

Addis Ababa University

School of Commerce



**The effect of organizational core values on employee performance: in case of
Africa Union Commission.**

**A Research Project submitted to Addis Ababa University, School of
Commerce in partial fulfilment of the requirements for the Degree of Master
of Arts in Business Leadership**

By: Eskinder Tilahun

Advisor: Adane Atara (PHD)

June 2021, Addis Ababa, Ethiopia

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Statement of declaration

I **Eskinder Tilahun**, declare that this project work entitled ‘The effect of organizational core values on employee performance: in case of Africa Union Commission’ is my original work under the guidance and supervision of Adane Atara (PHD) and has not been presented for a Degree in any other University. All the source of materials used to conduct this study have been duly acknowledged.

Eskinder Tilahun

Certification

This is to certify that the project work prepared by Eskinder Tilahun, entitled '*The effect of organizational core values on employee performance: in case of Africa Union Commission*' has been submitted in partial fulfillment of the requirements for the Award of Master's Degree in Business Leadership, in compliance with the regulations of the University and complies the accepted standards with respect to originality and quality.

Signed by Examining Committee

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Contents

Acknowledgement	vi
List of Tables	vii
List of Figures	viii
ACRONYMS	ix
Abstract.....	x
Chapter One: Introduction.....	1
1.1 Background of the study	1
1.2 Back ground of the Organization	2
1.3 Statement of the problem.....	4
1.4 Basic research questions	5
1.5 Objective of the Study	5
1.5.1 General objective	5
1.5.2 Specific objectives	5
1.6 Definition of Terms	6
1.7 Significance of the Study	6
1.8 Scope of the Study	6
1.9 Limitation of the Study	7
1.10 Organization of the Study	7
Chapter Two: Review of Related Literature	8
2.1 Theoretical Literature Review	8
2.1.1 Values	8
2.1.2 Core values	9
2.1.3 Respect for Diversity & Team Work as a core value and its effect on employee performance.	10
2.1.4 Integrity and Impartiality as a core value and its effect on employee performance.	11
2.1.5 Efficiency and Professionalism as a core value and its effect on employee performance	12
2.2 Empirical literature Review	13
2.3 Employee Performance.....	15
2.4 Conceptual study frame work	17
Chapter 3: Research Methodology	18
Introduction.....	18
3.1 Research Design and Approach	18

3.2 Target Population	18
3.3 Sample size determination, and sampling techniques	18
3.4. Data Source, types, instrument and procedure	19
3.5 Data analysis methods	19
3.5.1 Descriptive Analysis	20
3.5.2 Inferential Analysis.....	20
3.6 Validity and Reliability test.	21
3.6.1 Validity.....	21
3.6.2 Reliability test.....	21
3.7 Ethical Consideration	22
Chapter - 4:- Results and Discussions	23
Introduction.....	23
4.1 Response Rate.....	23
4.1.1 Demographic characteristics of Respondents.....	23
4.2 How do employees perceive Organizational Core Values in the Africa Union Commission?	25
4.3 Effect of Respect for Diversity and Team Work, Integrity and Impartiality Efficiency and Professionalism as a core value on employee performance at the Africa Union Commission.	28
D. Employee Performance	31
4.4 Organizational core values relation with employee performance	32
4.5.1 Regression analysis	33
4.5.2 Model summary	33
4.5.3 Analysis of Variance (ANOVA)	34
4.5.4 Result of Regression Coefficients	35
Chapter -5:-Summary, Conclusion & Recommendation.	36
Introduction.....	36
5.1 Summary of the Findings.....	36
5.2 Conclusion.....	37
5.3 Recommendation	38

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List of Tables

Table 3.1: Cronbach's Alpha reliability test

Table 4.1: Demographic characteristics of respondents

Table. 4.2 Response on how many of AUC employees knows core values of the organization

Table.4.3 Response of employees in listing AUC Core Values.

Table 4.4: Response of employees towards AUC Core Values

Table 4.5: Response attributed to respect for Diversity & Teamwork

Table 4.6: Response attributed to Integrity and Impartiality

Table 4.7: Response attributed to Efficiency and Professionalism

Table 4.8: Response attributed to employee performance

Table 4.9: Pearson Correlation

Table 4.10 Model summary

Table 4.11 ANOVA Table

Table 4.12 Regression Coefficients

List of Figures

Fig. 1: Factors influence Employee Performance.

Fig. 2: Conceptual framework of the study

ACRONYMS

AHRM – Administration and Human Resource Management

AU - Africa Union

AUC - Africa Union Commission

ANOVA - Analysis of Variance

HRM – Human Resource Management

M - Mean

P - Level of Significance

REC's - Regional Economic Community

SD - Standard Deviation

SPSS - Statistical Package for the Social Science

Abstract

Organizational core values are essential and long lasting element of an organization which serves as a guiding principle that bonds the organization together. This study sought to examine and explain the effect of organizational core values on employee performance in the case of Africa Union Commission. The study adopted Explanatory Research design with quantitative research approach. Using a simple random sampling technique, 86 samples were taken out of 110 employees of Administration and Human Resource Directorate of Africa Union Commission. Open and closed ended questionnaires were distributed through face to face, email and online options and 70 valid responses were analyzed by frequency, descriptive, correlation, multiple liner regression analysis using statistical package for social science (SPSS software 22 version). The finding of the study indicates that, due to less strategic human resource practices in the Commission in sharing and adhering organizational core values, employee's perception towards organizational core values is very less. There is a positive correlation exist between core values and employees performance. The finding of the study also revealed that, the effect of organizational core value factors on employee performance is moderately significant. Based on the finding, it was recommended that: The Africa Union Commission shall share its organizational core values through continuous communication, design a training program on organizational core values and implement different strategic human resource practices to promote core values so that it has adhered by all employees in order to have a strong shared culture.

Key Words: Organizational core values, Respect for Diversity & Teamwork, Integrity & Impartiality, Efficiency & Professionalism, and Employee performance

Chapter One: Introduction

This chapter includes the background of the study, background of the organization, statement of the problem, research questions, objective of the study, definition of terms, significance, scope, limitation of the study and organization of the study.

1.1 Background of the study

One of the most important aspect of a society is a shared norms and values in a social system which can be expressed as a culture. Culture is collection of attitudes, values, norms, style, consumption, and the general world view of life; whereby it is perceived, expressed by people that distinguish them one another. Organizational culture is majorly influenced by the organizational system of values. (Dennis, 2015)

Organizational values developed from organizational culture; it is generally the philosophy which an organization follows. Organizational values are written within the organizational culture, given that organizational culture defines expectations regarding behavior, modes of conduct, modes of decision-making and communication styles. In defining organizational values, it is important to have an agreement and needs broader discussion among the stakeholders regarding organizational values. (Ricardo & Wade, 2001).

How people and organization behaved refers to values. Organizational values are the acceptable standards which direct the behavior of individuals within the organization. These values play a critical role in the success of an organization. If these values were not respected by employees' there will be a clash between personal and organizational values. This may result manifestation of unacceptable behavior by employees in the organization. (Armstrong, 2011).

Employee performance can be defined as how a staff fulfils their duty, complete their assigned tasks and how staff behave in the work place. An Employee performance is measured through quality, quantity and efficiency of work. (Kanula, 2006)

The organization culture impacts the performance of employees in an organization. The influence varies from organization to organization. (Cummings, T.G. & Worley, C.G., 2013).

Values affect how customers are perceived and treated, the way employees and shareholders are viewed, awarded, and the way the future is anticipated and managed. (Dennis, 2015).

Some research findings have shown that values have a strong influence on employee's behavior as well as organizational performance. (Daft, 2003). Organizations that adhere to core organizational values, communicate it well, incorporate them into its system and those values shared with employees improves organizational performance (Gupta, 2008).

Based on literatures, one of the factors that influence employee performance is organization culture and values. The effect is expected to be high in a multi-cultural organization like Africa Union Commission where employees are coming from diverse environment.

The purpose of this study is to examine and explain the effects of organizational core values on employee performance and to assess how the effect is significant in the case of Africa Union Commission.

1.2 Back ground of the Organization

The African Union Commission is the key organ of the African Union which plays a central role in the day-to-day management of the Union. The Commission represents the Africa Union and defends its interests. More specifically, the Commission prepares strategic plans and studies for the consideration of the Executive Council.

The AU Commission elaborates, promotes, coordinates and harmonizes the programs and policies of the Union with other stake holders like RECs; by ensuring the gender equality in all programs and activities of the Union. (*AU official Web*)

Africa Union Commission Value statement states that:

The Mission of the Commission is become **“An efficient and value-adding institution driving the African integration and development process in close collaboration with African Union Member States, the Regional Economic Communities and African citizens”**.

The African Union Commission has its own charter on values with the following variables:

- Community – based participation and inclusiveness
- Solidarity

- Diversity and Tolerance
- Justice, equality and equity
- Integrity
- Civic responsibility and citizenship
- Transparency and Accountability
- Responsiveness

African charter on the values and principles (2005)

Africa Union Commission has the following organizational core values:

- Respect for diversity and Team work
- Think Africa above all
- Transparency and Accountability
- Integrity and Impartiality
- Efficiency and Professionalism
- Information and Knowledge Sharing (*AUC official website*)

The Administration and Human Resource Management Directorate of the Commission consist three departments namely, Procurement and Supply chain management, Human Resource Management and Facility Management. AHRM is a service giving directorate for the rest of Commission's offices and responsible to advocate and promote the core values of the Commission to different members of the Commission.

As literatures and result of previous empirical studies confirm that, in order to build a value based culture, organizations needs to clearly state organizational values, internalized by employees, which results reaching significantly higher performance. (Stephen, 2016).

An empirical study conducted about 36 US based visionary companies which preserve the core values and stimulate progress confirms that those companies are the most influential organizations of the world. Organizations with a core ideology (Core value + Vision) that is manifested in created culture, stimulated and preserved over time brings a long term success to organizations. (Porrás 2000)

The Africa Union Commission places its core values in its official website, and performance appraisal forms. Employees' are evaluated both midterm and end term bases. One of the performance appraisal variable to evaluate employee performance is whether the appraise adheres AUC core values or not.

As the researcher's observation, except putting those core values as a measurement towards employee performance, there is no other strategic human resource management practice to promote the organizational core values so as to be adhered, internalized and maintained by employees. This is one of the identified gap which emphasizes to conduct this study.

1.3 Statement of the problem

The organizational culture works as a social bond that ties together employees with shared beliefs and values which positively contribute to the improvement of employee performance. (Kotter, John, 2009). Strong culture is considered as a driving force to improve employee performance through enhancing self-confidence, commitment and ethical behaviors of employees thus reducing work stress (Antonnette, 2016).

As previous researches shows that poor employee and organizational performance may not be as a result of poor recruitment strategies and selection processes, lack of employee motivating strategies, poor management and leadership or any other employee well-being initiatives. The main reason is not to have deep understanding by employees, supervisors, managers and organizational leaders on the effect of the organizational values on employee as well as organizational performance. (ibid)

It has also been determined that organizations with clearly stated organizational values, which are internalized by employees, reach significantly higher performance results compared to values which are less clearly stated or not stated at all. (Stephen, 2016)

Performance is related with measurement of transactional efficiency and effectiveness towards organizational goals. (Barne, 2011) Performance is a degree of an achievement to which employees fulfil the organization mission (Cassio, 2006). The key to good performance is having a strong culture that has resulted into values, system and practices. (Kanula, 2006)

Despite researches showed the existence of relationship between organizational values and employee performance, limited number of researches has been conducted on the effect of organizational core values on employee performance. Most of the previous research works conducted focus on the general impact of culture on performance. It is in this context that this study has done so as to bridge this existing gap by giving particular emphasis on the effect of organizational core values on employee performance.

This study was carried out to fill the empirical gap exhibited in human resource management practices in terms of adhering organizational core values in AUC. The study tried to examine how employees perceive organizational core values, the effects of organizational core values on employee performance in the case of Africa Union Commission. It also tried to describe the relationship between organizational core values with employee performance, and how much core value has significant effect on employee's performance at Africa Union Commission.

1.4 Basic research questions

- How do employees perceive organizational core values in the Africa Union Commission?
- How does organizational core value factors of Respect for Diversity & Team Work, Integrity & Impartiality and Efficiency & Professionalism affect the performance of employees at AUC?
- What is the relationship between organizational core values and employee performance at AUC?
- How much the core value have significant effect over employee performance at AUC?

1.5 Objective of the Study

1.5.1 General objective

The general objective of the study is to examine and explain the effects of organizational core value on employee performance in the case of the Africa Union Commission.

1.5.2 Specific objectives

- To assess how much employees are aware and adheres AUC core values.
- Investigate the effect of *Respect for Diversity & Team Work, Integrity & Impartiality and Efficiency & Professionalism* as a core value factor on employee performance at the Africa Union Commission.
- To assess organizational core values relations with employee performance.
- To evaluate how significant the effect of core values factors all together over employee performance at AUC.

1.6 Definition of Terms

Core Values: are the organization's essential and enduring belief, a small set of timeless guiding principles having intrinsic value and importance to those inside the organization without requiring external justification. (Collins and Porras, 2000)

Employee Performance: is how a staff fulfils their duty, complete their assigned tasks and how staff behave in the work place. (Kanula, 2006)

1.7 Significance of the Study

Organizational core values are an important component in the field of organizational behavior and strategic human resource management. This study has been conducted with a sense of creating more insight and to build better understanding by organizational members on the context of values and its effect on employee performance. It tried to fill the gap by contributing its own inputs where limited number of research has been conducted on the relationship between organizational values and employee performance.

More significance of this study is to the organization's that needs to build core values and share it to its employees so as to improve employee performance and increase organizational efficiency. As a particular case, this study benefit the Africa Union Commission by forwarding feedback on how core values are important in improving employee performance.

The information obtained from this study is also useful for empirical cases and add some inputs to the literature on the subject matter. This study serves as a reference material for further researches to be done in the subject matter.

1.8 Scope of the Study

There is time constraint to conduct this study at full range and due to COVID 19 epidemic case, the staff of the Commission were not working in regular bases. Because of these factors, it was not possible to broaden the population size and conduct the research in larger scale.

The study only delimited on African Union Commission Administration and Human Resource (AHRM) directorate at head quarter level situated in Addis Ababa. Out of the six core values that

the AUC is adhering, the effects of three core value variables (Respect for diversity and team work, Integrity and Impartiality and Efficiency and Professionalism) has been investigated.

1.9 Limitation of the Study

Due to time and resource constraints, the scope of this study were only limited to employees of Administration and Human Resource Management Directorate of African Union Commission and sees the effect of few variables. Due to this fact, it is not fully possible to conclude that the findings of this study can be inferred to the population without considering other factors which can affect employee performance. However, it gives good insight for further extensive studies to conduct.

1.10 Organization of the Study

This study has been organized in five chapters. The first chapter consists background of the study, background of the organization, statement of the problem, research questions, objective of the study, definition of terms, significance, scope and limitation of the study.

The second chapter consists the results of theoretical and empirical literatures reviewed with a conceptual framework developed about organizational core values and employees performance.

The third chapter explained the research methodologies of this study and the fourth chapter presented the discussion and results of the study.

Chapter five of the study presents the summary of the main findings, conclusion and at last give its own recommendation.

Chapter Two: Review of Related Literature

Introduction

This chapter emphasizes reviewing related literature on the effect of organizational core values on employee performance. It focus on reviewing related theoretical and empirical literatures of core values, its relationship with employee performance, effects of core values, and how core values are significant in influencing employee performance.

The literature reviewed also specifically investigate how significant the effects of three selected organizational core values factors: Respect for Diversity & Teamwork, Integrity & Impartiality, and Efficiency & Professionalism. Finally, conceptual framework of the study has been developed.

2.1 Theoretical Literature Review

2.1.1 Values

Values are considered as what is important in life and serve as the guiding principles. (Cheng, 2010). Organizational values are values that are shared by all or a large proportion of an organization's members. (Daly, 2004).

Values influence perceptions, evaluations, decisions, or affect in a wide variety of contexts ranging from managerial decision making to physical activity levels and activity performance goals (Trail and Chelladurai, 2002).

Values are shared beliefs that allows organizations to create a culture that embraces common goal pursuits and outcomes (Abreu, 2009). As Van Rekom (2006), describes the pursuit of a uniform culture is important because it allows organizations to enhance the efficiency and effectiveness of their employees.

Another study also confirms that, norms and values of an organization which is based upon different cultures influence work force productivity. (Mohammed, 2017).

As the reviewed literature suggests that values are a guiding principle which influence a variety of contexts both at individual and organization level and basic element to develop organizational culture.

2.1.2 Core values

Collins and Porras (2000), define a core value that “guides and inspires people throughout the organization and remains relatively stable for long periods of time”, which is a fundamental element of a core ideology consisting of values and a sense of purpose of high performing companies. Core values bonds the organization together as it grows, decentralizes, diversifies, and expands.

Core values have been identified as an “essential and enduring element of an organization” due to the fact that “they are timeless guiding principles that have intrinsic value and importance to those inside of an organization”. (Porras, 2000)

Core values are extremely important for any company, regardless of its size. Some common core corporate values include integrity, transparency, accountability, respect diversity, commitment, innovation, teamwork, continuous learning, efficiency, trust and respect. Each should support the structure of a company and be demonstrated in daily operations and communications both internally and externally. (Amah, 2009)

Effective core values can have positive impact on employee engagement, employee retention, talent acquisition, employee performance, customer satisfaction, fair business practice and on growth and stability (Guest, 2018).

When literatures on core values are summarized, core values are important to profit and nonprofit oriented organization and an effective core value is the one that stands for longer period of time. It is different from mission statement which core values must come from the heart of the business and reflect the philosophy of the organization that is built upon.

A value must also be implemented across all organizational policies and practiced in day-to-day business which has direct impact on employee performance. This study has been conducted based

on this conceptual framework so as to re confirm the effect of core values on employee performance.

2.1.3 Respect for Diversity & Team Work as a core value and its effect on employee performance.

The term diversity is linked with problem solving aptitude, creativity and innovation. (Erasmus, 2007). Diversity referred as admitting, appreciating, understanding, recognizing, valuing, and enjoying deviation among employees (Kreitz, 2008).

Workplace diversity states both specific similarities and differences of the employees in terms of age, gender, language, working environment, perceptions, ethnicity, marital status, region, work experience, income, nationality with each other, which support to organizational essential values (Bassett, 2005).

According to the study of Pitts, Hicklin, Hawes and Melton (2010), diversified workforce from various educational background and different ethnicity create opportunities for greater innovation and more creative solutions to the problem.

Several researches suggest that whether or not diversity has positive or negative effect, depends on different aspects of the organization`s strategies, culture and HRM practices. Factors like size of organization, age of organization, type of organization and diversity of community surrounding an organization affect the effectiveness of workforce diversity (Saron, 2017)

As Qasim (2017), indicate that diversified work force of well managed can be very productive to the organizations, individuals who are working in multi-cultural or diversified work force can have an opportunity to enhance their skills and improve their knowledge.

Teamwork is necessary in all type of organizations including non-profit and one of the important element for smooth running of an organization (Mulika, 2010). Working together as a team enhance the skills, knowledge and abilities of team members (Froebel & Marchington, 2005). Team`s allows people to cooperate together, improve individual skills and provide constructive feedback one another without major conflict between individuals (Jones, 2007).

According to Agarwal and Adjirackor (2016), enhancing the capacity level of the teams of an organization leads to improved individual employee performance level of its employees.

Kemanci (2018), writes that the effect of teamwork in enhancing employee performance while there is high competition existed. The benefit of teamwork is to improve the efficiency and effectiveness of the individual members of the team by bringing different skills and talents together. It provides the team the spirit of belongings and inspires the team members to put their greatest effort in accomplishing organizational performance-related goals.

From the above literatures, it is possible to conclude that workforce diversity and teamwork has significant effect towards employee work performance. Low or higher employee work performance is influenced by workforce diversity variables and teamwork. Organization's taking respect for diversity and teamwork as a core value and adhering it could get the benefits out of it.

2.1.4 Integrity and Impartiality as a core value and its effect on employee performance.

According to Wetik (2018), Integrity is a form of someone's responsibility for what he does and the results are in accordance with correct norms, values or principles, and a firm stand without coercion from any party. Integrity required an employee to be honest, brave, wise and responsible in carrying out their duties and responsibilities.

As stated by Mangkunegara (2016), integrity was one of the factors that affect employee performance. Factors that could affect employee work performance is individual psychological factors, namely individuals with high integrity between their physical and spiritual functions.

As Sukarna (2018), states that, integrity could be assessed from several indicators: namely, showing honesty, fulfilling commitments and being consistent in behavior. Another study of Zahra (2011), also indicate that an employee's integrity can be assessed from the indicators like honesty, commitment, trustworthiness, consistency and responsibility.

Impartiality, is usually associated with the decision objectivity or the absence of bias toward one or other of the parties. (Romero Segel, 2001). Threats are posed by several types of activities, relationships and other situations. (Brown 2003)

Impartiality as a value is complex for different plural societies, there are many divergent belief systems even at individual's level. Some belief that their fellow men and women are not as free individuals, deserving of equal consideration and respect without bias. (Atienza, 2009)

All the above studies indicate that if an integrity of an employee is better the resulting performance would be the same. Keeping impartiality in all practice also has a positive impact on making better decision which enhance employee performance.

2.1.5 Efficiency and Professionalism as a core value and its effect on employee performance

Professionalism has been defined in many different ways by many different people. For a long time, the sociological analysis of professional work has differentiated professionalism, as a special means of organizing work and controlling workers, and in contrast to the hierarchical, bureaucratic and managerial controls of industrial and commercial organizations. (Adler, 2008; Brante, 2010; Champy, 2011).

Professionalism refers to a person's attitude to, behavior on, and capabilities in their job. (Smith & McKeen, 2003). Professionalism reflects one's attitude towards his profession. Professionalism which is defined behavior, ways, and qualities that characterize a profession. A person is said to be professional if his work has the technical or ethical standard characteristics of a profession (Oerip and Uetomo, 2000).

The term professional applies to all officers from the upper level to lower level. Professionalism can be interpreted as a person's abilities and skills in doing work according to their respective fields and levels. (Budiharjo, 2015)

According to Keith Davis in Mangkunegara (2007), Professional means expert in the field and to have the knowledge and attitude to resolve the problem successfully. Cherepanov (2007), considered professionalism as the full compliance of a professional to the working environment and to the employers by realizing the ability of employees.

If the organization has the more professional human resources, the vision and mission and goals of the company will be achieved effectively, efficiently, and productively. Therefore, human resource management practice is not only limited to only recruitment, but able to retain competent employees and improve the performance of its employees so the company can continue to develop better and be able to compete with its competitors (Budiharjo, 2015).

2.2 Empirical literature Review

➤ Core Values

The study Conducted in AON Kenya proposes that organization culture is useful to improve an organizations performance and effectiveness. To do so, the organization culture should be strong and provide a strategic competitive advantage thorough widely shared belief and values. (Antoinette, 2016)

Another study conducted on a governmental organization in Kenya indicates that, organizational values that are communicated persistently to the employees and are demonstrated in their work behaviors have a positive effect on employee performance. (Dennis, 2015)

A study conducted in sport organization of USA indicate that, the development of value systems and proper implementation of value-driven leadership can enhance organizational efficiency. (Coyte .A & Weight, 2015)

As indicated in the empirical literature reviewed, core values which continuously communicated, shared and adhered influence employee performance positively. This will give strategic advantage to organizations to develop value based culture.

➤ Diversity and Teamwork

As the study results of Mohammad Qasim (2017), Workforce diversity has a positive effect on employees job performance, and it affirms that there is positive strong relationship between three independent variables, (Workforce diversity, Gender Diversity and Ethnicity diversity) and that individuals can enhance their capability in diversified work environment.

Other study results by Shakeel Ahmad and Fazal Ur Rahman (2019), concluded that different aspects of diversity has different relationship with the performance like age, gender; ethnicity diversity has negative while experience has positive impact on the employees' performance.

Similarly, Gallego, I., Garcia, I. M., & Rodriguez, L. (2010), conducted a survey and revealed the institutions that embraced higher gender and ethnic diversity, does not out perform with the

organizations having lower levels ethnic and gender diversity. Unlike, age, gender and ethnicity diversity, experience diversity has positive effect on the performance of employees.

The reviewed literature shows two different stands towards the effect of diversity on employee performance: some variables like gender, workforce and experience diversity has positive and ethnicity diversity has negative impact on performance.

Different empirical studies conducted found out that teamwork, team spirit, team trust and recognition and rewards has a significant positive effect on employee performance. Teamwork effect towards employee performance is direct and it is beneficial to the organization. (Khan & Mashikhi, 2017), (Abdulle, A. & Aydıntan, B., 2019)

As a study conducted by Jones (2007), shows that employee working within the team can produce more output as compared to individual outcome.

The result of the previous studies clearly evidenced that there is strong and positive relationship between teamwork, Team spirit, team trust and recognition and rewards has a significant positive effect on employee performance.

Taking respect for diversity & teamwork as one organizational core value may lead to get better employee performance and make use of the positive advantages that diversity and team work delivers too.

➤ **Integrity and Impartiality**

Studies concluded that organizational justice and motivation has significant effect on performance. It indicate that organizations need to practice organizational improvement and motivation justice program in terms of information revelation, change management system and to formulate the criteria and measures that are transparent to provide fair opportunities for employees development. (Brown, 2003)

Syamsir and Embi (2020), indicated that, integrity and performance are related to one another. An employee who has good competence must also be supported by an attitude of integrity. People who have good competence not supported by integrity, then their abilities will not produce good performance.

There had been many empirical studies which showed that, integrity could influence employee performance. Studies conducted by Nur Jayanti and Syamsir (2019), Simponi Rahmadani (2020), Sujiyanto (2017), Salwa, Away and Tabrani (2018), Damar Tedja Sukmana (2018), and Aski (2020), on civil servants of the government institutions and employees of different business organizations indicated that, integrity affects employee performance or has an influences on the performance.

This is in line with the opinion and conclusion of most previous theoretical researches, that integrity could affect one's performance. Psychological factor like integrity, was one of the determinants of a person's work performance. A person was said to have good work performance if he had high integrity both psychologically and spiritually.

➤ **Efficiency and Professionalism**

The results of different studies shows that the influence of professionalism on employee work productivity is significant. (Budiharjo, 2015)

Professionalism directly influences performance in a positive and significant manner (Muh. Kadarisman, 2011).

The findings of a study in Small and Medium Enterprises suggests that employee professionalism should have proper leadership in accordance with employee competencies (Yurisman Star, 2019)

Mandl (2008), explained efficiency and effectiveness in relation to inputs, outputs, and outcomes. Outcomes are the final goals that are dependent on the effective use of input or resources.

The results of empirical studies confirms that core value factors of Diversity & Teamwork, Integrity & Impartiality and Efficiency & Professionalism has significant and positive effect on employee performance if it has shared and adhered by employees.

2.3 Employee Performance

Organizational goals could be achieved through the most important resource of the organization that is employees (Brewster, 2007). Armstrong (2006), defines employee performance as the ability of any employee to successfully and efficiently perform the duties and tasks assigned to him or her within the organization. Employee performance is not only a matter of wheatear teams

or an individual employee achieves the set goals and targets but it also has to do with how teams or an individual employee is willing and motivated to uphold and promote the values of the organization.

As Casio (2006), states, employee performance as the degree of an achievement to which an employee fulfills the organizational mission at workplace. Employee performance is an essential part of an organization growth process. It raises employee commitment towards the organization, align their goals and objectives with the organization goals and employees feel responsible for the overall well-being of the organization.

According to Denison (2003), employee performance is important; this is so because an organization's success is dependent upon the employee's creativity, innovation and commitment.

Different empirical studies showed that there are different key factors that influence employee performance like Performance Appraisal, Leadership, Work- Life Conflicts, Compensations & Rewards, Motivation and Company Culture. (Periyasamy, 2020)



Fig. 1 Factors influence Employee Performance: Source: Periyasamy, 2020

As per the figure above, one of the factors which influence employee performance is Culture, where core value is major element of it. Another empirical study states that, Core ideology is the basic factor to maintain an existing employee and to attract new entrants in to the organization. (Porras, 2000).

2.4 Conceptual study frame work

Based on the related literatures reviewed, organizational core value factors reached from minimum three up to maximum six variables. For this study three core values of AUC has been selected as independent variable and tried to see its effect on dependent variable of employee performance.

The selection of three Core value variables for this study is based on the researcher judgment due to the fact that, these factors has universal nature and could be considered as core value by other many organizations.

The conceptual framework of this study has been developed as:

Organizational Core Values

Independent variables

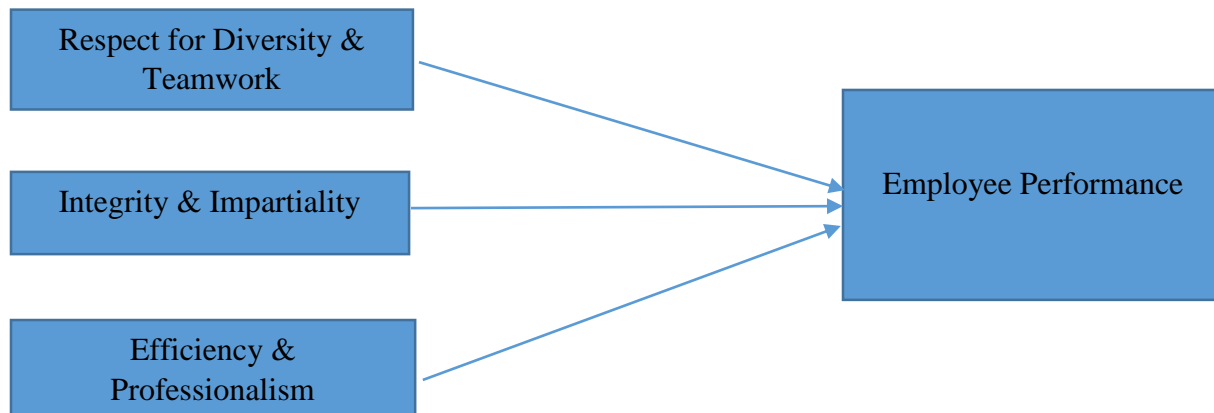


Fig 2. Conceptual framework of the study

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Chapter 3: Research Methodology

Introduction

Research methodology is a way to systematically solve a research problem. (Kothari, 2004). This chapter aimed at giving a comprehensive analysis of the techniques that were used in carrying out this study, including the research design, population, sampling technique instruments, sample size, data collection tools ,questionnaires' design, data analysis and presentation.

3.1 Research Design and Approach

Research design is defined as a broad plot that strategizes, the means used in the collection and analysis of data which must be harmonized with the objectives of the study. It is an arrangement of conditions for collection and analysis of data with the aim of relevance for the research purpose in a well-defined procedure. (Adams, 2007)

The research design adopted to conduct this study is Explanatory study with a quantitative research approach. As explained by Kothari (2004), this approach is suited to determine the characteristics and relationships of a sample of population under the study and then further inferred that the population has the same characteristics.

The objectives of this study is to examine and explain the effects of organizational core values on employee performance, to assess what is the relationship between organizational core values and employee performance and to evaluate how significant the effects of core values in the selected organization under this study.

3.2 Target Population

According to Dawson (2002), a population is the full universe of people or things which a sample will be drawn from. The population for this study are employees of Directorate of Administration and Human Resource Management of Africa Union Commission. The total number of target population is 110 employees working in the directorate at head quarter level situated in Addis Ababa, Ethiopia.

3.3 Sample size determination, and sampling techniques

Though the target population is not large to make it possible for the use of census as a data collection tool, the researcher forced to use sampling method considering the existing situation.

Due to COVID – 19, Employees of the Commission are working in shift bases. This situation hinders the researcher not to get each staff once within the data collection period and forced to use a representative samples from each working shift.

The sample size determination were using a sampling techniques of Solvin's formula:

$$n = N / (1+Ne^2)$$

Where:

- n= Number of samples,
 - N= Total Population
 - e= Error tolerance level
- $$n = 110 / (1 + 110 \times 0.05^2)$$
- $$n = 86$$

With 95% confidence level and 5% confidence interval

The sampling technique selected to conduct this study is Simple Random Sampling due to the fact that this technique gives each individual or member of a population with an equal and fair probability of being chosen.

3.4. Data Source, types, instrument and procedure

Both primary and secondary data collection sources has been used. The primary data has been collected through questionnaires to selected Administration and Human Resource Management employees of African Union Commission at the headquarter. Publications on Value Charter and official website of AUC has been used as secondary data source.

The questionnaires prepared on five answer Likert Scale model for closed ended questions and some open ended questions were included to get more descriptive information on employee's perception and understanding of organizational core values. In order to increase the response rate of respondents, the researcher used face to face, email and online questionnaires approaches as a contact option.

3.5 Data analysis methods

Data analysis is an application of reasoning to understand, clear and interpret the data or information that have been collected through the questionnaires. (Zikmund, 2003).

The data analysis has done on quantitative methods. SPSS 22 software were used for the analysis and frequencies, descriptive analysis, inferential statistics of correlation and multi liner regression were used to analyze the data.. The findings of the study has been presented using frequency tables, pie charts and mean and standard deviation.

3.5.1 Descriptive Analysis

The most common descriptive statistics include Frequency distribution, Bar chart and pie chart and Mean and standard deviation. In this study, frequency distribution has been used to summarize the demographic characteristics of the data.

Descriptive analysis of pie chart and mean and standard deviation has been used to describe how employees of AUC perceive core values of the organization and to assess the effects of core value factors on employee performance.

3.5.2 Inferential Analysis

This study uses the correlation analysis, multiple linear regression analysis, and one way analysis of variance (ANOVA), in order to assess the relationship between core values and employee performance and to evaluate how much the core value factors has significant effect on employee performance.

3.5.2.1 Correlation Analysis

Two types of questions shall be answered whether in bivariate or multivariate populations.

- (i) Is there correlation exist between the two (or more) variables? If yes, of what degree?
- (ii) Is the relationship between the two variables is a cause and effect one? C.R. Kothari (2004)

The strength of the relationship described by magnitude of the correlation. A zero correlation indicates that the two variables aren't related to each other at all. The further the value away from zero, the stronger the relationship is between two variables. (Adams, 2007)

In this study Pearson's correlation coefficient measurement has been used to see the strength of the linear relationship between two continuous variables, indicate the direction, strength and significant of the bivariate relationship of core value factors of Respect for Diversity& Teamwork, Integrity & Impartiality and Efficiency & Professionalism with employee performance.

3.5.2.2 Multiple Liner regression Analysis

A regression equation predicts the values of the dependent variable using the values of independent variables. Each independent variable is associated with specific coefficients in the equation that summarizes the relationship between that independent variable and the dependent variable.

Multiple linear regression attempts to model the relationship between two or more explanatory variables and a response variable by fitting a linear equation to observed data. Multiple regression allows to build an equation predicting the value of the dependent variable from the values of two or more that independent variables. (Adams, 2007)

The Liner Model of this study is $Y = a + bx$

Where,

- Y is the dependent Variable
- a is the constant regression
- b is beta regression Coefficients-
- x is the independent Variable

3.6 Validity and Reliability test.

3.6.1 Validity

In preparation of the questionnaires, journals has been reviewed to see what the previous standard questionnaires looks like on the subject matter. The draft list of questionnaires has been sent to the Research Advisor and to some colleagues who has expertise in research methodology so as to get their feedback. In addition, a small pilot survey were conducted to check the appropriateness of the questions.

3.6.2 Reliability test

The questionnaires were designed in to four section:

Section one: Demographic profile

This section require information with respect to Gender, Age, Service year, Employment status, which region of Africa where the respondents belongs for, Language, and Educational level.

Section Two and Three consist Questions related to general core value and effects of selected core values. Each section consists of 7 and 10 questions respectively.

Section Four consists 9 questions attributed to employee performance thus to see the effect of core values on employee performance.

To test the reliability measurement of the questions, 10 sets of questionnaires were given to different individuals for their comment before distribution.

To test the consistency of responses for the questions asked, Reliability test of Cronbach's Alpha has been used. Reliability value of the questionnaires shown below:

Table 3.1 Cronbach's Alpha reliability test

Indicators	Cronbach Alpha	No. of Items
Attributed to Core Values	0.712	7
Respect for Diversity & Teamwork, Integrity & Impartiality and Efficiency & Professionalism	0.743	10
Employee Performance	0.807	9

Source Own Survey 2021

3.7 Ethical Consideration

The respondents for the study has been pre informed about the research objective and full consent of them has been maintained. In the introduction part of the questionnaire's distributed to the respondents, it stated the researcher commitment to keep every information gathered confidential and only used for academic purpose.

Chapter - 4:- Results and Discussions

Introduction

This chapter presents the results and discuss the findings of the study.

4.1 Response Rate

The researcher targeted to collect questionnaires from a sample of 86 staff and gets 70 valid responses. The response rate achieved shows that an 81% response rate.

As Mugada (2003), indicate that a response rate of 70% and above is considered as very good.

4.1.1 Demographic characteristics of Respondents

In this study, each respondents were asked to indicate his/her demographic profile in terms of Gender, Age, Service year, Service category, Region, Educational level and Languages which indicates diverse variables were included and has its own importance to meet the purpose of the study.

The result of different demographic characteristics has been presented as follows:

Table 4.1: Demographic Characteristics of Respondents.

Item	Category	Frequency	Percent
Gender	Male	45	64%
	Female	25	36%
	Total	70	100%
Age	18-30	6	9%
	31-40	37	53%
	41-50	23	33%
	51-60	4	6%
	Total	70	100%
Year of Service	0-5	10	14%
	6-10	25	36%
	11-15	18	26%
	16-20	10	14%
	21-25	7	10%
	Total	70	100%
Position	GSA	48	69%
	Professional	22	31%
	Total	70	100%
Region	North	3	4%
	South	15	21%
	East	28	40%
	West	21	30%
	Central	3	4%
	Total	70	100%
Language	English	41	59%
	French	24	34%
	Arabic	3	4%
	Portuguese	2	3%
	Total	70	100%
Education level	Diploma	2	3%
	Degree	33	47%
	Masters	35	50%
	Total	70	100%

Source Own Survey 2021

Out of the total 70 respondents Male respondents accounts 45 (64 %) and Female respondents 25 (36 %). As per the data, Male gender is more dominant compared to Female.

As per the age distribution of the respondents 37 (53 %) falls under the age category of 31 – 40 which shows that a large proportion of the work force is in productive age category which can be considered as an advantage to the Commission.

High proportion of staff stayed in the organization from 6 to 10 years 25 (36%) and followed by 11 to 15 years 18 (26 %) which indicate that most staff are having an experience and expected to be familiar with the organization's values.

The majority of the respondents are from Eastern region 28 (40 %) followed by Western region 21 (30%) then, Southern region with 15 (21%) and both Northern and Central region's with 3 (4 %) of each which shows that, the workforce has composed of diverse environment.

35 (50%) of the respondents holding master's degree and a close number of 33 (47 %) are having a Degree which shows that, a large number of qualified workforce is working in the organization.

The major languages spoken by the staff under this study shows that English 41(59%) and French 24 (34 %). It is related with the regional distribution of employees in the organization and Shows that the organization could be characterized as multilingual.

4.2 How do employees perceive Organizational Core Values in the Africa Union Commission?

The main objective of the study is to examine and explain the influence of organizational core values on employee performance and how it effects in the case of the Africa Union Commission.

To figure out how do employees perceive AUC core values and how much the core values are known and shared by employees, the respondents were asked wheatear they know AUC core values or not. They also asked to list out all the six AUC core values, and whether there is frequent and open communication towards organizational core values in the Commission.

Table 4.2 Response on how many of AUC employees knows core values of the organization

Items	Yes	NO	Some	Total
Employees knows AUC core values	19	8	43	70
	27.1%	11.4%	61.4%	100 %

Source own survey 2021

43 (61.4 %) of the staff knows only some of the core values, 19 (27.1%) knows all the six AUC core values and 8 (11.4 %) doesn't know the AUC core values at all. This shows that AUC needs to promote its core values so as, all the core values were known and be adhered by employees.

Table 4.3: Response of employees in listing AUC core values.

Organizational Core Values	Frequency	Percent
Respect for diversity and team work	23	32.8
Think Africa above all	13	18.6
Transparency and accountability	4	5.7
Integrity and impartiality	11	15.7
Efficiency and professionalism	9	12.8
Information and knowledge sharing	2	2.8
Missing response	8	11.4
Total	70	100 %

Source Own Survey 2021

Out of the 70 respondents 23 (32.8 %) indicate respect for diversity and teamwork as one the organizational core value, 13 (18.6 %) indicated Think Africa above all, 11(15.7%) Integrity and

Impartiality, 9 (12.8 %) Efficiency and professionalism, 4 (5.7 %) Transparency and Accountability 2(2.8 %) information and Knowledge sharing and 8 (11.4 %) didn't indicate any of the six core values that the commission is adhering too.

There is gap among the staff in knowing AUC core values which indicate that employees are not fully sharing the six core values that the organization is adhering too.

Table 4.4 Response of employees towards AUC core values

Item	Yes	No	Total
AUC core values influence employee behavior	55 78.6 %	15 21.4 %	70 100 %
There is frequent and open communication to share AUC core values	22 31.4%	48 68.6	70 100 %
Employees believe that relation exist between core value and employee performance.	57 81.4 %	13 18.6%	70 100 %

Source Own Survey 2021

As it is indicated on the table, 55 (78.6 %) of the respondents indicate that the core values influence their behavior and 15 (21.4 %) says it doesn't influence their behavior. It can be observed that core values shall be shared properly to members of the organization. In addition, the response indicate that, core values has an impact on employee behavior which supports the results of literature reviewed.

The respondents were asked whether there is frequent and open communication to share AUC core values and the response shows that 48 (68.6%) indicate that there is no constant communication emphasis on sharing of core values. Thus, it indicate the role and need of the management and leadership of AUC to maintain and promote the core values through constant communication. Communication is also important to new entrants to the organization to enable them of knowing which values the organization lives by.

4.3 Effect of Respect for Diversity and Team Work, Integrity and Impartiality Efficiency and Professionalism as a core value on employee performance at the Africa Union Commission.

Out of the six core values that the Africa Union Commission is sharing, respect for diversity & team work, integrity & impartiality, and efficiency & professionalism, factors of core values has been selected to analyze its effect on employee performance.

Descriptive analysis for each variable and measurement of central tendency is used to discover the mean and standard deviation so as to see the effect and how significant the effect of each variable of core values on employee performance.

A. Respect for Diversity and Teamwork

Respondents were asked to indicate their response for four questions in relation to the effect of Respect for Diversity & Teamwork as a core value on employee performance based on Likert Scale model with a value of (1. Strongly disagree, 2 Disagree, 3 Neutral, 4 Agree and 5 strongly Agree) and responses presented as follows:

Table 4.5 Response attributed to respect for Diversity & Teamwork

Item	Frequency and Percentage						Mean	SD
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total		
AUC respects Diversity	-	5 (7.1%)	18 (25.7)	40 (57.1%)	7 (10%)	70 (100%)	3.77	.749
AUC encourage Teamwork	2 (2.9 %)	6 (8.6 %)	22 (31.4%)	34 (48.6%)	6 (8.6 %)	70 (100%)	3.55	.880
All AUC working Languages used in all communications	-	1 (1.4 %)	14 (20 %)	38 (54.3 %)	17 (24.3 %)	70 (100 %)	4.01	.712
Diversity Helps AUC in achieving its Goals	8 (11.4 %)	7 (10 %)	22 (31.4 %)	27 (38.6 %)	6 (8.6 %)	70 (100%)	3.22	1.118

Source: Own survey 2021

AUC working languages used in all communication has the highest mean score ($\bar{x}= 4.01$), while *Diversity helps the Commission in achieving goals* has the lowest average or mean number of respondents ($\bar{x}= 3.22$).

The maximum number variability of the respondents has been registered to the item *Diversity helps the Commission in achieving goals* with a standard deviation of ($s = 1.11$) and the minimum variability on the statement, *AUC working languages used in all communications* having the standard deviation of ($s = 0.712$)

The result shows that the commission is functioning well in managing language diversity and encouraging teamwork which shows that, the Commission is sharing and adhering this variable of core value adequately.

B. Integrity and Impartiality

Table 4.6 Response attributed to Integrity and Impartiality

Item	Frequency and Percentage						Mean	SD
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total		
Employees are not discriminated in recruitment process	12 (17.1%)	6 (8.6 %)	21 (30 %)	25 (35.7%)	6 (8.6 %)	70 (100%)	3.10	1.21
AUC encourages Honesty, Trust and reward it	4 (5.7 %)	11 (15.7%)	29 (41.4%)	21 (30 %)	5 (7.1%)	70 (100%)	3.17	.997
There is impartiality in performance evaluation practice of AUC	2 (2.9 %)	14 (2.9%)	22 (20 %)	26 (37.1 %)	6 (8.6 %)	70 (100 %)	3.28	.980

Source: Own Survey 2021

Respondents were asked to indicate their response for three questions on the effect of Integrity and impartiality as a core value on employee performance. *There is impartiality in performance evaluation* has the highest mean score ($\bar{x}= 3.28$), while *Employees are not discriminated in recruitment process* has the lowest average or mean number of respondents ($\bar{x}= 3.10$).

The maximum number variability of the respondents has been registered to the item *Employees are not discriminated in recruitment process* with a standard deviation of (s = 1.21) and the minimum variability on the statement *AUC encourages Integrity* having the standard deviation of (s = 0.977)

The result shows that the Commission registered moderate result in sharing, adhering and keeping the core value variable in terms of integrity, encouraging honesty and impartiality in performance evaluation. The Commission needs to work more in sharing and promoting this factor of the core value.

C. Efficiency and Professionalism

Respondents were asked to indicate their level of agreement for three questions on the effect of Efficiency & Professionalism as a core value on employee performance.

Table 4.7 Response attributed to Efficiency and Professionalism

Item	Frequency and Percentage						Mean	SD
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total		
AUC encourages efficient work practice, risk taking and freedom of Employees	2 (2.9 %)	13 (18.6%)	18 (25.7%)	30 (42.9%)	7 (10%)	70 (100%)	3.38	.996
AUC is Result Oriented	6 (8.6 %)	14 (20 %)	20 (28.6%)	24 (34.3%)	6 (8.6 %)	70 (100 %)	3.14	1.10
AUC Leadership Supports Professionalism	6 (8.6 %)	16 (22.9%)	26 (37.1%)	17 (24.3 %)	5 (7.1 %)	70 (100 %)	2.98	1.05

Source: Own Survey 2021

AUC encourages efficient work practice has the highest mean score (\bar{x} = 3.38), while *AUC leadership supports professionalism* has the lowest average or mean number of respondents (\bar{x} = 2.98)

The maximum number variability of the respondents has been registered to the item *AUC is result oriented* with a standard deviation of (s = 1.10) and the minimum variability on the statement *AUC*

encourages efficient work practice having the standard deviation of ($s = 0.996$). As per the response, AUC needs to support professionalism and become more result oriented.

D. Employee Performance

To measure the effect of core values on employee performance, respondents were asked to show their level of agreement on how frequently they adhere AUC core values and the result obtained summarized below.

Table 4.8 Response attributed to employee performance

S.N	Attribute to Employee performance	Never %	Rarely %	Sometimes %	Usually %	Always %	Mean	SD
1	I Adhere AUC core values	-	8.6	31.4	40	20	3.71	.886
2	I have commitment to the Mission and Vision of AUC	-	7.1	31.4	38.6	22.9	3.77	.887
3	I like to work with diversified team	-	4.3	27.1	31.4	37.1	4.01	.908
4	I think Africa above all		14.3	28.6	31.4	25.7	3.68	1.01
5	Employee performance appraisal is in line with adhering AUC core values	21.4	21.4	11.4	25.7	20	3.01	1.46
6	AUC give training on Core values of the organization	37.1	35.7	20	7.1	-	1.97	.932
7	AUC emphasis on performance	25.7	15.7	25.7	24.3	8.6	2.74	1.31
8	Management of AUC recognizes strong job performance.	34.3	8.6	50	7.1	-	2.3	1.02
9	AUC communicate and share its core values to employees	25.7	24.3	34.3	15.7	-	2.4	1.04

Source Own Survey 2021

Performance indicator statements of *I like to work with diversified team, I have commitment to the Mission and Vision of AUC, I Adhere AUC core values and I think Africa above all* has the highest mean scores (\bar{x} = 4.01, 3.77, 3.71 & 3.68) respectively while *AUC give training on Core values of the organization* has the lowest average or mean number of respondents (\bar{x} = 1.97).

The maximum number variability of the respondents has been registered to the item *Employee performance appraisal is in line with adhering AUC core values* with a standard deviation of (s = 1.46) and the minimum variability on the statement *I Adhere AUC core values* having the standard deviation of (s = .886).

This indicate that AUC needs to give training on the core values of the organization and make its performance appraisal in line with adhering AUC core values.

4.4 Organizational core values relation with employee performance

On this section of the study, to answer one of the research question: what is the relationship exist between Organizational core value and employee performance? The researcher present the correlation analysis of the core value factors against employee performance.

Table 4.9 Pearson Correlation

		Respect for Diversity and team work	Integrity and Impartiality	Efficiency and Professionalism	Employee performance
Respect for Diversity and team work	Pearson Correlation	1	.424**	0.58	.238*
Integrity and Impartiality	Pearson Correlation	.424**	1	.202	.377**
Efficiency and Professionalism	Pearson Correlation	.058	.202	1	.256*
**correlation is significant at 0.05 level (2-tailed)					

Source Own Survey 2021

The above table indicates that all the core value variables has positive correlation among themselves. There is positive relationship between respect for diversity & teamwork, integrity & impartiality, efficiency & professionalism with employee performance with a value of .238, .377 and .256 respectively.

Integrity and Impartiality variable as a core value has moderately significant positive relation with employee performance with the highest value of 0.377. Thus, the positive relationship indicate that employee performance has increased due to adequate practice of adhering organizational core values at Africa Union Commission.

This result confirms that the previous researches which states, effective core values can have positive impact on employee engagement, employee retention, talent acquisition, employee performance, customer satisfaction, fair business practice and on growth and stability (Guest, 2018).

4.5 Evaluation on how significant the effect of core values factors all together over employee performance at AUC.

4.5.1 Regression analysis

Multiple regression analysis was conducted to establish the mathematical model to measure the effect of core values on employee performance which shows how the independent variables and dependent variable are interrelated at Africa Union Commission.

4.5.2 Model summary

Table 4.10 Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.578 ^a	.335	.150	.46096

Source: Own Survey 2021

R is the correlation coefficient which express the relationship between the variables under the study. From the findings there exists moderate positive relationship between the study variables as shown by the R value .578.

The coefficient of determination, R square can help in explaining variance. The R square figure showed that, independent variables of core values can explain 33.5% of the variation in dependent variable of employee performance. However, it is still leaves 66.5% (100% - 33.5%) unexplained in this research. This indicate that there are other additional variables that are also important in explaining employee performance other than variables considered in this study.

The Adjusted R square shows the variance on of the dependent variable due to changes in the independent variable. There was variation of 15 percent on employee performance due to changes in adhering Diversity & Team work, Integrity & Impartiality and Efficiency & Professionalism as a core value. (Predictor variable). This shows that 15 percent changes in employee performance in Africa Union Commission could be accounted to sharing and adhering organizational core values.

4.5.3 Analysis of Variance (ANOVA)

Table 4.11 ANOVA Table

Model	Sum of Squares	df	Mean square	F	Sig.
Regression	.510	1	.510	2.071	.000 ^b
Residual	16.732	68	.246		
Total	17.242	69			

Source Own Survey 2021

- a. Dependent Variable: Employee Performance
- b. Predictors: (Constant), Diversity_Integrity_Effeciency

Analysis of Variance (ANOVA) provides significance of p – value that is below the alpha level of 0.05. It indicates that the independent variables of organizational core value taken together have a significant relationship with the dependent variable of employee performance. An indication that all selected core values together affect employee performance.

4.5.4 Result of Regression Coefficients

The study used multiple liner regression analysis so as to establish the mathematical model showing how the independent variable: core value factors and dependent variable: employee performance are interrelated at Africa Union Commission.

Table 4.12 Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
1 (Constant)	2.360	.495	.172	4.765	.000
Diversity_Integrity_Effeciency	.211	.147		1.439	.036

Source Own Survey 2021

Dependent Variable: Employee Performance

Regression Model = $Y = a + bx$

Where,

Y is dependent variable

a is constant

b beta coefficients

x is independent variable

$$Y = 2.36 + 0.211X_1$$

The finding revealed that core values to a constant zero, employee performance in Africa Union Commission is at 2.360, at one percent change in core values would lead to increase employee performance in Africa Union Commission by a variations of 0.211%.

Further, the study established that, core value variables were significant as their significant value was less than 0.05. At 5% level of significance, selected core value factors had a p-value of 0.036; therefore, the selected core values to conduct this study are considered as significant factor.

Chapter -5:-Summary, Conclusion & Recommendation.

Introduction

This chapter presents the summary of the findings, conclusion based on the finding, and finally suggested recommendation.

5.1 Summary of the Findings

One of the objective of the study were to assess how much employees of AUC are aware and adheres AUC core values and the findings showed that 43 (61%) of the employees knows only some of the six core values shared by the organization. 55 (78.6%) believes that core value influence their behavior and 48 (68.6%) responded that there is no practice of open and frequent communication emphasized on sharing of core values. This indicate employees are not enough aware and no open and frequent communication to promote the core values of the Commission.

Secondly, respondents were required to indicate their level of agreement on the effect of three selected core values factors. The mean value of for diversity and teamwork factors ranges from 4.01 to 3.55, integrity and impartiality with mean value ranges from 3.28 to 3.10 and for efficiency and professionalism with the mean value ranges from 3.38 to 2.98. This indicate that the effect of core value factor of Diversity & Teamwork on employee performance is high and the other two variables has less effect.

Additionally, the mean values of performance indicator statements of I like to work with diversified team, I have commitment to the Mission and Vision of AUC, I Adhere AUC core values and I think Africa above all has the highest mean scores (\bar{x} = 4.01, 3.77, 3.71 & 3.68) respectively. This indicate that adhering the core value affects employee performance in the case of Africa Union Commission significantly.

Thirdly, this study tried to assess the relationship between organizational core values with employee performance. The result of correlation analysis showed that, a relationship exist between organizational core values and employee performance. All the three selected core values factors has positive relationship each other and the same positive relation with employee performance.

Integrity and Impartiality as a core value factor has higher positive correlation with employee performance with the correlation coefficient value of .377.

Lastly, to evaluate how significant the effect of core values factors all together over employee performance at AUC, regression analysis were used. The finding showed that independent variables of core values can explain 33.5% of the variation in dependent variable of employee performance.

The value of adjusted R square showed that 15 % change on employee performance in Africa Union Commission could be accounted due to changes in adhering the core value factors of Diversity and Team work, Integrity and Impartiality and Efficiency and Professionalism.

The result of Beta coefficient: how the independent variable of core value interrelated with employee performance indicates that, a one percent change on adhering core values of the Commission lead to an increase of employee performance by a variation of 0.211 %.

5.2 Conclusion

The objective of the study has been addressed and it is partly possible to conclude that organizational core values shared in Africa Union Commission has an influence in the performance of employees. The findings of this study confirms, the importance of having effective human resource practice and to have frequent communication in sharing and adhering organizational core values which has an influence on employee performance.

This finding supported by previous literature which states that, organizations with clearly stated organizational values, which are internalized by employees, reach significantly higher performance results compared to values which are less clearly stated or not stated at all. (Stephen, 2016)

The study further explored that, the core values factors has positive and moderate significant effect on employee performance. It is in line with the conclusion of previous researches as Guest (2018), states that, effective core values can have positive impact on employee engagement, employee retention, talent acquisition, employee performance, customer satisfaction, fair business practice and on growth and stability. Fitzgerald (2004), indicate that when organizational core values adhered by the organization, shared by its employees could improve employee performance which eventually develop organizational performance.

5.3 Recommendation

Since the study results revealed that, organizational core values has an effect on employee performance, the Commission shall communicate its core values through continuous and open communication so that organizational core values be adhered by all employees of the organization.

The Commission shall design an induction and training program on organizational core values to its new and existing employees which helps the organization to implement value based culture.

In addition, the commission shall implement different strategic human resource practices to see the overall effect of adhering core values on employee performance. Some of suggested practices could be assigning core values weeks, pop up the core values in its paper and electronic communications, use of ICT and give recognitions to employees who adheres the organization's core values. These practices benefits the organization to promote its shared core values to large extent and the core values would be adhered and uphold by its employees.

The researcher also suggests that, similar studies shall be conducted in the future at larger scale in order to evaluate the effects of sharing and adhering of organizational core values with different contexts.

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Annex 1

Letter of Introduction

Dear Respondents,

Re: Research Questionnaire

I am a student of Master's program in Business leadership at Addis Ababa University and conducting the research project under the title of "*The effect of Organizational core values on Employee performance in case of Africa Union Commission*" for partial fulfillment of the program.

The information you give will be treated with utmost confidentiality and will only be used for academic purposes and expected to have its benefit empirically. Your cooperation shall be highly appreciated by answering the questions honestly and to the best of your knowledge. Kindly, answer all the questions.

N.B Please do not write your name anywhere in this questionnaires.

Best Regards,

A. Section one – Demographic profile

(Please make tick (√) whichever is appropriate)

1. Gender

Male	Female
<input type="checkbox"/>	<input type="checkbox"/>

2. What is your age category?

18-30 years	31- 40 years	41- 50 years	51- 60 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Year of service at AUC?

0- 5 years	6 - 10 years	11- 15 years	16 – 20 years	Over 20 Years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Service Category

GSA	Professional
<input type="checkbox"/>	<input type="checkbox"/>

5. Which Region of Africa You belong for?

Northern	Southern	Eastern	Western	Central
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Language

English	French	Arabic	Portuguese	Spanish
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Education Level

Certificate	Diploma	Degree	Masters	PHD	Other

B. Section Two – General questions Attributed to Core Values

1. Do you know all the core values of AUC?

Yes	No	Knows some

2. If your answer for question 1 of this section is **Yes/ knows some**, please list the AUC core values

S/N	Items
1	
2	
3	
4	
5	
6	

3. Does AUC Core values influence your behavior of performance?

Yes	No

4. Where do you see the list of AUC core values?

5. Is there frequent practice and open communication to share AUC core values?

Yes	No

6. Do you think there is relationship between Organization core values and employee performance?

Yes	No	Don't Know

7. AUC core values are in line with its vision and Mission?

Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)

C. Section Three - Attribute on Selected AUC Core values (Respect for Diversity and team work, Integrity and impartiality, Efficiency and professionalism)
(Please make tick (√) whichever is appropriate)

S/n	Item	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1.	AUC respect Diversity (hires and attracts employees from all regions of Africa)					
2.	AUC encourages team work					
3.	All AUC working languages practiced in all communications					
4.	Diversity helps the Commission to achieve its goal					
5.	Employees are not discriminated during hiring, recruitment process, promotion and development					
6.	AUC encourages Honesty, trust, and reward it					
7.	There is impartiality in performance evaluation practice of AUC					
8.	AUC is result oriented					
9.	Leadership of AUC is supportive for professionalism.					
10	AUC encourages efficient work practices, risk taking and freedom of employees.					

D. Section Four- Attribute on Employee Performance

S/n	Item	Never (1)	Rarely (2)	Sometimes (3)	Usually (4)	Always (5)
1.	I Adhere AUC core values					
2.	I have commitment to the Mission and Vision of AUC					
3.	I like to work with diversified team					
4.	I think Africa above all					
5.	Employee performance appraisal is in line with adhering AUC core values					
6.	AUC give training on Core values of the organization					
7.	AUC emphasis on performance					
8.	Management of AUC recognizes strong job performance.					
9.	AUC communicate and share its core values to employees					

Thank you.