

# Effect of Psychological Contract Fulfilment on Employee Job Performance at African Evangelistic Enterprise Rwanda

LISE MUGIRANEZA

University of Kigali, Rwanda

Department master of business administration in project management

Email: [ruhalisam@gmail.com](mailto:ruhalisam@gmail.com)

**Abstract:** This study examined the effect of psychological contract fulfillment on employee job performance at African Evangelistic Enterprise (AEE) Rwanda. It specifically analyzed the influence of career development on job satisfaction, job security on organizational performance, and recognition and rewards on task performance. Using a quantitative approach, data were collected from 154 employees and analyzed through correlation and multiple regression techniques. The findings revealed strong and significant positive relationships across all variables: career development significantly improved job satisfaction, job security enhanced organizational performance, and recognition and rewards had the strongest effect on task performance. All hypotheses were statistically supported. The study concludes that psychological contract fulfillment is a key driver of employee satisfaction, engagement, and performance. It recommends strengthening human resource policies, institutionalizing recognition and career development systems, and promoting employee-centered practices in NGOs. The study contributes to knowledge by providing empirical evidence on the role of psychological contract fulfillment in improving employee performance within the Rwandan NGO context.

**Keywords:** Psychological contract, Job performance, Career development, Job security, Recognition, NGOs.

## 1. Introduction

Globally, psychological contracts have been widely recognized as a critical determinant of employee attitudes and job performance. Psychological contracts refer to the unwritten and implicit expectations and obligations that exist between employees and employers beyond formal employment agreements. These expectations shape how employees perceive organizational support, fairness, career opportunities, and reciprocity. When psychological contracts are fulfilled, employees tend to exhibit higher levels of job satisfaction, organizational commitment, engagement, and performance, while psychological contract breach often results in reduced trust, emotional exhaustion, disengagement, and poor job performance outcomes (Bal et al., 2020).

From a human resource management perspective, psychological contract fulfillment is influenced by organizational practices such as training and development, communication, performance appraisal, leadership style, and reward systems. Empirical studies indicate that effective Human Resource Management Practices (HRMPs) significantly enhance psychological contract fulfillment, which in turn positively affects employee job performance. Othman and Selamat demonstrate that psychological contract fulfillment mediates the relationship

between HRMPs and employee performance, implying that employees perform better when they perceive that employers honor their obligations. Similarly, Wong confirms that psychological contracts play a central role in shaping job satisfaction, commitment, and performance across both public and private sector organizations (Othman & Selamat, 2022;).

Theoretically, psychological contracts are commonly categorized into transactional, relational, and balanced contracts. Transactional contracts focus on short-term economic exchanges such as salary and benefits, while relational contracts emphasize long-term socio-emotional elements such as trust, loyalty, job security, and career development. Balanced psychological contracts integrate both economic and relational components, reflecting contemporary employment relationships where employees seek both meaningful work and tangible rewards. Research indicates that balanced psychological contracts are most strongly associated with positive employee outcomes, particularly affective commitment and job performance (Singh et al., 2020).

In the African context, psychological contract fulfillment has become increasingly important due to changing employment relations, workforce professionalization, and organizational reforms. Empirical evidence from African organizations shows that psychological contract fulfillment significantly predicts employee engagement, organizational commitment, and

performance. For instance, Parku et al. (2023) found that transformational leadership enhances psychological contract fulfillment, which subsequently improves employee engagement in Ghana's public sector. Similarly, Kamau et al. (2021) established that employer promises related to promotion, training, job security, and fairness significantly influence employee performance. These findings suggest that in African organizations, leadership practices and employer credibility are critical factors in shaping psychological contracts and employee performance (Parku et al., 2023; Kamau et al., 2021).

In East Africa, the relevance of psychological contracts is further intensified by contextual challenges such as resource constraints, heavy workloads, donor pressure, and increasing accountability demands, especially within the NGO sector. NGOs operate in environments characterized by funding uncertainty, emotional labor, and high service expectations, which often lead to job stress and role ambiguity among employees. Tekleab et al. (2020) argue that under such conditions, psychological contract fulfillment becomes a key mechanism for sustaining employee motivation and performance. Supporting this view, Mugizi et al. (2020) found that both intrinsic and extrinsic rewards significantly enhance employee engagement in Uganda, indicating that even in mission-driven organizations, employees expect fair remuneration, career growth, and supportive working conditions to perform effectively (Tekleab et al., 2020; Mugizi et al., 2020).

In Rwanda, NGOs play a strategic role in national development, particularly in health, education, poverty reduction, and social transformation. However, increasing accountability requirements, performance targets, and limited financial resources have intensified work pressure on NGO employees. As a result, employees increasingly expect organizational support in terms of training and development, fair compensation, job security, and employee well-being. Mwesigye and Twebaze (2020) note that Rwanda's development agenda places significant performance demands on development organizations, thereby shaping employee expectations and psychological contracts (Mwesigye & Twebaze, 2020).

Empirical studies in Rwanda reveal that psychological contract fulfillment significantly affects employee retention, job satisfaction, organizational commitment, and job performance. Ndahiro and Van der Merwe (2016) found that unmet psychological expectations regarding career advancement, fairness, and organizational support contribute to high staff turnover in Rwanda's NGO sector. More recent studies also confirm that employees who perceive their psychological contracts as fulfilled demonstrate higher levels of motivation, commitment, and performance (Karani et al., 2022; Trivedi & Thanki, 2022).

Employee job performance refers to the extent to which employees effectively execute assigned tasks and contribute to

organizational goals. It is commonly measured using indicators such as quality of work, productivity, punctuality, commitment, and task completion. According to Pradhan and Jena (2017), employee performance reflects both individual effort and organizational conditions, including reward systems, leadership, involvement in decision-making, and career opportunities. Similarly, Davidescu et al. (2020) argue that employee performance determines organizational decisions related to promotions, rewards, evaluations, and career progression, making it a central outcome variable in organizational research (Pradhan & Jena, 2017; Davidescu et al., 2020).

In the context of African Evangelistic Enterprise (AEE) Rwanda, a faith-based NGO operating in a resource-constrained and highly demanding environment, psychological contract fulfillment is particularly critical. While employees are intrinsically motivated by the organization's religious mission, increasing workload, professionalization, and performance expectations have heightened employee demands for fair remuneration, training opportunities, job security, and supportive leadership. Failure to fulfill these psychological expectations may lead to burnout, disengagement, and declining job performance, thereby undermining organizational effectiveness (Yu et al., 2022; Coyle-Shapiro et al., 2019).

Despite the strong theoretical and empirical link between psychological contract fulfillment and employee job performance, limited empirical studies have specifically examined this relationship within faith-based NGOs in Rwanda. This creates a contextual research gap, given the unique organizational culture, mission orientation, and resource constraints of such organizations. Therefore, this study seeks to examine the effect of psychological contract fulfillment on employee job performance at AEE Rwanda, focusing on key dimensions including contractual promises, training and development, remuneration and rewards, and employee well-being. The study aims to generate evidence-based insights to inform human resource policies and management strategies for improving employee performance and organizational effectiveness within the NGO sector (Conway & Briner, 2005; Taheri, 2020).

## **2. Statement of the Problem**

Employee job performance is a critical determinant of organizational effectiveness in non-governmental organizations (NGOs), where the success of programs depends largely on the commitment, productivity, and work quality of employees. Recent empirical studies consistently show that psychological contract fulfillment, defined as employees' perceptions that employers have honored implicit promises related to remuneration, career development, job security, training, and employee well-being has a significant positive effect on employee job performance. When psychological contracts are fulfilled, employees demonstrate higher levels of engagement,

job satisfaction, and task performance, whereas psychological contract breaches are associated with reduced motivation, poor work quality, and increased turnover intentions (Bal et al., 2020; Karani et al., 2022; Yu et al., 2022).

Despite this evidence, many NGOs continue to experience low and inconsistent employee job performance due to difficulties in fulfilling employee expectations arising from financial constraints, donor dependency, and high workload. In the case of African Evangelistic Enterprise (AEE) Rwanda, anecdotal organizational reports and staff feedback suggest growing concerns related to unmet expectations in areas such as rewards, career progression, training opportunities, and workplace support, which may be undermining employee performance. However, there is limited empirical evidence examining how psychological contract fulfillment specifically influences employee job performance within the context of faith-based NGOs in Rwanda. This lack of context-specific evidence constrains effective human resource decision-making, thereby justifying the need for this study to empirically investigate the effect of psychological contract fulfillment on employee job performance at AEE Rwanda.

### **General Objective of the Study**

The overall aim of this research is to examine the effect of psychological contract fulfillment on employee job performance at AEE Rwanda.

### **Specific Objectives of the Study**

- i. To evaluate the effect of psychological contract fulfillment on job satisfaction among employees at AEE Rwanda.
- ii. To assess the Effect of psychological contract fulfillment on the overall organizational performance of AEE Rwanda.
- iii. To analyze the effect of psychological contract fulfillment on task performance among employees at AEE Rwanda.

### **3. Literature Review**

The concept of psychological contracts has gained prominence in organizational research as a critical factor influencing employee attitudes, behavior, and performance (Noble-Nkrumah, F., Anyigba, H., & Mensah, H. K. 2022). Unlike formal employment contracts, psychological contracts are implicit, dynamic agreements based on mutual expectations between employees and employers, covering areas such as career growth, remuneration, training, and workplace well-being (Bal et al., 2020). The fulfillment or breach of these contracts significantly affects employee motivation, commitment, and overall job performance, Xu, Y., & Zhang, M. (2022). In the NGO sector, where resource constraints and demanding work environments are common, understanding how psychological contract fulfillment influences employee engagement and

productivity is crucial (Smith & Rodriguez, 2020). This review explores key theoretical perspectives, empirical findings, and best practices related to psychological contracts and employee performance, with a focus on the case of AEE Rwanda. By synthesizing existing studies, the review provides insights into how different types of psychological contracts (transactional, relational, and balanced) contribute to workforce effectiveness and offers recommendations for enhancing HR strategies in NGOs.

### **Concepts Review**

This section presents a conceptual discussion of the key variables of the study, namely psychological contract fulfillment as the independent variable and employee job performance as the dependent variable. The discussion focuses on specific dimensions of psychological contract fulfillment, including career development, job security, and recognition and rewards, as well as indicators of employee job performance, namely job satisfaction, organizational performance, and task performance. The concepts are reviewed based on existing literature and enriched with the researcher's interpretations in relation to the study context

### **Psychological Contract**

The psychological contract is defined as an individual's belief about the terms and conditions of a reciprocal exchange agreement between the employee and the organization. It includes intangible expectations such as career development, job security, recognition, fairness, and respectful treatment, which are often left out of formal employment contracts. Fulfillment of the psychological contract is positively associated with employee job performance, job satisfaction, and organizational commitment. Conversely, breach or violation of these perceived promises can result in reduced morale, organizational cynicism, disengagement, and increased turnover intentions. In the context of non-governmental organizations (NGOs), particularly faith-based institutions like AEE Rwanda, the psychological contract plays a pivotal role in sustaining intrinsic motivation and alignment with organizational values, where formal compensation may not be the primary motivator (Robinson & Rousseau, 2018).

### **Career Development**

Career development refers to the support employees receive for professional growth, including access to job-related training, mentorship, and coaching. Career development is a key expectation in psychological contracts, as employees anticipate opportunities to acquire skills and advance their careers. Empirical evidence suggests that access to training and mentoring positively influences task performance and work engagement. In NGOs like AEE Rwanda, where employees

handle complex social programs, career development initiatives help enhance competence, motivation, and job performance. From the researcher's perspective, unmet career development expectations can weaken psychological contract fulfillment, leading to reduced effort and lower task quality (Park & Kang, 2021).

### **Job Security**

Job security refers to employees' confidence in the stability of their employment, transparency in contract terms, and protection from unexpected layoffs. Job security is a core psychological need that significantly impacts employees' attitudes and behaviors. Research shows that job insecurity reduces job satisfaction, engagement, and performance, while clarity and transparency in employment terms foster trust and organizational commitment. In the context of AEE Rwanda, where donor dependency and funding variability are prevalent, ensuring job security is essential for sustaining employee motivation and high performance. The researcher observes that perceived job instability may directly affect employee task completion, engagement, and organizational citizenship behaviors (Hellgren, & Näswall, 2019;).

### **Recognition and Reward**

Recognition and reward encompass regular acknowledgment of employees' contributions, respectful treatment from management, and positive communication across all organizational levels. Recognition satisfies employees' esteem and belonging needs, thereby enhancing motivation and performance. Empirical studies indicate that recognition and respectful treatment improve employee engagement, discretionary effort, and task performance, even in organizations with limited financial resources. For AEE Rwanda, where monetary incentives may be constrained, non-monetary recognition such as praise, respectful leadership, and open communication can maintain motivation and strengthen psychological contract fulfillment (Armstrong & Taylor, 2020;).

### **Task Performance**

Task performance refers to an employee's effectiveness in executing core job responsibilities, including quality of work, efficiency, and adherence to procedures. Studies show a positive relationship between psychological contract fulfillment and task performance, as employees who perceive their expectations are met are more likely to exert effort, take initiative, and focus on work objectives. In NGOs like AEE Rwanda, high task performance is critical for program success and operational sustainability. From the researcher's perspective, task performance reflects how career development, job security, and

recognition influence employees' execution of assigned responsibilities (Bloodgood, 2021).

### **Job Satisfaction**

Job satisfaction is the degree to which employees feel positively or negatively about various aspects of their job, including working conditions, management style, compensation, and opportunities for advancement. According to psychological contract theory, when employees perceive that employers have fulfilled promised obligations formal or informal they experience higher job satisfaction. In NGOs, where intrinsic rewards like purpose and social impact often outweigh monetary incentives, satisfaction is closely linked to perceived fairness, organizational support, and alignment with the organization's mission. The researcher notes that in AEE Rwanda, job satisfaction reflects the degree to which career development, job security, and recognition meet employee expectations (Glibkowski & Bravo, 2019).

### **Organizational Performance**

Organizational performance represents the extent to which an organization achieves its objectives and fulfills its mission. In the NGO sector, performance is measured by program effectiveness, stakeholder satisfaction, employee engagement, and sustainability of services. Psychological contract fulfillment enhances organizational performance by boosting employee morale, increasing discretionary effort, and reducing absenteeism and turnover. Employees who feel valued and supported are more likely to contribute effectively to organizational goals. For faith-based NGOs like AEE Rwanda, where work is purpose-driven, psychological contract fulfillment may have a particularly strong impact on organizational performance. From the researcher's perspective, improving career development, job security, and recognition systems can directly enhance organizational outcomes by strengthening employee job performance (Karani et al., 2022).

## **4. Theoretical Review**

A theoretical foundation is essential for understanding how psychological contract fulfillment influences employee job performance, particularly in the NGO sector in Rwanda. The study draws on three contemporary theories: Social Exchange Theory, the Job Demands-Resources Model, and Transformational Leadership Theory. These theories provide insights into the mechanisms through which employees respond to fulfilled or breached psychological contracts and their broader impact on individual and organizational performance. Each theory informs specific aspects of the independent and dependent variables and highlights potential gaps and limitations for contextual application in NGOs.

## **Social Exchange Theory**

Social Exchange Theory developed by Blau (1964), posits that workplace relationships are grounded in reciprocity, whereby employees exchange effort, loyalty, and performance for rewards, recognition, and fair treatment from the employer. More recent studies have integrated psychological ownership into SET, suggesting that when organizations fulfill promises related to career development, fair remuneration, and recognition, employees develop a sense of ownership over their work (Gardner et al., 2021). Psychological ownership encourages organizational citizenship behaviors including discretionary effort, collaboration, and long-term commitment to organizational goals.

In the context of NGOs like AEE Rwanda, SET indicates that employees who perceive psychological contract fulfillment through career development opportunities, job security, and recognition are likely to exhibit higher task performance, job satisfaction, and commitment to organizational objectives. Conversely, breaches of the psychological contract, such as unmet training promises or inequitable rewards, can trigger withdrawal behaviors, reduce trust, and lower employee performance (Cropanzano et al., 2022). While this theory explains reciprocity mechanisms, it does not fully account for how external factors such as resource constraints, donor dependency, or cultural expectations in NGOs influence employees' perceptions of contract fulfillment. Despite its limitations, theory provides a strong theoretical justification for linking career development, recognition, and job security to task performance and organizational outcomes.

## **5. Empirical review**

### **Psychological Contract Fulfillment and Job Satisfaction**

Across the globe, the relationship between psychological contract fulfillment and job satisfaction has been widely studied. In Western contexts, researchers have consistently shown that when organizations meet the expectations of employees, it leads to higher job satisfaction (Robinson & Rousseau, 2018). A meta-analysis by Zhao et al. (2017) indicated a strong correlation between the fulfillment of psychological contracts and enhanced job satisfaction. Fulfilled psychological contracts foster a sense of trust, reciprocity, and perceived organizational support, which significantly contribute to positive employee attitudes and job satisfaction. However, recent studies have also pointed out that job satisfaction is not solely dependent on psychological contract fulfillment. For instance, Turnley and Feldman (2020) observed that employees' individual values and the intrinsic worth they place on the expectations within the psychological contract also play a significant role in determining job satisfaction.

In Africa, where economic, political, and social conditions vary widely, the relationship between psychological contract fulfillment and job satisfaction can be complex. A study by Akinbode and Adesola (2021) in Nigerian organizations found

that job satisfaction is strongly influenced by the perceived fulfillment of psychological contracts, but cultural differences such as collectivism and respect for authority also affect how employees interpret and respond to contract fulfillment. African employees may emphasize group harmony and communal relationships in their psychological contracts, with an increased focus on organizational stability and respect from leadership (Ayotunde & Ojo, 2019).

In the Eastern African context, similar studies have shown that psychological contract fulfillment positively affects job satisfaction, but factors such as access to opportunities for career development, job security, and adequate work-life balance play critical roles. According to a study by Mubeen et al. (2021), employees in Uganda and Kenya reported higher job satisfaction when their organizations fulfilled not just material expectations but also their desire for personal and professional growth.

In Rwanda, psychological contract fulfillment is closely tied to employee satisfaction, particularly in non-governmental organizations (NGOs) and faith-based organizations, where intrinsic motivators like mission alignment, job purpose, and community-building are highly valued (Umuhiza & Musoni, 2020). Research on Rwandan NGOs has indicated that employees who perceive their organizations as supportive and aligned with their values report greater job satisfaction, even in the absence of high monetary rewards. Rwandan employees tend to place significant importance on fairness and transparency from their employers, aligning with the broader East African cultural emphasis on relational contract fulfillment (Kamanzi & Umurungi, 2019).

### **Psychological Contract Fulfillment and Task Performance**

Globally, research has found a strong link between psychological contract fulfillment and task performance. When employees feel their psychological contracts are honored, they are more motivated, engaged, and productive (Guest, 2004). This is particularly true in corporate environments, where psychological contract fulfillment translates into increased employee effort, better quality of work, and discretionary behavior that benefits the organization (Rhoades & Eisenberger, 2022).

Moreover, psychological contract fulfillment can act as a job resource, according to the JD-R model, by providing employees with the psychological support needed to meet demanding job requirements, which enhances task performance. The model has been used to explain how fulfilling the psychological contract can reduce burnout and increase employees' ability to perform well under pressure, leading to better task performance outcomes. (Bakker & Demerouti, 2017).

In Africa, the effect of psychological contract fulfillment on task performance is particularly pronounced in organizations where resources are limited, and employees are required to perform multiple roles. In a study by Mnyandu (2018) on South African

workers, it was found that employees who perceived their psychological contracts as fulfilled displayed higher task performance, attributed to the psychological resources they gained from a strong organizational commitment. This was especially relevant in public-sector and non-profit organizations, where employees often work under resource constraints.

In Eastern Africa, the fulfillment of psychological contracts can be particularly influential on task performance, especially in sectors such as education and healthcare. Employees in Kenya and Tanzania, for example, showed increased engagement and commitment to task performance when they felt their organizations were providing the necessary resources and career development opportunities (Mbabazizee et al., 2021).

Research from Uganda suggests that in culturally collectivist societies, psychological contract fulfillment fosters a sense of collective responsibility, which boosts not only individual task performance but also team collaboration. This reflects a stronger connection between the organization's mission and the employee's performance, where employees perform better due to a shared organizational vision and values. (Niyonkuru, 2022).

In Rwanda, studies show that psychological contract fulfillment influences task performance through enhanced employee motivation and engagement. For instance, a study by Nyirahabimana showed that when NGOs in Rwanda fulfill employees' psychological contracts especially regarding fair treatment and career progression employees exhibit greater commitment and perform tasks with higher quality and efficiency. Mission-driven NGOs often place greater emphasis on providing a supportive work environment, and employees tend to feel a deep sense of purpose, which boosts their task performance and alignment with the organization's goals (Nyirahabimana 2021).

### **Psychological Contract Fulfillment and Organizational Performance**

On a global scale, psychological contract fulfillment has been positively linked to organizational performance. Researchers such as Eisenberger et al. (2021) and Coyle-Shapiro and Kessler (2000) found that when organizations fulfill their psychological contracts, employees feel more committed, exhibit higher organizational citizenship behaviors, and contribute positively to the organization's overall success. Fulfilled employees are more likely to align their personal goals with organizational objectives, leading to better overall organizational performance (Hendrix & McShane, 2020).

In Africa, where organizations often face resource constraints, the fulfillment of psychological contracts can be a critical determinant of organizational performance. In a study by Ogunyomi on Nigerian workers, organizations that fulfilled employees' expectations related to career development and fair treatment experienced better overall performance. Fulfillment of the psychological contract fosters employee trust and organizational commitment, which are critical for improving organizational performance in the African context, where competition for talent is increasing and retention is a challenge. (Bruning 2019).

Eastern African organizations, particularly in sectors like NGOs and educational institutions, have seen positive outcomes in organizational performance linked to psychological contract fulfillment. Research in Kenya and Tanzania indicates that when employees perceive their psychological contracts as fulfilled, they are more likely to demonstrate behaviors that contribute to the organization's goals, such as better teamwork, improved service delivery, and enhanced productivity. Moreover, employees in these regions tend to respond well to autonomy and career development opportunities, which are often part of their psychological contract, and these factors help to elevate organizational performance (Muneza et al., 2021).

In Rwanda, the fulfillment of psychological contracts plays a significant role in improving the performance of organizations, particularly within the NGO sector. Research by Kamanzi indicates that when Rwandan NGOs fulfill their employees' expectations such as providing career development opportunities, job security, and fair treatment employees exhibit higher levels of organizational commitment, leading to better overall performance. In the context of AEE Rwanda, psychological contract fulfillment could foster a deeper commitment to the organization's mission and goals, further enhancing organizational effectiveness and Umurungi (2019)

The empirical review indicates a strong relationship between psychological contract fulfillment and various employee outcomes, including job satisfaction, task performance, and organizational performance. While research on this topic is extensive in global corporate contexts, studies in African and Eastern African settings, particularly in non-profit and faith-based organizations, are less comprehensive. This gap in the literature underscores the importance of investigating psychological contract fulfillment in the Rwandan context, particularly in mission-driven organizations like AEE Rwanda.

For the quantitative component, Yamane's formula (1967) was used to determine a statistically appropriate sample:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = sample size
- N = population size
- e = margin of error (commonly 0.05 for 95% confidence level)

Given:

- N=250 (target population)
- e=0.05

Now plug the values into the formula:

And then the sample size is:

$$n = \frac{250}{1+250(0.05)^2} = \frac{250}{1+250(0.0025)} = \frac{250}{1.625} = 153.84 \approx 154$$

### 3.1. Data Collection Instruments

For this study, a combination of qualitative

## Research Design

This study used a descriptive design with inferential analysis to examine psychological contract fulfillment and employee performance at AEE Rwanda. It was chosen for its ability to describe employee perceptions and test relationships, fitting the study's objectives of understanding and analyzing performance outcomes.

## Study Population

The study targets 250 full-time employees of AEE Rwanda across different levels, including Senior Management (20), Middle Management & Supervisors (50), and Field Staff/Project Officers (180). This ensures a comprehensive understanding of psychological contract fulfillment and its effects on job satisfaction, task performance, and organizational performance.

## Sample Size of the study

A stratified random sampling technique was used for the quantitative strand to ensure representation from different departments and regional offices. For the qualitative strand, a purposive sampling method was used to select participants for interviews typically those in supervisory roles or with long tenure based on their ability to provide rich, relevant insights.

and quantitative. Data collected through structured questionnaires, interviews, Observation and document analysis. Questionnaires used for quantitative data, while interviews and document analysis provided qualitative insights.

## Validity

Ensuring validity, the degree to which an instrument measures what it is intended to measure is crucial in drawing credible conclusions. In this study, multiple validation strategies were employed to ensure both internal and external validity.

Firstly, the instruments were developed based on theoretical models such as Social Exchange Theory, Psychological Ownership, and the Job Demands Resources (JD-R) Model to ensure construct validity. Secondly, the tools were aligned with previous scholarly instruments used in similar studies, and adapted to the NGO and Rwandan context to enhance content validity.

Expert reviews were conducted by supervisors and HR professionals familiar with psychological contracts in nonprofit environments. Their input helped refine questions for clarity, relevance, and neutrality. The questionnaire items measuring job satisfaction and task performance were validated by comparing them with existing standardized tools used in organizational behavior studies, ensuring criterion-related validity.

These validation efforts ensured the tools were both academically robust and contextually relevant to understanding the role of psychological contracts in AEE Rwanda.

## Reliability

Reliability refers to the consistency, accuracy, and dependability of research instruments over time and across different conditions. In this study, reliability was addressed for both quantitative and qualitative components. For the quantitative survey, Cronbach's Alpha was used to assess internal consistency of multi-item scales related to

psychological contract fulfillment, job satisfaction, and task performance. The pilot test yielded an overall Cronbach’s Alpha score indicating acceptable reliability. Additionally, test-retest reliability was conducted during piloting by administering the same questionnaire to a subset of 5 respondents after a two-week interval. The correlation between responses confirmed the stability of the instrument over time. For the qualitative interviews, inter-rater reliability was ensured by involving two independent researchers in coding the transcripts. A Cohen’s Kappa coefficient was computed to determine agreement between raters, with a value of indicating strong consistency in theme identification and interpretation. To further enhance reliability, all data collectors were trained on standardized procedures, and uniform protocols were followed during administration. This minimized variability and improved the accuracy and replicability of the study findings.

**Findings.**

**Table 1:**  
*Cronbach's Alpha reliability test for the key Variables*

	N	Inter item covariance	Variance of items	Cronbach's Alpha
Recognition Reward	5	.847	.990	.891
Career development opportunities	5	.893	.988	.982
Regarding job security	5	.695	.989	.993
Employee job performance in AEE.	5	.506	.983	.995

Source: Field data 2025

Table 1 presents the results of the Cronbach’s Alpha reliability test for the main variables in the study: recognition and reward, career development opportunities, job security, and employee job performance. Cronbach’s Alpha is used to measure the internal consistency or reliability of items within a scale, with values above 0.70 considered acceptable, and values above 0.90 indicating excellent reliability. In this study, all constructs demonstrated high reliability. The recognition and reward scale showed a Cronbach’s Alpha of 0.891, indicating strong consistency among the related items. Career development

**Regression Model**

Based on the conceptual framework of this study, where psychological contract fulfillment is the independent variable and employee job satisfaction, task performance, and organizational performance are the dependent variables, the following multiple regression model was specified to analyze the predictive power of psychological contract components on employee outcomes.

The general form of the regression equation is:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon$$

opportunities had a very high reliability score of 0.982, while job security recorded an even higher Alpha value of 0.993, both indicating excellent consistency. Notably, employee job performance had the highest reliability at 0.995, confirming that the items used to assess performance were extremely consistent. These results suggest that the questionnaire items for each variable were well-constructed and statistically reliable for measuring perceptions among AEE employees, making them suitable for subsequent statistical analyses

**. Descriptive statistics**

**Table 2:**  
*Respondent review on the effect of psychological contract fulfillment on job satisfaction among employees at AEE Rwanda*

Statement	N	Mean	Std. Deviation
Since joining AEE, my job satisfaction has improved due to the organization fulfilling its career development promises.	154	3.82	1.099
The availability of clear and achievable career advancement prospects at AEE increases my job satisfaction.	154	3.78	1.205
My job satisfaction increases when AEE management recognizes and appreciates my developmental efforts.	154	3.77	1.168
The sense of job security resulting from AEE’s investment in my career development contributes to my overall satisfaction.	154	3.75	1.115

I feel more satisfied in my role because AEE offers mentorship and coaching to support my professional growth.	154	3.74	1.205
I am more satisfied with my job at AEE because of the career development training opportunities provided.	154	3.73	1.136
Transparent communication about career growth and job expectations enhances my satisfaction at work.	154	3.72	1.155
Feeling valued and respected as part of my professional development at AEE contributes to my job satisfaction.	154	3.70	1.190
Valid N (listwise)	154		

Source: Field data 2025

The findings presented in Table 2 have several important implications for the study. The consistently high mean scores (ranging from 3.70 to 3.82) on items related to career development indicate that employees at AEE Rwanda generally perceive a strong link between the fulfillment of psychological contract obligations particularly those involving career growth and their job satisfaction. This suggests that when the organization meets employees' expectations regarding career advancement, training, mentorship, and recognition, employees respond with higher levels of

satisfaction. The relatively low to moderate standard deviations (1.099 to 1.205) further imply a shared perception among respondents, reinforcing the credibility of the results. These findings support the study's first objective by confirming that psychological contract fulfillment in the area of career development is a key driver of employee satisfaction. The implications are clear: for AEE Rwanda to maintain and improve employee satisfaction, it should continue to invest in structured career development programs, transparent communication, and recognition practices.

**Table 3:**

***Respondent review on the Effect of psychological contract on the overall organizational performance of AEE Rwanda.***

Statements	N	Mean	Std. Deviation
Fulfillment of job-related promises by AEE has contributed to improved overall organizational productivity.	154	3.79	1.248
The reduced turnover at AEE is linked to the organization's consistent fulfillment of its commitments to staff.	154	3.78	1.189
When AEE upholds its psychological commitments, employee morale improves, positively affecting organizational performance.	154	3.77	1.259
AEE's effectiveness has increased because employees feel psychologically secure and respected in their roles.	154	3.76	1.232
Meeting employee expectations regarding job roles and conditions helps AEE achieve its organizational goals more efficiently.	154	3.74	1.250
The fulfillment of psychological contracts reduces internal conflict, creating a more productive work environment.	154	3.73	1.199
Employees are more innovative and solution-oriented when they feel secure in their roles and supported by AEE.	154	3.71	1.212
Recognition and respect from management contribute to stronger teamwork and better organizational performance.	154	3.70	1.221
Valid N (listwise)	154		

Source: Field data 2025

Table 3 provides a descriptive analysis of how psychological contract fulfillment regarding job security influences the overall organizational performance of AEE Rwanda, aligning with Objective Two of the study. The mean scores for all statements range between 3.70 and 3.79, indicating a general agreement among respondents that job security-related psychological contracts positively affect organizational outcomes. The highest-rated statement (M = 3.79, SD = 1.248) suggests that when AEE fulfills job-related promises, there is a noticeable improvement in organizational productivity. Similarly, employees linked reduced staff turnover (M = 3.78) and improved morale (M = 3.77) to the organization's consistency in honoring its commitments. These results reinforce the idea

that employee stability and satisfaction, rooted in job security, contribute significantly to performance metrics such as efficiency, innovation, and teamwork. Additional responses highlight that when employees feel psychologically secure and respected, organizational effectiveness increases (M = 3.76), conflicts decrease (M = 3.73), and innovation and collaboration are enhanced (M = 3.71 and M = 3.70 respectively). With standard deviations ranging from 1.189 to 1.259, the data shows moderate variability, reflecting diverse yet mostly positive experiences among staff. Overall, the findings support the argument that fulfilling psychological expectations around job security is essential for sustaining high performance and operational success at AEE.

**Table 4:**  
*Respondent review on the effect of psychological contract fulfillment on task performance among employees at AEE Rwanda.*

Statements	N	Mean	Std.
			Deviation
My daily performance improves when AEE meets its commitments related to recognition and reward.	154	3.85	1.161
I am more proactive in completing tasks when I feel secure and valued in my role.	154	3.82	1.180
I put greater effort into my tasks when management communicates transparently and shows appreciation.	154	3.81	1.206
My task performance improves when I receive recognition through training, coaching, or mentorship.	154	3.80	1.192
I consistently deliver high-quality work when my efforts are acknowledged and appreciated.	154	3.78	1.197
Clear guidance and recognition from AEE enhance my ability to perform tasks effectively.	154	3.77	1.183
When management fulfills its promises, I feel motivated to increase my task performance.	154	3.75	1.156
I complete my tasks on time because I feel recognized and supported by AEE.	154	3.74	1.125
Valid N (listwise)	154		

Source: Field data 2025

Table 4 illustrates the respondents' views on how psychological contract fulfillment in terms of recognition and reward affects task performance at AEE Rwanda, aligning with Objective Three of the study. The results reveal consistently positive perceptions, with mean scores ranging from 3.74 to 3.85, indicating strong agreement that recognition and reward enhance individual performance. The highest-rated statement (M = 3.85, SD = 1.161) shows that employees' daily performance improves significantly when AEE meets its promises related to recognition and reward. This is closely followed by proactive task completion when employees feel secure and valued (M = 3.82), and increased effort driven by transparent communication and appreciation (M = 3.81). Responses also indicate that performance improves when

employees receive developmental recognition through training and mentorship (M = 3.80). Slightly lower, but still positive, means were observed for high-quality task delivery (M = 3.78), effectiveness through clear guidance and recognition (M = 3.77), and motivation from fulfilled promises (M = 3.75). The lowest mean (M = 3.74) still suggests that task timeliness is linked to feeling supported and recognized. The moderate standard deviations (1.125–1.206) reflect individual variability in experience but consistent overall trends. In conclusion, these findings affirm that fulfilling psychological contracts particularly in the form of recognition and reward plays a vital role in boosting task performance at AEE.

**Table 5:**  
*Respondent review on the effect of psychological contract fulfillment on employee job performance at AEE Rwanda.*

Statements	N	Mean	Std.
			Deviation
Clear and honest communication of job expectations contributes to greater efficiency in my daily work.	154	3.81	1.273
Meeting my psychological needs at work significantly enhances my productivity and engagement.	154	3.78	1.242
The overall performance of AEE is influenced by how fairly and respectfully employees are treated.	154	3.77	1.183
There is a strong connection between my performance levels and the support I receive from AEE.	154	3.75	1.256
My overall job performance improves when AEE fulfills its psychological contract promises.	154	3.74	1.220
Employee performance at AEE increases when there is trust and transparency between staff and management.	154	3.73	1.199
I experience higher job satisfaction when AEE consistently meets the expectations it has set.	154	3.72	1.231
When AEE honors its commitments, I feel more loyal and motivated to exceed performance expectations.	154	3.71	1.235
Valid N (listwise)	154		

Source: Field data 2025

Table 5 presents the respondents' perceptions of the effect of psychological contract fulfillment on employee job performance at AEE Rwanda, aligning with the general objective of the study. The findings reveal that psychological contract fulfillment has a positive influence on performance, with mean scores ranging from 3.71 to 3.81. The highest-rated statement, "Clear and honest communication of job expectations contribute to greater efficiency in my daily work" (M = 3.81, SD = 1.273), emphasizes the importance of communication in enhancing task clarity and output. Similarly, the belief that meeting psychological needs leads to improved productivity and engagement (M = 3.78, SD = 1.242) underscores the motivational impact of fulfilling non-material employee expectations. Further, respondents agreed that the overall performance of AEE is influenced by how fairly and respectfully employees are treated (M = 3.77, SD = 1.183). They also recognized a strong connection between personal performance levels and the support received from the

organization (M = 3.75). The statement "My overall job performance improves when AEE fulfills its psychological contract promises" (M = 3.74) confirms that employees perform better when there is trust in the employer-employee relationship. Lower, though still positive, responses related to job satisfaction (M = 3.72) and motivation through honored commitments (M = 3.71) reflect that psychological contract fulfillment contributes to improved morale and discretionary effort. The moderate standard deviations across all items (ranging from 1.183 to 1.273) indicate that while the overall sentiment is favorable, individual experiences with psychological contract fulfillment and its impact on performance vary slightly. In summary, the results validate the general objective by confirming that psychological contract fulfillment especially in the areas of communication, fairness, support, and expectation alignment has a significant and positive influence on employee job performance at AEE Rwanda.

**Table 6**  
**Correlations Analysis**

		Recognition Reward	Career development opportunities	Regarding job security	Employee job performance in AEE.
Recognition Reward	Pearson Correlation	1	.960**	.964**	.987**
	Sig. (2-tailed)		.000	.000	.000
	N	154	154	154	154
Career development opportunities	Pearson Correlation	.960**	1	.969**	.963**
	Sig. (2-tailed)	.000		.000	.000
	N	154	154	154	154
Regarding job security	Pearson Correlation	.964**	.969**	1	.974**
	Sig. (2-tailed)	.000	.000		.000
	N	154	154	154	154
Employee job performance in AEE.	Pearson Correlation	.987**	.963**	.974**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	154	154	154	154

\*\* Correlation is significant at the 0.01 level (2-tailed).

The Table 6 demonstrate a strong and statistically significant positive relationship between psychological contract fulfillment variables recognition reward, career development opportunities, and job security and employee job performance at AEE Rwanda. The Pearson correlation coefficient between recognition reward and employee performance is exceptionally high at  $r = 0.987$ , with a significance level of  $p = 0.000$ , indicating that employees who feel recognized and rewarded tend to perform better in their roles. Similarly, the correlation between career development opportunities and employee performance is also strong ( $r = 0.963$ ,  $p = 0.000$ ), suggesting that when employees perceive that their organization supports their growth, their job performance improves. Additionally, job

security shows a significant positive correlation with performance ( $r = 0.974$ ,  $p = 0.000$ ), highlighting that employees who feel secure in their jobs are more likely to be engaged and productive. These findings align closely with the study's three specific objectives, confirming that recognition, development, and job security each play a crucial role in influencing employee behavior and output. Moreover, the high inter-correlations among the independent variables indicate that these aspects of psychological contract fulfillment are interlinked and collectively contribute to improved employee performance. Overall, the results support the general objective of the study by empirically demonstrating that fulfilling psychological contracts enhances employee job performance at AEE Rwanda.

**Table 7:**  
**ANOVA Result Test**

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	137.480	4	34.370	496.535	.000
Within Groups	7.199	149	.069		
Total	144.679	153			

Source: Field data 2025

The ANOVA results in Table 7 indicate a statistically significant difference between the groups in terms of the psychological contract fulfillment and its impact on employee outcomes. The F-statistic of 496.535 is significantly large, suggesting that the means of the groups are substantially different. The p-value of 0.000 is well below the standard significance level of 0.05, leading us to reject the null hypothesis that there are no differences between the groups. The Sum of Squares Between Groups (137.480) reflects a high variation between the groups, while the Sum of Squares Within Groups (7.199) shows relatively low variation within

each group. The Mean Square Between Groups (34.370) is much larger than the Mean Square Within Groups (0.069), further indicating significant variation between the groups. This implies that the psychological contract fulfillment factors, such as recognition, career development opportunities, and job security, significantly influence employee job performance, satisfaction, and overall organizational performance at AEE. Thus, the results support the hypothesis that these factors play a crucial role in improving employee outcomes within the organization

**Table 8**  
**Regression Coefficients Results**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.033	.059		5.593	.001
	Recognition Reward	.671	.056	.658	11.911	.000
	Career development opportunities	.631	.053	.635	11.905	.000
	Regarding job security	.590	.060	.506	9.833	.000

a. Dependent Variable: Employee job performance in AEE.

The regression results presented in Table 7 highlight the significant influence of psychological contract components recognition reward, career development opportunities, and job security on employee job performance at AEE Rwanda. The model's intercept is 0.033, indicating a minimal baseline level of performance when all predictors are absent, though statistically significant ( $p = 0.001$ ). Among the predictors, recognition reward emerged as the strongest influence, with an unstandardized coefficient of 0.671 and a standardized beta of 0.658, showing that increased recognition and appreciation lead to considerable improvements in employee performance

( $t = 11.911, p < 0.001$ ). Career development opportunities followed closely, with a coefficient of 0.631 and a beta of 0.635, also indicating a significant positive relationship with job performance ( $t = 11.905, p < 0.001$ ). Job security had a slightly lower but still substantial effect, with a coefficient of 0.590 and a beta of 0.506 ( $t = 9.833, p < 0.001$ ), confirming its importance in enhancing employee productivity. Collectively, these findings support the idea that fulfilling psychological contracts through recognition, growth opportunities, and job security greatly contributes to improved task performance and overall organizational effectiveness at AEE.

## Conclusion

The study explored the impact of psychological contract fulfillment on employee job performance at AEE Rwanda, revealing a strong and statistically significant relationship between the two. Findings indicated that career development opportunities had a notable positive influence on job satisfaction. Employees who received mentorship, transparent communication, and acknowledgment of their developmental efforts reported higher satisfaction levels. This was supported by a strong correlation coefficient of  $r = 0.963$  and high average mean scores ranging from 3.75 to 3.82.

Job security also emerged as a critical factor in enhancing organizational performance. When employees perceived their job security as stable and consistent with organizational promises, they demonstrated greater morale, stronger commitment to goals, and lower turnover intentions. The correlation between job security and employee performance was found to be  $r = 0.974$ , and this relationship was statistically significant at  $p < 0.01$ .

Rewards both tangible (e.g., bonuses) and intangible (e.g., recognition) had the strongest influence on task performance. Employees who felt that reward-related psychological contracts were fulfilled showed increased motivation, consistency, and proactiveness in their work. This was evidenced by a very high correlation of  $r = 0.987$  and high mean ratings across reward-related statements.

A regression analysis further confirmed the significant predictive power of all three factors on employee job performance. The standardized beta coefficients were  $\beta =$

## 6. Recommendations

The government should develop and enforce national guidelines that promote psychological contract fulfillment within NGOs. This can be done by formulating a policy framework through the Ministry of Public Service and Labour (MIFOTRA), in collaboration with the Ministry of Local Government (MINALOC), which outlines standards for fair employment practices, career development, job security, and staff recognition in the nonprofit sector.

The Civil Society Forum should coordinate and support the improvement of HR practices across NGOs by facilitating training and shared learning on employee engagement and performance. This can be done by organizing regular workshops, conferences, and distributing practical HR toolkits that promote psychological contract awareness, led by the Rwanda Civil Society Platform (RCSP) in partnership with member organizations. AEE Rwanda

0.658 for rewards and recognition,  $\beta = 0.635$  for career development, and  $\beta = 0.506$  for job security. The model explained approximately 61.3% of the variance in job performance ( $R^2 = 0.613$ ), indicating a strong overall effect.

In summary, the study clearly established that psychological contract fulfillment is a key driver of employee job performance at AEE Rwanda. Among the three dimensions, rewards and recognition had the strongest impact, followed by job security and career development. However, despite these strong relationships, the study also identified existing gaps in communication and the consistent implementation of psychological contracts. Addressing these gaps will be essential to sustaining high employee performance over time.

Based on the study's results, it is evident that psychological contract fulfillment has a profound and statistically significant impact on employee job performance at AEE Rwanda. Employees who perceive the organization as fulfilling its commitments in terms of career growth, job security, and rewards demonstrate higher levels of satisfaction, engagement, and task performance. However, the study also highlights challenges such as inconsistencies in communication regarding development opportunities and the need for stronger recognition mechanisms. These gaps can negatively affect trust, motivation, and overall productivity if left unaddressed. The results affirm the critical role of psychological contracts in non-profit organizational contexts like AEE, where financial rewards may be limited but intrinsic motivators and perceived fairness play a central role in driving performance.

should implement an internal performance management strategy that prioritizes psychological contract fulfillment. This should be achieved by introducing structured recognition programs, career development pathways, transparent communication practices, and fair job security policies, all coordinated by the Human Resources Department with support from senior management.

Other NGOs should adopt people-focused HR systems that ensure psychological expectations of employees are consistently met. This can be done by conducting regular staff feedback sessions, offering growth opportunities, and creating transparent reward and recognition structures, led by each organization's Executive Directors and HR Managers

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