beyond individual leadership tenures.

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