



Addis Ababa University

College of Business & Economics

Department of Management

Employees' Perception on the effects of Organizational Culture on Business Performance: A Case Study on Ethiopian Airlines Group

**A Thesis Submitted to the College of Business and Economics of Addis Ababa
University in partial fulfillment of the requirements for the Degree Master of
International Business**

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Addis Ababa, Ethiopia

DECLARATION

I, Hana Mekonnen, the undersigned, declare that this thesis entitled: “Employees’ perception on the effect of organizational culture on business performance; a case study on Ethiopian Airline group” is my original work. I have undertaken the research work independently with the guidance and support of the research advisor. This study has not been submitted for any degree or diploma program in this or any other institutions and that all sources of materials used for the thesis has been duly acknowledged.

Declared by

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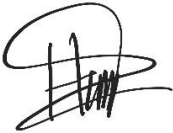
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APPROVAL SHEET

The undersigned certify that they have read and hereby recommend to Addis Ababa University to accept the Thesis submitted by Hana Mekonnen, entitled “Employees’ perception on the effect of organizational culture on business performance; a case study on Ethiopian Airline group” in partial fulfilment of the requirements for the award of a Master’s Degree in International Business

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Advisor: Hailemariam G. (PhD)



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ABSTRACT

The impact of organizational culture on business performance within Ethiopian Airlines exhibits both positive and negative aspects. On the beneficial side, a robust organizational culture emphasizing superior customer service, innovation, heightened employee satisfaction, and productivity can ultimately translate into profitability. This study aims to explore the influence of organizational culture on business performance, specifically focusing on the case of Ethiopian Airline Group. Employing a descriptive research design, the study utilized both quantitative and qualitative research approaches. Drawing from a target population of 18,970 individuals, a sample size of 391 was selected from various departments within Ethiopian Airline Group, with 349 respondent datasets eventually analyzed. Stratified random sampling was employed as the sampling technique. Data were sourced from published, non-published, and other available sources, and analysis was conducted using Likert scale questionnaires, correlation, and multiple regression analysis methods. The study investigated the impact of leadership style, communication practices, employee engagement, and organizational structure on business performance. Results indicated that leadership style, communication practices, employee engagement, and organizational structure exerted positive and significant effects. Overall, Ethiopian Airline Group's organizational culture significantly influences its business performance. Employees' perception of organizational culture can have a profound impact on business performance. By focusing on leadership style, communication practices, employee engagement, and organizational structure, organizations like Ethiopian Airlines Group can create a positive and productive work environment that enhances employee satisfaction, performance, and ultimately, business success. It is essential for organizations to continually evaluate and refine their organizational culture to ensure that it aligns with the needs and expectations of employees in today's dynamic business environment. By nurturing a positive organizational culture that prioritizes diversity, inclusivity, continual improvement, innovation, ethics, collaboration, and employee well-being, Ethiopian Airline Group can achieve sustainable growth, competitiveness, and performance within the aviation industry.

Key Words: Organization culture, Business performance, Aviation Industry

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CHAPTER ONE

INTRODUCTION

1.1: Background of the Study

Globalization presents challenges for many organizations worldwide. Developing and maintaining an organizational culture conducive to performance is not just important but imperative. Organizational culture encompasses attitudes, beliefs, and operational norms (Burnes, 2004), shaping shared assumptions, values, and beliefs that guide interactions within and outside the organization (Stafford & Miles, 2013). These shared values significantly influence how internal organizational actors engage with their environment. Hofstede and Hofstede (2010) suggest that organizational culture varies across organizations based on parameters like achievement, fairness, collaboration, competitiveness, and rules.

Organizational culture profoundly impacts various aspects of business operations, including employee job satisfaction and performance. The relationship between organizational culture and business performance has been extensively studied, particularly regarding its effect on employee engagement. A positive culture fosters employee motivation, collaboration, teamwork, and innovation, all vital for success in today's competitive landscape. While studies like that of Dubey et al. (2017) focus on how external pressures and organizational culture shape performance measurement systems, there remains scope for exploring how these systems, influenced by culture, impact overall business performance.

In today's competitive environment, cultivating a positive organizational culture has become a primary focus for companies seeking to enhance business performance (Iskamto, 2021; Jufrizen et al., 2021). Organizational culture reflects the values, norms, beliefs, and practices shaping a company's identity and *modus operandi*. An effective culture provides direction, motivates employees, and influences their decisions and actions (Adam et al., 2020), significantly impacting employee performance.

Paaïs and Pattiruhu (2020) found that work motivation and organizational culture positively affect performance but may not directly correlate with employee job satisfaction. Similarly, Pawirosumarto, Sarjana, and Gunawan (2017) examined the impact of work environment, leadership style, and organizational culture on job satisfaction and employee performance, indicating a need for further investigation.

Studies by Felipe, Roldán, and Leal-Rodríguez (2017) and Sugiono, Efendi, and Afrina (2021) highlight the influence of organizational culture on corporate social responsibility (CSR) and firm performance. Hartnell et al. (2016) emphasized the positive impact of CEO leadership and organizational culture alignment on firm performance. Additionally, Arditi, Nayak, and Damci (2017) found a reciprocal relationship between organizational culture, job satisfaction, and employee performance.

Lastly, amidst a dynamic business environment, the relevance of organizational structure, particularly agile structures, in driving business performance is underscored (Cao et al., 2020). Such structures enable swift adaptation and innovation, critical for competitiveness. This area warrants further exploration to deepen understanding and address gaps in current literature.

1.2: Statement of the problem

Organizational culture is recognized as a crucial, intangible asset that affects performance significantly and acts as a barrier to replication (Owino & Kibera, 2019). It's emphasized that organizational culture is pivotal for achieving performance goals, with studies showing certain cultural types like adhocracy and bureaucracy positively impacting business performance (Awino, 2020). As organizations undergo changes in their operations, employees are required to adjust their mindsets and behaviors accordingly. Recent research by Li et al. (2022) delves into how corporate social responsibility moderates the relationship between tax avoidance culture, employee behavior, and sustainable business performance, highlighting the substantial influence of organizational culture in this dynamic. This underscores the importance of considering corporate social responsibility's moderating role in the interplay between organizational culture and business performance.

In the evolving business landscape, the relationship between organizational culture and corporate social responsibility has gained prominence. Dr. Elena Antonacopoulou's 2023 study argues that traditional views of organizational culture fail to capture its evolving nature, which significantly impacts CSR implementation. Existing literature tends to overlook this dynamic aspect, raising questions about organizations' adaptability to meet evolving CSR demands.

Johnson and Smith (2023) stress the importance of leadership style and organizational culture in influencing business performance, advocating for a comprehensive understanding of their interactions. Similarly, Brown and Williams (2024) highlight the transformative potential of leadership styles, particularly transformational leadership, on organizational culture and performance, urging longitudinal analyses to explore these effects over time.

Communication practices within an organization also play a vital role in shaping the organizational culture. Clear, transparent, and effective communication can foster trust, collaboration, and innovation among employees. On the other hand, poor communication practices such as lack of feedback, unclear expectations, and inconsistent messaging can lead to confusion, conflict, and disengagement. A study by Gopinath, C., et al. (2018) highlighted the importance of open communication channels in building a culture of transparency and accountability, which are essential for driving business performance. Effective communication practices, when aligned with organizational culture, significantly enhance business performance. Garcia, Patel, and Wang (2024) found that organizations with compatible communication strategies and cultures outperform those with misaligned practices, emphasizing the importance of clear communication channels and a culture of openness and collaboration.

Employee engagement, driven by a positive organizational culture, is crucial for business performance. Research indicates that organizations with inclusive cultures tend to have higher employee engagement levels, resulting in increased commitment, productivity, and innovation (Alblas et al., 2019; Smith, Johnson, & Lee, 2024). Employee engagement is another critical factor that is closely linked to organizational culture and business performance. Engaged employees are more likely to go the extra mile, be innovative, and deliver exceptional customer service. Research by Macey, et al. (2009) demonstrated that organizations with high levels of employee engagement tend to have higher productivity, profitability, and customer satisfaction rates. Therefore, fostering a culture of engagement through empowerment, recognition, and development opportunities is essential for driving business success.

Leadership style is one of the key elements of organizational culture that can significantly influence employee behavior and attitudes. Effective leadership is crucial for creating a positive work environment, inspiring employees, and driving organizational success. A study by Givens, D. (2016) found that employees who perceive their leaders as ethical, empathetic, and supportive

are more likely to be engaged, motivated, and committed to the organization. In contrast, autocratic or toxic leadership styles can lead to low morale, absenteeism, and high turnover rates. Research by Daft (2015) suggests that a flat organizational structure can promote communication, innovation, and agility, leading to improved business outcomes. In the case of Ethiopian Airlines Group, adopting a flat organizational structure that eliminates unnecessary layers of hierarchy can empower employees, foster creativity, and drive business growth. Organizational structure plays a significant role in shaping the organizational culture and influencing employee behavior. A study by Cameron, E., et al. (2014) found that organizations with a decentralized structure tend to have a more flexible, agile, and innovative culture. In contrast, organizations with a rigid, hierarchical structure may struggle to adapt to change, foster collaboration, and empower employees. Therefore, aligning the organizational structure with the desired culture was essential for driving business performance.

The relationship between organizational structure and culture also plays a vital role in business performance. Flexible structures tend to foster cultures of innovation and collaboration, leading to superior performance outcomes (Johnson, Smith, & Lee, 2024). At Ethiopian Airlines, organizational culture influences business performance both positively and negatively. While a strong culture emphasizing excellence and innovation boosts productivity and profitability, challenges such as hierarchical structures and communication barriers can hinder performance (Yirdaw, 2014).

Employees' perception of organizational culture can have a profound impact on business performance. By focusing on leadership style, communication practices, employee engagement, and organizational structure, organizations like Ethiopian Airlines Group can create a positive and productive work environment that enhances employee satisfaction, performance, and ultimately, business success. It was essential for organizations to continually evaluate and refine their organizational culture to ensure that it aligns with the needs and expectations of employees in today's dynamic business environment. This study seeks to analyze the impact of organizational culture on Ethiopian Airlines' performance, exploring factors influencing effective culture and identifying gaps between desired and actual culture in relation to leadership, communication, employee engagement, and organizational structure.

1.3: Objective of the study

1.3.1: General Objectives

This study sought to determine the effect of organizational culture on business performance, the case of Ethiopian Airline group.

1.3.2: Specific Objectives

1. To determine the effect of leadership style on the business performance
2. To examine the effect of communication practice on the business performance
3. To investigate the effect of employee engagement on the business performance
4. To evaluate the effect of organizational structures on the business performance

1.4: Significance of the Study

The results of this investigation will add to the current pool of information regarding how organizational culture impacts business performance, focusing on the Ethiopian Airline group as a case study. The primary value of this study lies in its relevance to businesses striving to enhance their performance and productivity. The researcher perceives this study as beneficial for readers and researchers seeking a foundational understanding of the underlying influences in this area. Given the dynamic nature of modern organizations and the globalized world, it could also serve as a reference for future research endeavors exploring the impact of organizational culture on business performance.

1.5: Scope of the Study

The study will focus on Ethiopian Airlines as the primary case, examining its organizational culture and its impact on the airlines operational, financial, and customer-related performance metrics. While the findings may have broader implications for the aviation industry, the study's scope was limited to the specific context of Ethiopian Airlines.

Being an employee of Ethiopian airline helped the researcher to get the required information on aspects of organizational culture and business performance in greater detail. The time scope of this study will be from February to June 2024.

1.6: Limitation of the study

The research was restricted in terms of location, scope, methodology, and timeframe. Geographically, although Ethiopian Airlines Group has numerous branches across the country, due to limitations in time and resources, the study specifically concentrated on the head office and excluded other

branches. Conceptually, it focused solely on factors like leadership style, communication practices, employee engagement, and organizational structure within Ethiopian Airlines. Methodologically, data collection was carried out through a mixed-methods approach involving surveys and interviews conducted with employees of Ethiopian Airlines Group.

1.7: Outline of the study

The document comprises five sections. The initial section encompasses an introduction to the research, incorporating background information, definitions of terms and concepts, problem statement, research questions, study objectives, hypotheses, significance, scope, and an outline. The second section delves into a review of relevant literature. The third section centers on the research's design and methodology. The fourth section presents an analysis and findings derived from the collected data. Lastly, the fifth section, serving as the conclusion, offers recommendations based on the findings.

CHAPTER TWO

RELATED LITERATURE REVIEW

2.1: Theoretical Review

2.1.1: Organizational culture

Organizational culture encompasses the norms, systems, vision, assumptions, beliefs, philosophy, and values that unify a group. It's reflected in self-image and influences how individuals and teams interact internally, with clients, and in anticipating future expectations (Rovithis et al, 2016; Linnenluecke and Griffiths, 2010). Scholarly works have traced the emergence of organizational culture back to the 1970s and 1980s, noting its rise to prominence by 1995 as a pivotal yet contentious concept in management research and practice. Defined as a framework of shared assumptions, values, and beliefs shaping behavior and practices (Robbins and Judge, 2013), organizational culture, as described by Collins and Porras (2000), delineates a collective meaning system within an organization, distinguishing it from others, with seven primary characteristics: innovation and risk-taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness, and stability.

Further defined by Sutrisno (2011) as a set of long-standing values, beliefs, norms, and problem-solving approaches agreed upon and followed within an organization, organizational culture molds the mindset, emotions, and actions of individuals, influencing their responses to internal and external stimuli (Jennifer and Gareth, 2012). This shared mindset, instilled through organizational socialization, can either enhance or impede organizational effectiveness, as noted by Robbins and Judge (2013). Donald Indiya and Obura (2018) describe organizational culture as the cohesive force within companies, characterized by stability, collectivity, predictability, and its dual role as a source of both recreation and conflict.

Wardiah (2016) underscores organizational culture as the foundational values guiding the attitudes, behaviors, and actions of all members. It encompasses shared norms, beliefs, attitudes, core values, and behavioral patterns within the organization. Umi et al. (2015) emphasize organizational culture as a set of norms and values established by a company to influence employee behavior in line with organizational goals, serving as a guide in addressing internal and external challenges. Therefore, the development and transmission of organizational culture are vital in providing a behavioral framework for members in navigating organizational issues.

2.1.2 The Function of organizational culture

Organizational culture offers numerous advantages for both the organization and its employees, as highlighted by Robbins and Judge (2013). They emphasize that culture plays a crucial role in delineating boundaries, distinguishing one organization from another, and instilling a sense of identity among its members. Moreover, it fosters a commitment to collective goals beyond individual self-interest, contributing to the stability of the social system within the organization by serving as a cohesive force. This cohesion is achieved by establishing norms that guide employee behavior and communication.

The guiding function of organizational culture pertains to how it shapes the values and behaviors of all employees towards the organization's objectives. Building an exceptional organizational culture involves establishing internal mechanisms that compel employees to recognize and align with the organization's ambitious goals. This not only encourages the development of innovative strategies but also motivates employees to make personal sacrifices in pursuit of these organizational objectives (Begana, 2014).

2.1.3 Theories of Organizational Culture

2.1.3.1: Theory of Schein's

Schein's theory defines organizational culture as a set of shared fundamental assumptions that a group acquires as it addresses its external challenges and internal cohesion needs. This culture emerges from the collective experiences of the group and operates largely at an unconscious level (Schein, 1992). There are three layers to this culture. The first layer comprises tangible manifestations like technology, artistic expression, and behavioral norms. The second layer encompasses the shared values within the group. The deepest layer consists of the basic assumptions members hold regarding their relationship with the environment. According to Schein, these basic assumptions, the deepest layer of culture, shape our behavior without our conscious awareness. While we may be aware of our values and can observe tangible artifacts and processes, we often fail to grasp their connection to our underlying assumptions. For example, consider employees clocking in and out at the beginning and end of their work shifts (Brenton, 2011).

2.1.3.2: Theory of Tharp's

Tharp (2009) observed several common elements across various definitions of organizational culture over time. Firstly, they all emphasize the idea of sharing, suggesting that organizational culture emerges within groups, regardless of their size. Secondly, organizational culture is viewed as a social construct influenced by factors such as the organization's history, environment, and specific occurrences. Lastly, many definitions imply that organizational culture is complex, comprising multiple dimensions and levels, encompassing various cognitive and symbolic aspects. Schein (1984) further delineated three key areas where organizational culture typically manifests: Observable artifacts, Espoused values, and Basic underlying assumptions.

2.1.3.3: Theory of Denison's Framework

Denison's model involves evaluating organizations by comparing their surface-level values and observable practices. These values are considered easier to access than underlying assumptions and more dependable than visible artifacts (Denison, 2000 in Yilmaz, 2008). The model is built upon four cultural dimensions: involvement, consistency, adaptability, and mission, which research indicates impact organizational performance (Denison D. R., 1995). It challenges theories suggesting a singular organizational culture by highlighting the presence of diverse subcultures within organizations.

2.1.4: Business Performance

Hasan and Dridi (2010) compared the impact of the 2008–2009 financial crises on Islamic and Conventional Banks. They discovered that Islamic Banks (IBs) experienced better credit and asset growth compared to Conventional Banks (CBs) during the crisis, thereby aiding financial and economic stability. This suggests that the nature of the banking institution significantly influences its performance during economic downturns. Additionally, Hussain, Rigoni, and Orij (2016) emphasized that factors such as company size, industry sector, profitability, and corporate governance mechanisms primarily dictate the focus on corporate social responsibility (CSR) reporting. This underscores the importance of internal factors in shaping a company's sustainability efforts.

Furthermore, Goyal and Pabla (2016) identified significant correlations between satisfaction levels and a firm's financial and market performance, implying that customer satisfaction directly impacts overall business performance. Williams and Naumann (2011) found that market

orientation and innovation contribute positively and significantly to competitive advantage, albeit partially, indicating the influence of external factors on a firm's competitive edge and overall performance.

In contrast, Ali, Frynas, and Mahmood (2017) discussed the role of mastitis in affecting animal well-being and dairy farm profitability, shedding light on specific health issues' impact on business performance within the agricultural sector. Overall, the literature suggests that various internal and external factors, including the type of banking institution, firm characteristics, customer satisfaction, market orientation, and health issues, significantly influence business performance. However, there remain gaps in understanding the specific mechanisms through which these factors exert their influence. Future research should delve into these mechanisms to provide a more comprehensive understanding of the drivers of business performance. Additionally, more research is warranted to grasp the broader implications of health issues on business performance, particularly within the agricultural sector.

2.2: Empirical review

2.2.1: Leadership style and business performance

Recent research has extensively explored how organizational culture, leadership style, and business performance are interconnected. This review aims to consolidate various studies to offer a comprehensive understanding of their relationships. According to Paais and Pattiruhu (2020), work motivation and organizational culture positively affect performance but don't significantly impact employee job satisfaction. However, leadership style strongly influences employee job satisfaction, highlighting its pivotal role in shaping attitudes within the organization. Similarly, Pawirosumarto et al. (2017) found that the work environment, leadership style, and organizational culture significantly impact job satisfaction, with leadership style also positively affecting performance.

Griffith, Livesey, and Clayton (2010) observed that organizational culture significantly influences open innovation performance, while transformational leadership enhances work performance. Additionally, Srisathan et al. (2020) discovered a positive link between transformational leadership, adaptive culture, and firm resilience, indicating certain leadership styles contribute to sustainability and innovation. Furthermore, Suprpti et al. (2020) emphasized the significant positive effect of organizational culture and transformational leadership on organizational and employee performance, as well as organizational commitment.

Odeh et al. (2021) reinforced these findings by showing that leadership style positively impacts organizational culture, leading to organizational learning and resilience through adaptive cultures. However, inconsistencies exist in the literature regarding the relationships between organizational culture, leadership style, and business performance. For instance, while leadership significantly affects employee job satisfaction according to some studies, it may not influence overall performance. Similarly, the influence of transformational leadership on innovation behavior may vary, indicating nuanced relationships between leadership style and specific business outcomes.

2.2.2: Communication Practices and Business Performance

The culture within an organization holds considerable sway over its communication dynamics, which in turn significantly affects its performance. This review seeks to amalgamate and analyze research outcomes concerning how organizational culture influences business performance through communication practices, pinpointing areas where understanding is lacking and suggesting avenues for future research.

To start, a study by Chatterjee et al. (2021) found that ethical leadership fosters employees' willingness to adapt to change, partially mediated by an effective organizational culture. This suggests that a robust ethical culture can improve communication practices, thereby benefiting business performance. However, further exploration is necessary to decipher how ethical leadership and organizational culture intersect to influence communication practices and, consequently, business outcomes.

Additionally, Bucăța and Rizescu (2017) underscored communication's role in enhancing organizational effectiveness. Effective communication is vital for aligning employees with the organizational ethos and facilitating strategy implementation. This underscores the importance of understanding how different communication practices are shaped by organizational culture and how they, in turn, affect business performance.

Moreover, Ip (2013) found that knowledge sharing mediates the link between organizational culture and job satisfaction, suggesting that a culture promoting open communication and knowledge exchange can enhance employee contentment. Further exploration could delve into specific communication practices fostering knowledge sharing across varied organizational cultures and their impact on overall business performance.

Furthermore, Almeida and Coelho (2018) highlighted corporate social responsibility's moderating role in the relationship between corporate reputation, image, and employee commitment and performance. This underscores the interplay among organizational culture, communication practices, and business outcomes. Research avenues could investigate how CSR initiatives are communicated within diverse organizational cultures and their influence on employee commitment and overall business performance. The influence of digital technologies on communication practices within organizational culture is also crucial to consider.

Additionally, Roztocki and Weistroffer (2016) discussed the adoption of information and communication technologies (ICT) and its socioeconomic impacts, presenting an intriguing area for future research on integrating digital communication tools within organizational cultures and their implications for business performance.

Moreover, Márquez and Porras (2020) stressed the importance of multilingual science communication for effectiveness, which holds relevance for organizational settings. Exploring multilingual communication practices within diverse organizational cultures and their impact on business performance could be a promising area for further investigation.

In conclusion, this literature review underscores organizational culture's substantial impact on communication practices and, consequently, business performance. While existing research offers valuable insights, several gaps in understanding necessitate further exploration. Future research should delve into the specific mechanisms through which various facets of organizational culture interact with communication practices to influence business outcomes. Additionally, the integration of digital technologies and multilingual communication within diverse organizational cultures present promising avenues for advancing our understanding of how organizational culture affects business performance through communication practices.

2.2.3: Employee engagement and Business Performance

Organizational culture plays a crucial role in shaping employee behavior and performance. According to Chen et al. (2015), it positively impacts job satisfaction, though leadership style, as highlighted by Ali and Anwar (2021), is the primary influencer of employee performance. This suggests that while organizational culture affects job satisfaction, its impact on actual performance may be mediated by leadership style and other factors. Pawirosumarto et al. (2017)

and Kuranchie-Mensah and Amponsah Tawiah (2016) underscore the significance of the work environment in influencing job satisfaction and, consequently, performance. Agbozo et al. (2017) reinforce this, emphasizing the work environment's role in job satisfaction.

Additionally, Ali and Anwar (2021) demonstrate the empirical link between employee motivation and job satisfaction, indicating its pivotal role in influencing performance. Sabei et al. (2019) suggest that organizational culture also affects employee engagement, with implications for overall business performance. Leitão, Pereira, and Gonçalves (2019) highlight how the quality of work life influences organizational productivity, providing a nuanced perspective on performance factors.

Perceived corporate culture, as noted by Ortega-Parra and Sastre-Castillo (2013), influences organizational commitment, thereby affecting performance. Chatterjee, Chaudhuri, and Vrontis (2021) explore the impact of a data-driven culture on innovation and performance, offering a unique angle on organizational culture's influence. Additionally, Sjögren et al. (2015) suggest that the work environment impacts person-centered care in healthcare settings, indicating broader implications for performance beyond individual productivity.

In summary, the literature reviewed delves into the complex interplay between organizational culture, work environment, employee motivation, job satisfaction, and performance. While current research sheds light on various aspects, there are still gaps to explore, such as longitudinal studies on culture's long-term impact, cross-cultural comparisons, and qualitative investigations into underlying mechanisms.

2.2.4: Organizational Structure and business performance

Hartnell, Ou, and Kinicki (2011) conducted a meta-analysis to explore how organizational culture relates to organizational effectiveness. They discovered that clan, adhocracy, and market cultures tend to be positively linked to effectiveness criteria, though not always as expected. This study underscores the significance of considering diverse organizational cultures and their impact on business performance. Büschgens, Bausch, and Balkin (2013) also conducted a meta-analysis, focusing on organizational culture and innovation. They found a positive correlation between organizational culture and innovation, which is crucial for business success.

Drnevich and Croson (2013) emphasized that environmentally friendly management practices are associated with lower energy usage and higher productivity. This suggests that a pro-

environmental organizational culture can benefit business performance, especially considering the growing importance of corporate social responsibility and sustainability. Organizational structure, in addition to culture, has been explored in its influence on business performance. For example, Martin et al. (2011) studied the relationship between management practices, organizational structure, and energy efficiency, highlighting how aligning structure with practices impacts energy efficiency and, consequently, overall performance. Similarly, Bustinza et al. (2015) stressed the importance of organizational structure and value chain position in gaining competitive advantage. Alblas et al. (2019) discussed the role of a flexible organizational structure in fostering an innovative culture, while Schmitt (2010) emphasized the need for a collaborative structure in healthcare settings, showing how structure interacts with culture to affect performance. González Rodríguez et al. (2019) found that organizational culture significantly influences corporate social responsibility practices, which in turn affect firm performance. This highlights the importance of aligning culture with CSR for improved performance. Jogaratnam (2017) showed how organizational culture influences market orientation and, consequently, business performance in the restaurant industry. Li et al. (2022) explored the moderating role of corporate social responsibility in the relationship between organizational culture and sustainable business performance, indicating CSR's impact on this relationship. Srisathan et al. (2020) found that organizational sustainability moderates the effect of organizational culture on open innovation performance, and corporate entrepreneurship directly impacts business performance. These studies collectively demonstrate the multifaceted impact of organizational culture on various aspects of business performance, suggesting the need for further research to understand these relationships comprehensively.

Based on the above literature the researcher prepared the following hypothesis

H₀₁: Leadership styles do not have a significant effect on business performance

H₁₁: Leadership style has positive and significant influence on the business performance

H₀₂: Communication practice does not have a significant effect on business performance

H₁₂: Communication practice has positive and significant influence on the business performance

H₀₃: Employee engagement does not have a significant effect on business performance

H₁₃: Employee engagement has positive and significant influence on the business performance

H₀₄: Organizational structures do not have a significant effect on business performance

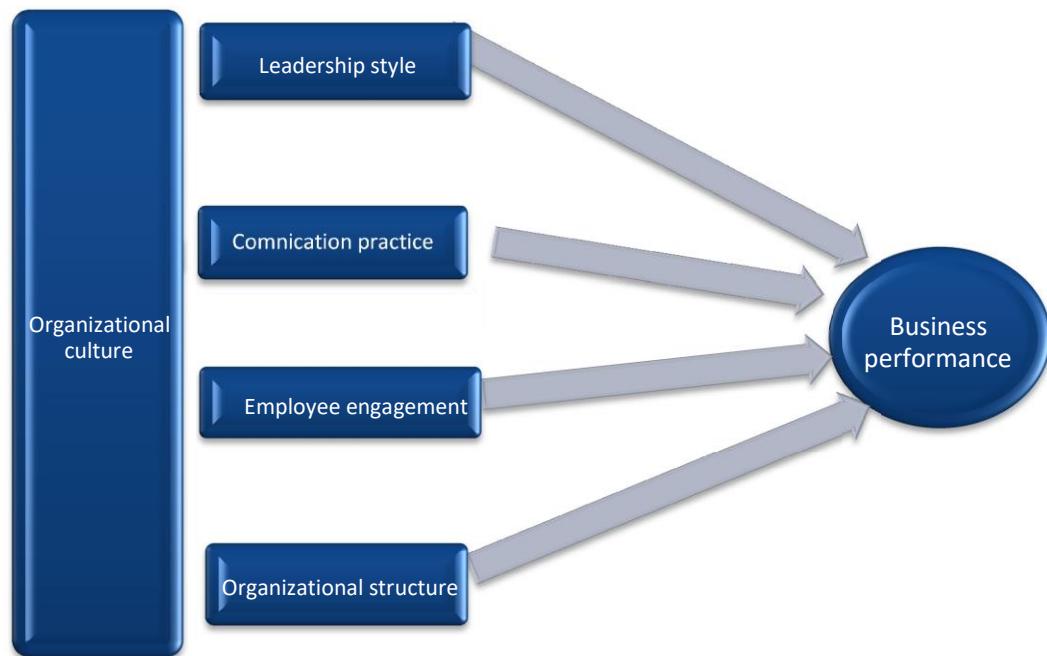
H₁₄: An organizational structures has positive and significant influence on the business performance

2.3: Conceptual framework of the study

The various factors how organizational culture influences business performance are multifaceted and intricate. Elements like leadership approach, communication methods, staff involvement, and organizational setup all contribute to shaping a company's culture. For instance, studies indicate that transformational leadership, which prioritizes motivating and empowering employees, correlates with a positive organizational culture and enhanced business outcomes (Tolbert & Hall, 2019). Communication practices within a company also wield significant influence over its culture. Transparent and open communication channels foster trust and collaboration among staff, facilitating better decision-making and problem-solving. Conversely, ineffective communication can lead to misunderstandings, conflicts, and decreased morale, ultimately hampering business performance (Miller, 2018).

Employee engagement serves as another pivotal factor affecting both organizational culture and business performance. When employees feel motivated, content, and dedicated to their roles, they are more inclined to contribute their utmost efforts toward achieving the company's objectives. Engaged employees also tend to exhibit greater innovation, creativity, and willingness to take risks, all of which can positively impact business performance (Saks, 2019). Additionally, organizational structure serves as a critical independent variable in the interplay between organizational culture and business performance. A hierarchical and bureaucratic structure may impede creativity and innovation, whereas a flatter, decentralized structure can foster autonomy and agility. Companies that align their organizational structure with their culture are more likely to attain higher levels of business performance (Cameron & Quinn, 2011).

Figure 2.1: The Conceptual Framework of the Study



Source: (Developed for this study, 2024)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1: Introduction

This study centers on Ethiopian Airlines, a state-owned entity located in Addis Ababa, Ethiopia. Formerly known as Ethiopian Air Lines or simply Ethiopian, it functions as the country's flag carrier and wholly owned by the Ethiopian government. With approximately 18,970 employees, the researcher will choose a representative sample from this workforce to collect relevant data for the study. The research will cover 24 departments or offices organized into three divisions at the Ethiopian Airlines Headquarters, with a particular focus on professional staff across various roles.

3.2: Research Design

After defining the research problem, the next significant challenge was crafting the research project's design, commonly referred to as the "research design." This entails making decisions about what, where, when, how much, and by what means to conduct the inquiry or research study. Essentially, a research design is the framework for gathering and analyzing data, aiming to balance relevance to the research purpose with efficiency in procedure. It serves as the blueprint for data collection, measurement, and analysis (Kohtari, 2004).

In this study, both descriptive and explanatory research approaches will be utilized. Descriptive research seeks to establish and describe the characteristics of the variables under study, while explanatory research aims to elucidate, understand, and predict cause-and-effect relationships between variables. Specifically, the focus was on examining the relationship between organizational culture (independent variable) and business performance (dependent variable) (Neuman, 2014).

3.3: Research Approach

To achieve the objectives of the study, the researcher was used quantitative research approach. This was because of in quantitative approach, the researcher using for testing a theory by specifying narrow hypotheses and the collection of data to support or refute the hypotheses and employs strategies of inquiry through surveys and collect data on predetermined instruments that yield statistics data (Creswell, D., 2009).

3.4: Sources of data

The research will utilize a combination of primary and secondary data sources. Primary data was collected through questionnaires distributed to employees, while secondary data was gathered from a comprehensive review of published and unpublished documents examining the impact of organizational culture on business performance. This approach was crucial in identifying recurring performance-related issues within the study's scope.

3.5: Population and Sampling procedure

3.5.1: Population

The study focused on employees based at Ethiopian Airlines' Bole headquarters in Addis Ababa, excluding non-clerical staff like janitors and security outsourced from other organizations. Its goal was to explore how organizational culture impacts Ethiopian Airlines' business performance. The selection of this population was based on factors such as data accessibility, cost-effectiveness, and ease of study management. The total population for the study consisted of 18,970 formally permanent employees of Ethiopian Airlines as of February 2024, categorized by division.

3.5.2: Sampling Technique

According to Etikan, Musa, and Alkassim (2016), purposive sampling involves selecting members from a target population based on specific practical criteria, such as accessibility, proximity, or availability. This method was non-probabilistic and was employed when reaching the entire population was not feasible. It allows for a focused and comprehensive study by selecting samples that represent different aspects of the population.

For the study on the impact of organizational culture on business performance, the chosen sampling method was stratified sampling. This involves dividing the population into distinct groups and then selecting samples from each group in proportion to their size. To identify participants, a sampling frame was developed, and simple random sampling was used.

3.5.3: Sample Size determination

There are several approaches to determine the sample size. In this study a simplified formula provided by (Yamane, 1967) that applies to determine the required sample size was used.

$$n = \frac{N}{1 + Ne^2}$$
$$n = \frac{18,970}{1 + 18,970(0.05)^2}$$

$$n= 391$$

Where,

- ✓ "n" represents the sample size utilized in the research
- ✓ "N" denotes the total count of employees within the target population
- ✓ "e" signifies the permissible sampling error, set at 5%, with a 95% confidence level
- ✓ "1" indicates the probability of the event happening

Accordingly, from the total 18,970 populations the researcher was approached 391 respondents. To ensure that the numbers of samples draw from each division proportionate to the size of the sample of this study, proportionate sampling procedure was employed. And the result presented as per the table below.

Table 3.1: Proportion of sample

Number of Employee		Proportion of sample	Sample Size
Group CEO Office	5	$5/18,970 \times 391$	0
Group Legal Counsel & Secretariat	18	$18/18,970 \times 391$	0
Internal Audit & Compliance	60	$60/18,970 \times 391$	1
Group Finance	502	$502/18,970 \times 391$	11
Group Information Technology	301	$301/18,970 \times 391$	6
ET Aviation Academy	369	$369/18,970 \times 391$	9
COO	4	$4/18,970 \times 391$	0
FOPs	949	$949/18,970 \times 391$	20
ET MRO Services	4631	$4631/18,970 \times 261$	99
Group Equipment & Facility Maintenance	259	$259/18,970 \times 391$	5
IOCC	183	$183/18,970 \times 391$	4
CCO*	8	$8/18,970 \times 391$	0

Group Marketing	131	131/18, 970*391	3
ET International Services	758	458/18,320*391	16
Sales ADD	153	153/18, 970*391	3
ET Express	174	174/18, 970*391	4
ET Holiday, Digital/GCC Sales	768	768/18, 970*391	16
Group HCM	2,420	1,915/18, 970*391	42
Customer Service	2082	2082/18, 970*391	44
ET Cargo Services & Logistics	1,543	1,543/18, 970*391	33
Group Strategic Planning & Alliances	36	36/18, 970*391	0
ADD HUB Ground Services	2,300	2,189/18, 970*391	47
Ethiopian Airports	1569	1269/18, 970*391	27
Group Business Dep't & Innovation Hub	18	18/18, 970*391	0
Total	18, 970		391

Source: Ethiopian airline HR, 2024

3.6: Description of variables

The independent variable, as described by Rosenthal and Rosnow (2008), was the variable that researchers manipulate or treat in an experiment or study, believed to influence the dependent variable. In this context, the independent variable was organizational culture, with factors such as leadership style, communication practices, employee engagement, and organizational structure influencing it. These factors are observed or manipulated to understand their impact on other variables. Organizational culture encompasses the values, beliefs, norms, and practices guiding interactions and behaviors within an organization, measurable through surveys, interviews, observations, or existing assessments.

Conversely, the dependent variable, per Fraenkel and Wallen (2006), was the outcome or response variable measured or observed in a study, reflecting the effect of changes in the independent variable. In this study, the dependent variable was business performance, the researcher's focus

for understanding or prediction based on organizational culture. Business performance can include various indicators of organizational success like financial metrics (e.g., revenue, profitability), operational efficiency (e.g., productivity, quality), innovation (e.g., new product development), and employee outcomes (e.g., engagement, turnover).

3.7: Model specification

Multiple regression analysis, as explained by researchers, was a statistical technique used to examine the connections between one dependent variable and multiple independent variables. It expands upon the concepts of simple linear regression, which involves only one predictor, to situations where there are multiple predictors. According to Faizal and Palil (2015), the formula used for the model is:

$$(Y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where

- ✓ Y = Organizational performance
- ✓ X_1 = Leadership style
- ✓ X_2 = Communication practice
- ✓ X_3 = Employee engagement
- ✓ X_4 = Organization structure
- ✓ ϵ = error term

3.8: Data processing and analysis

3.8.1: Data processing

The approach for gathering necessary data involves utilizing a written questionnaire, also known as a self-administered questionnaire, comprising both objective and subjective inquiries. These questionnaires were given to chosen study participants to elicit written responses. Additionally, the researcher will conduct interviews with the study participants, particularly those in managerial and non-managerial roles, to gain further descriptive and clarifying insights that complement the specific objective responses.

3.8.2: Data Analysis

The purpose of data analysis was to prepare raw data for presentation and statistical inference (Kombo & Tromp, 2006). Data for this study was analyzed using both descriptive statics (such as mean and standard deviation) and inferential statistics (such as multiple liner regression and diagnostic tests by using the software called SPSS 20).

3.9: Reliability and Validity of the Data

Reliability pertains to the consistency of a measurement. A test was deemed reliable if it produces consistent results upon repetition. It signifies the degree to which an experiment, test, or measurement procedure consistently yields the same outcome. Thus, in this research, the investigator will employ strategies to reduce errors among participants when completing questionnaires, mitigate participant bias, and prevent researcher errors. The reliability of the questionnaire items will be assessed using the Cronbach Alpha test. If the Cronbach Alpha coefficient is 0.70 or higher, the study is considered reliable.

Content validity, according to Cohen et al. (2007), pertains to how well a measuring tool such as a test, questionnaire, or inventory covers all aspects of the domain or items it claims to assess. In the current study, content validity focused on evaluating whether the questionnaire items effectively represented the key variables identified in literature reviews. These variables encompassed leadership style, communication practices, employee engagement, and organizational structure.

3.10: Ethical issues

Research ethics relating to rights of human subjects in field work, notably the right to informed consent; right to privacy and confidentiality; and right not to be deceived or harmed as a result of participation in the research should be emphasized (Bryman, 2007).

The prospective participants will fully inform about the procedures and risks involved in the research and must give their consent to participate in the survey. They were well informed that their participation was voluntary, and they may readily withdraw at any time. The prospective participants were also assured that their participation will not result in any adverse consequences, and all information provided was treated with the strictest confidentiality. Finally, this research will practice the principle of anonymity i.e. the participants will remain anonymous throughout the study even to the researcher.

CHAPTER FOUR

DATA ANALYSIS & PRESENTATION

4.1: Introduction

The primary objective of this study was to investigate effect of organizational culture on business performance, in the case of Ethiopian Airline group. Based on the stated objectives, the study employed both descriptive and explanatory to analyze the collected data. The data collected both from primary and secondary sources were presented below using tables, graphs & figure.

4.2: Respondents Response Rate

Table 4.1: Response Rate

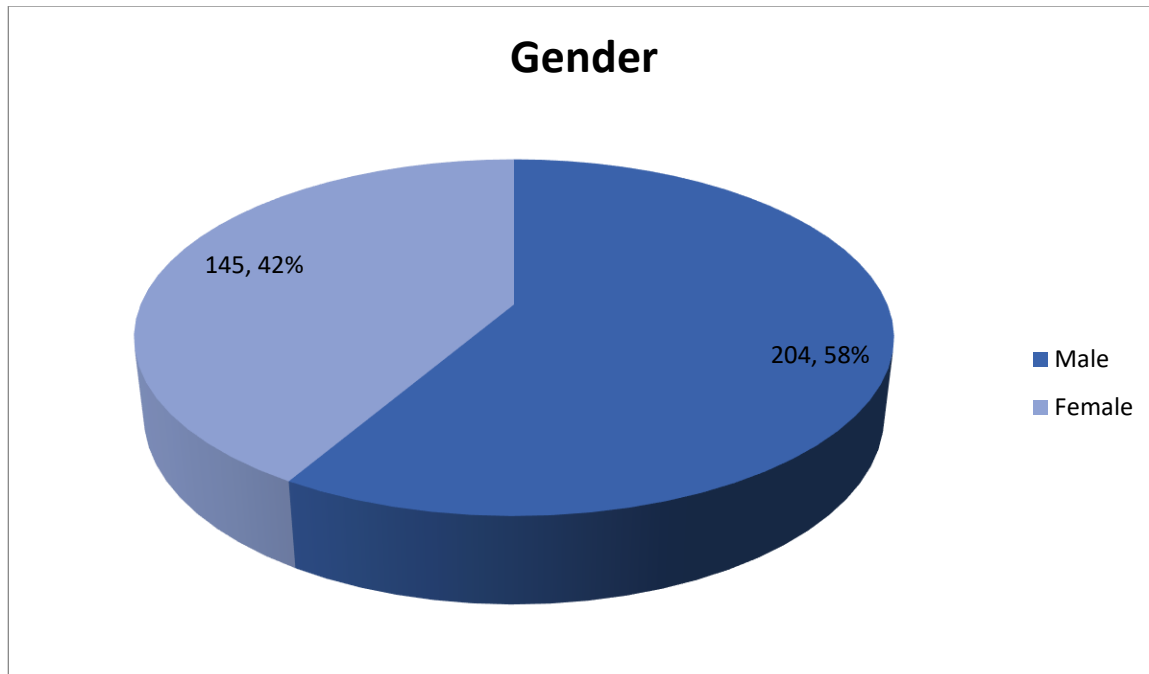
Population	Targeted	Obtained	Percent
EAG employee	391	349	89.25

Source: Field survey, 2024

The response rate refers to the percentage of questionnaires that were completed and returned during the study, compared to the total number of questionnaires expected to be completed. In this particular study, 391 questionnaire papers were distributed to employee respondents, and data were collected from them. Out of the 391 questionnaires distributed, 349 were returned and analyzed, accounting for 89.25% of the total sample size. These responses were then analyzed using both descriptive and explanatory statistics.

4.3: Demographic Profile of Respondent

The demographic profile highlights the traits of a population, such as gender, age, marital status, educational attainment, and work history. It's crucial for research studies as these factors are used to make comparisons among participants in the final report. In investigating the impact of organizational culture on business performance within the Ethiopian Airline group, respondents were asked to provide their demographic details. This included their gender, and the results are illustrated in the figure below.



Source: Field survey, 2024

Figure 4.1: Gender Respondents

Gender equality and diversity within the workplace are crucial aspects for fostering a thriving and all-encompassing organization. Recent statistics from Ethiopian Airlines reveal a noticeable gender gap among its workforce, with 58.5% male and 41.5% female employees. This discrepancy prompts significant inquiries into the airline's dedication to gender parity and its potential effects on workplace dynamics and business outcomes. The research aimed to determine the age distribution of respondents, with the results depicted in the figure below.

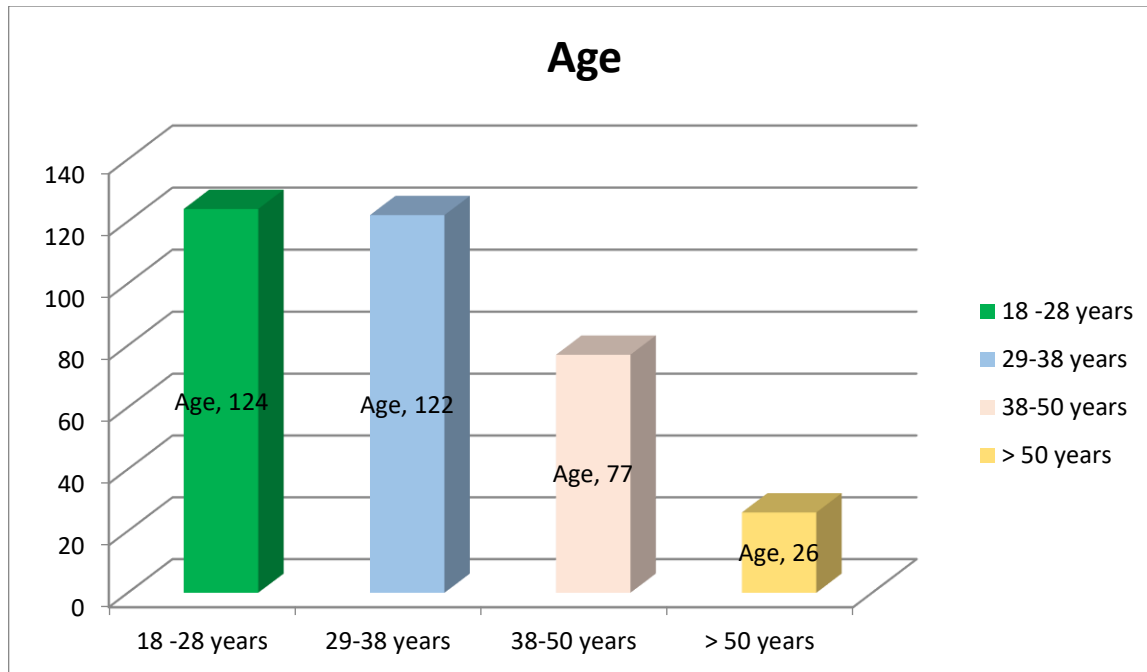


Figure 4.2: Age Respondents

Source: Field survey, 2024

The age distribution among Ethiopian Airline staff was a crucial aspect to examine for understanding workforce demographics and future organizational planning. According to the provided data, a significant proportion of employees, comprising 35.5% and 35.0%, fall within the 18-28 and 29-38 age brackets, respectively. This highlights a predominantly youthful workforce, primarily in the early to mid-stages of their careers, as over 70% are under 38 years old. Such a demographic suggests potential higher turnover rates, as younger employees often seek better opportunities or career progression elsewhere.

Conversely, there's a smaller representation of employees in the 38-50 age range, accounting for 22.1%, and an even smaller portion over 50 years old, at 7.4%. While diversity in age groups can enrich the workforce with varied perspectives and skills, the lower percentage of older employees may indicate a need for succession planning and knowledge transfer strategies within the organization. Additionally, the respondents were asked to disclose their marital status, with the findings detailed in the figure below.

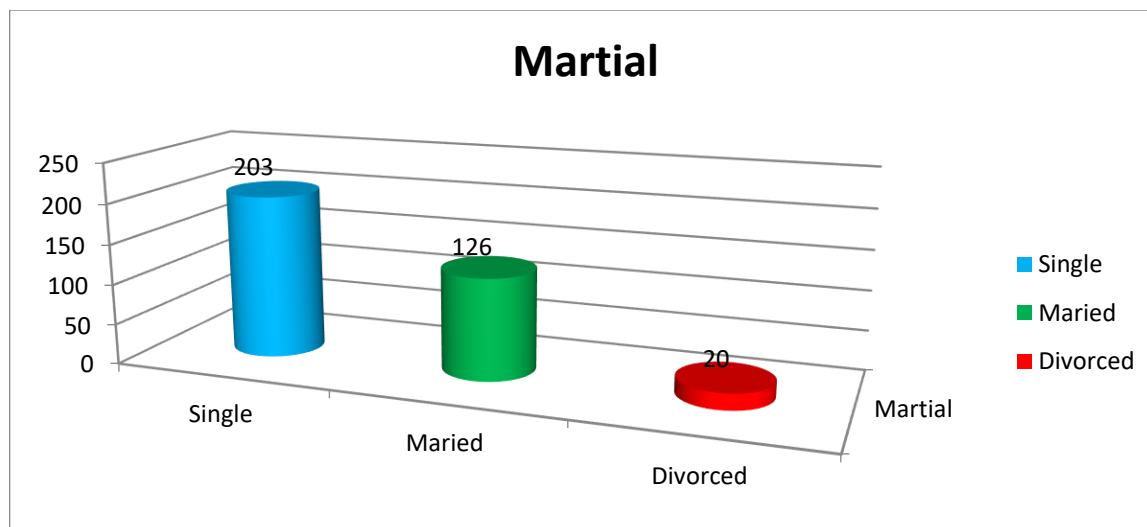


Figure 4.3: Martial Status

Source: Field survey, 2024

According to the data collected, the majority of Ethiopian Airline employees are single, accounting for 58.2% of the total workforce. This was a significant percentage, indicating that a large proportion of employees at the airline are not currently married. On the other hand, 36.1% of Ethiopian Airline employees are married. Additionally, the data also revealed that 5.7% of Ethiopian Airline employees are divorced. Overall, the data on the marital status of Ethiopian Airline employees provides valuable insights into the personal lives of the workforce. It was clear that the majority of employees are single, but there was also a significant number who are married and a smaller percentage that are divorced. The study sought to establish the educational background of the respondents and the findings are as shown in below table.

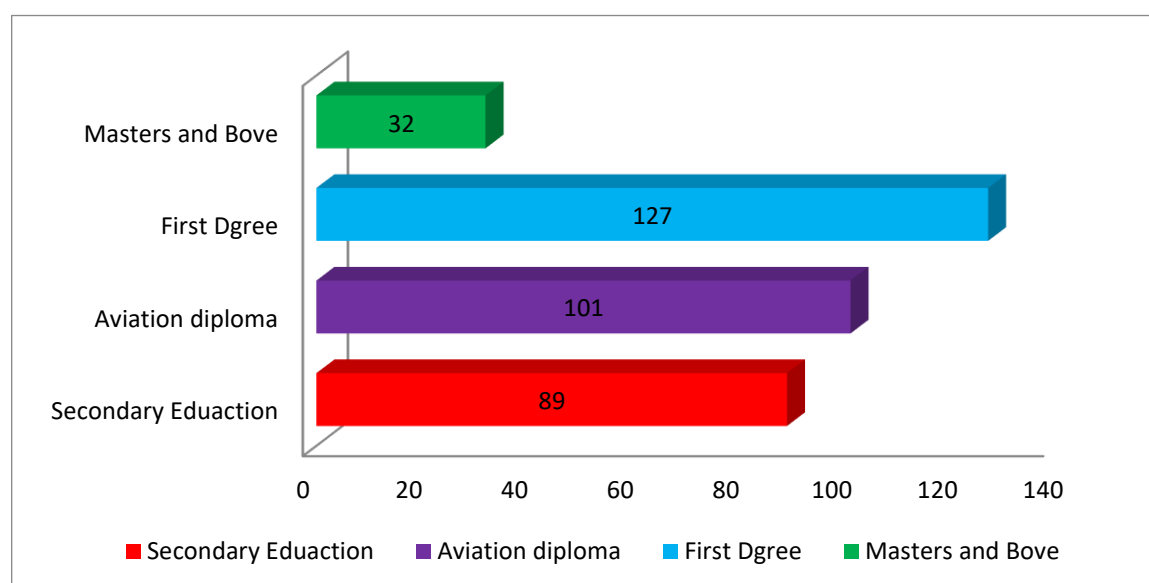


Figure 4.4: Educational Background

Source: Field survey, 2024

According to recent data, the educational background of Ethiopian Airlines employees was quite impressive. The majority of employees, 36.4%, have a first degree. This indicates that Ethiopian Airlines values higher education and places an emphasis on hiring employees with a strong academic background. Following closely behind employees with a first degree are those with an Aviation diploma, making up 28.9% of the workforce. Additionally, 25.5% of Ethiopian Airlines employees have a secondary education. While this percentage may seem lower compared to those with higher qualifications, it was important to note that secondary education provides a solid foundation for further learning and career development. Lastly, 9.2% of Ethiopian Airlines employees have a master's degree or above. A greater percentage from these findings shows that most employees are Bachelor degree holders indicating that they have the minimum requirement for the Ethiopian job market. The respondents were requested to indicate their Work experience. Accordingly, the findings are as presented in the below figure.

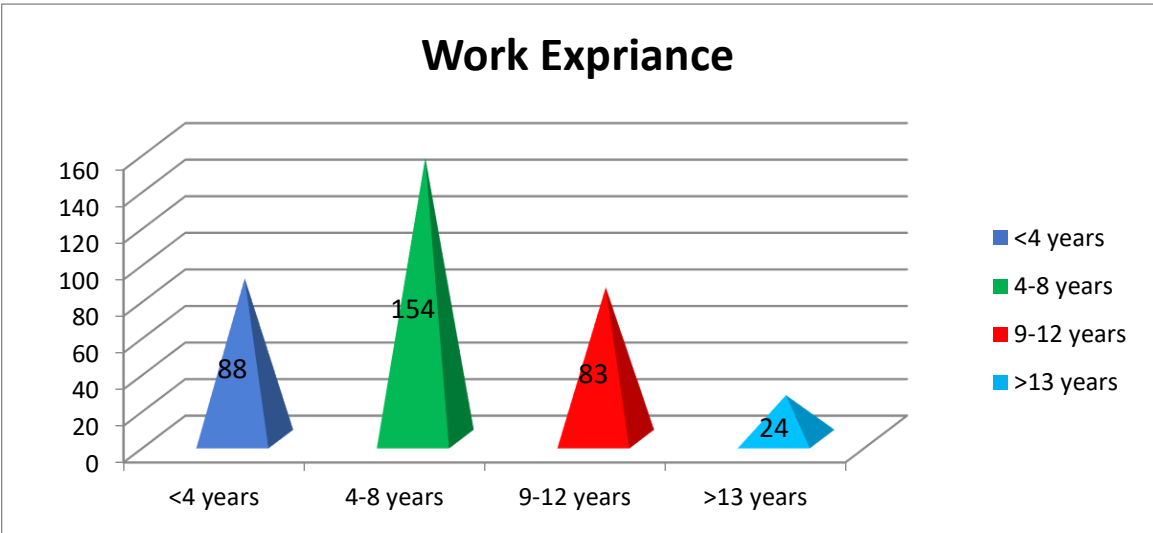


Figure 4.5: Work experience

Source: Field survey, 2024

Based on the data provided, the majority of Ethiopian Airline staff belong to the bracket of 4-8 years of work experience, making up 44.1% of the total workforce. This implies that a significant portion of employees have been with the company for a considerable duration, enabling them to acquire important insights and skills that enhance their job performance. The segments with 9-12

years of experience stands at 23.8%, indicating a substantial number of employees have been continuously advancing their expertise.

Those with less than 4 years of experience represent 25.2% of the staff, suggesting a notable presence of newer employees. Conversely, individuals with over 13 years of experience make up a smaller proportion at 6.9%. In summary, the work experience of Ethiopian Airline employees serves as a valuable asset, shaping their professional development and contributing to the company's overall success.

Table 4.2: Linkert Scale range

SN	Extent level	Likert scale (mean)
1	Strongly Disagree	0 to 1.8
2	Disagree	1.81 to 2.6
3	Moderate	2.61 to 3.4
4	Agree	3.41 to 4.2
5	Strongly Agree	4.21 to 5.0

Source: (Vagias W.2006)

A standard deviation of >0.7 implies a significant difference on the impact of the variable among respondents. Data for examining the items were obtained through questionnaires administered to a sample of 349 respondents, on effect of organizational culture on business performance: the case of Ethiopian Airline.

4.4: Descriptive Statistics

4.4.1: Respondents' perception on Leadership style

The culture of an organization was crucial in influencing its performance and achievements. The leadership approach adopted within an organization directly affects how its culture evolves and persists over time. This research investigates how organizational culture influences business outcomes, focusing on the Ethiopian Airline Group as a case study. The study utilizes descriptive statistics to analyze the correlation between leadership style and organizational culture within the company.

Table 4.3: Leadership style

Descriptive Statistics					
Leadership style	N	Min	Max	Mean	Std. Dev
The leadership effectively manages change and adapts the company's strategies to respond to market dynamics	349	1	5	3.81	1.131
The leadership style of the management team at in the company promotes a strong organizational culture that support high business performance	349	1	5	3.91	.895
The leadership demonstrates a clear vision and strategic direction that guides the company's operations.	349	1	5	3.78	1.097
The leadership style promotes a culture of innovation, risk-taking, and continuous improvement	349	1	5	3.89	.977
The leadership style contributes positively to the company's overall business performance and competitiveness	349	1	5	3.79	.996
Grand Mean	349			3.83	1.019

Source: own computation survey, 2024

According to the descriptive statistics provided, the leadership at Ethiopian Airline Group was regarded as proficient in handling change and adjusting the company's strategies to match market shifts, scoring an average of 3.81 out of 5, it suggests that the leadership actively tackles obstacles, ensuring the company stays competitive. Moreover, the leadership was seen to cultivate a robust organizational culture conducive to high business performance, averaging 3.91 out of 5. This indicates a leadership approach that values teamwork, collaboration, and a shared vision among employees, ultimately enhancing business success.

Additionally, the leadership of Ethiopian Airline Group was perceived to possess a clear vision and strategic guidance for the company's operations, scoring an average of 3.78 out of 5. This demonstrates leadership's ability to provide a roadmap for the organization, aligning all

employees toward common objectives. Furthermore, the leadership style was believed to foster an environment of innovation, risk-taking, and continuous improvement, averaging 3.89 out of 5. This implies an encouragement of creativity, experimentation, and learning from mistakes, fostering growth and development within the organization.

Overall, the data suggests that Ethiopian Airline Group's leadership style positively impacts the company's performance and competitiveness, averaging 3.79 out of 5. This underscores the critical role of leadership in driving organizational success, maintaining agility, innovation, and resilience in the face of challenges. The case of Ethiopian Airline Group highlights how effective leadership can shape a favorable organizational culture, leading to market success through collaboration, innovation, and strategic direction.

4.4.2: Respondents' perception on Communication practice

The culture within an organization greatly influences its success. This includes the shared values, beliefs, norms, and behaviors that guide how employees engage with each other and with those outside the organization. Ethiopian Airlines has a distinct organizational culture marked by a notable focus on communication methods, directly affecting the company's performance.

Table 4.4: Communication practice

Descriptive Statistics					
Communication practice	N	Min	Max	Mean	Std. Dev
The communication channels at Ethiopian Airlines facilitate effective information sharing and collaboration among employees	349	1	5	3.77	1.065
The communication practice in the organization support the company ability to adopt, to changing market condition and customer needs	349	1	5	3.76	1.027
The communication practices in the organization enable timely and accurate dissemination of information to employees, customers, and stakeholders.	349	1	5	3.79	.964
The organizational culture at Ethiopian Airlines fosters effective cross-functional	349	1	5	3.81	.995

communication and coordination among different departments and teams.					
The organizational culture and communication practices at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness.	349	1	5	3.81	1.001
Grand Mean	349			3.78	1.010

Source: Own computation survey, 2024

The provided descriptive statistics indicate that Ethiopian Airlines utilizes communication channels effectively, fostering information sharing and collaboration among employees. With an average score of 3.77 out of 5, it suggests the organization has established mechanisms for efficient communication, aiding in working towards common goals. This was crucial for creating a collaborative work environment and ensuring employees are well-informed about company objectives and strategies. Moreover, Ethiopian Airlines' communication practices support its ability to adapt to market changes and customer needs, scoring an average of 3.76. This signifies a commitment to transparent communication, enabling swift responses to market trends and feedback. By staying connected with customer preferences, the airline can tailor its offerings effectively to meet demand. Additionally, the airline's communication practices enable timely and accurate information dissemination to employees, customers, and stakeholders, with an average score of 3.79. This highlights a focus on clear communication, vital for alignment and trust among stakeholders, ultimately enhancing the company's reputation and performance.

Ethiopian Airlines' organizational culture promotes cross-functional communication and coordination, with an average score of 3.81. This underscores the value placed on collaboration and teamwork, driving innovation and operational excellence. Overall, the combination of organizational culture and communication practices contributes positively to Ethiopian Airlines' business performance and competitiveness, with a grand average score of 3.78. This reflects the organization's dedication to effective communication and collaboration, resulting in enhanced efficiency, productivity, and customer satisfaction.

In conclusion, the descriptive statistics demonstrate the critical role of organizational culture and communication practices in shaping business performance. Ethiopian Airlines' focus on effective

communication has led to improved collaboration, adaptability, and performance, positioning the company for long-term success in the airline industry.

4.4.3: Respondents' perception on employee engagement

Organizational culture has been identified as a significant factor in influencing various aspects of employee behavior and performance. A study by Chen et al. (2015) found that organizational culture has a positive and significant impact on job satisfaction and business performance.

Table 4.5: Employee engagement

Descriptive Statistics					
Employee engagement	N	Min	Max	Mean	Std. Dev
The organizational culture at Ethiopian Airlines fosters a high level of employee engagement and commitment to the company's goals.	349	1	5	3.77	1.004
Workers at Ethiopian Airlines experience a profound connection and identification with the organization's principles and objectives.	349	1	5	3.78	.988
The organizational culture at Ethiopian Airlines provides opportunities for employee development, growth, and career advancement.	349	1	5	3.77	.969
Employees at Ethiopian Airlines are empowered to take initiative, make decisions, and contribute to the company's success.	349	1	5	3.84	.953
The organizational culture and high level of employee engagement at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness	349	1	5	3.79	.996
Grand mean	349			3.79	.9820

Source: own computation survey, 2024

The culture within a company significantly influences its performance and success in the competitive business world. Ethiopian Airlines Group exemplifies how a robust organizational culture can have a positive effect on business outcomes. Data analysis indicates that Ethiopian Airlines employees are highly involved and dedicated to the company's goals, with an average engagement score of 3.77. They also strongly identify with the company's values and mission, with an average score of 3.78 for this aspect of culture. This suggests that Ethiopian Airlines' culture fosters a strong bond between employees and the company, resulting in increased motivation and commitment to shared objectives.

Furthermore, Ethiopian Airlines' culture provides ample opportunities for employee development and advancement, with an average score of 3.77 in this area. This ensures that employees feel supported in their professional growth, leading to higher job satisfaction and retention rates. Additionally, employees are empowered to take initiative and contribute to the company's success, as evidenced by an average empowerment score of 3.84. This empowerment instills a sense of ownership among employees, driving creativity, innovation, and overall organizational performance.

Overall, Ethiopian Airlines' high levels of employee engagement and strong organizational culture positively impact its business performance and competitiveness, with an average score of 3.79. This highlights the importance of fostering a positive culture that encourages employee engagement, empowerment, and commitment to common goals.

In summary, Ethiopian Airlines Group demonstrates the significant influence of organizational culture on business performance. By prioritizing employee engagement, empowerment, and development, companies can create a supportive work environment that enhances productivity, innovation, and overall success. It's crucial for organizations to invest in cultivating a positive culture aligned with their values and goals to achieve sustainable growth and competitive advantage.

4.4.4: Respondents' perception on Organizational structure

The culture within an organization significantly influences its performance and success. This encompasses the shared beliefs, values, and norms that steer employee actions and choices. The effect of organizational culture on business performance was diverse, affecting factors like employee satisfaction, efficiency, creativity, and ultimately, the company's overall profitability.

Table 4.6: Organizational structure

Descriptive Statistics					
Organizational structure	N	Min	Max	Mean	Std. Dev
The organizational structure is well aligned with the company's strategic objectives and operational needs.	349	1	5	3.83	1.045
The organizational culture promotes a flexible and adaptable structure that can respond effectively to changes in the industry.	349	1	5	3.84	1.045
The organizational structure facilitates effective coordination, communication, and collaboration among different departments and teams.	349	1	5	3.82	.979
The organizational culture encourages decentralized decision-making and empowers employees at various levels to contribute to the company's success.	349	1	5	3.89	.985
The organizational culture and structure contribute positively to the company's overall business performance and competitiveness	349	1	5	3.86	1.001
Grand mean	349			3.84	1.011

Source: own computation survey, 2024

A study carried out on the Ethiopian Airline group discovered that its robust organizational culture had a beneficial impact on its business performance. The data collected from the study showed that most employees viewed the organizational structure as closely aligned with the company's strategic objectives and operational requirements, giving it an average rating of 3.83 out of 5. This suggests a general contentment with how the organization was set up to efficiently achieve its goals. Furthermore, the study revealed that the organizational culture of the Ethiopian Airline group fosters a flexible and adaptable environment, allowing the company to effectively respond to industry changes. This was supported by a high average rating of 3.84, indicating that employees feel empowered to adapt to the evolving business landscape and implement necessary changes to remain competitive.

Moreover, the study indicated that the organizational structure of the Ethiopian Airline group facilitates efficient coordination, communication, and collaboration among different departments

and teams, receiving an average rating of 3.82. This suggests that employees feel encouraged in their endeavors to collaborate towards shared objectives, thereby improving overall efficiency and productivity. Additionally, the organizational culture of the Ethiopian Airline group encourages decentralized decision-making and empowers employees at various levels to contribute to the company's success, as evidenced by a high average rating of 3.89. This underscores the significance of employee involvement and autonomy in driving business performance and fostering a culture of innovation and initiative.

Overall, the study concludes that the organizational culture and structure of the Ethiopian Airline group positively influence the company's business performance and competitiveness, with an overall average rating of 3.86. By nurturing a robust organizational culture that prioritizes collaboration, flexibility, and employee empowerment, the company was able to realize its strategic objectives and surpass competitors in the industry. In summary, the study highlights the considerable impact of organizational culture on business performance. By cultivating a supportive and positive culture, organizations like the Ethiopian Airline group can improve their operational efficiency, boost employee engagement, and achieve long-term success. Thus, it was imperative for companies to invest in cultivating a strong organizational culture that aligns with their strategic objectives and contributes to sustained business performance.

4.4.5: Respondents' perception on Business performance

In today's competitive business environment, organizational culture plays a crucial role in determining the success of a company. The Ethiopian Airline Group, one of Africa's leading airlines, was no exception. The airline's organizational culture has a significant impact on its business performance, as evidenced by the mean and standard deviation data collected from a survey of employees and customers.

Table 4.7: Business performance

Descriptive Statistics					
Business performance	N	Min	Max	Mean	Std. Dev
The organizational culture of Ethiopian Airlines has a positive effect on the airline's financial performance (e.g., revenue, profitability, cost management)	349	1	5	3.88	.982

The organizational culture of Ethiopian Airlines has a positive effect on the airline's customer satisfaction (e.g., service quality, customer loyalty, brand reputation)	349	1	5	3.81	1.005
The organizational culture of Ethiopian Airlines fosters innovation and adaptability, enabling the airline to respond effectively to market changes and industry trends.	349	1	5	3.78	1.047
The organizational culture of Ethiopian Airlines promotes employee engagement and motivation, contributing to the airline's overall business performance.	349	1	5	3.84	1.039
The organizational culture of Ethiopian Airlines has a positive and significant effect on the airline's overall business performance	349	1	5	3.82	1.060
"Valid N (listwise)" could be restated as "the valid sample size considering the entire list."	349				

Source: own computation survey, 2024

Based on the data, Ethiopian Airline Group's organizational culture significantly influences its financial performance positively. The average rating for this aspect stands at 3.88, suggesting that both employees and customers perceive the culture as conducive to achieving financial objectives like revenue growth, profitability, and cost management. This positive perception was further confirmed by a relatively low standard deviation of .982, indicating a strong consensus among respondents.

Moreover, the data indicates that the airline's organizational culture also plays a significant role in enhancing customer satisfaction. With an average score of 3.81 and a standard deviation of 1.005, it's clear that the culture fosters aspects such as service quality, customer loyalty, and a robust brand image. This positive impact on customers was crucial for maintaining competitiveness in the fiercely contested aviation industry.

Additionally, Ethiopian Airline Group's organizational culture encourages innovation and adaptability, enabling effective responses to market shifts and industry trends. The average score for this attribute was 3.78, with a standard deviation of 1.047, signaling strong perceived support for innovation and adaptability within the organization. This culture of innovation was vital for staying ahead of rivals and remaining relevant in a rapidly evolving industry landscape.

In summary, the data underscores the pivotal role of organizational culture in influencing business performance. Ethiopian Airline Group's emphasis on innovation, customer orientation, and employee engagement positively impacts its financial performance, customer satisfaction, and overall competitiveness. Through investment and nurturing of its organizational culture, the airline can forge a sustainable competitive edge and secure long-term success in the aviation sector.

4.5: Correlation Analysis

Correlation determines whether and how strong pairs of variables are related. The correlation analysis can help to know whether there was a relationship between any two variables and also to examine linear relationship between the variables using the Pearson R correlation coefficient. This coefficient indicates the direction and the strength of a linear relationship between two variables.

In this research, (x) denotes the independent variables, including leadership style, communication practices, employee engagement, and organizational structure, while (y) represents the dependent variable, business performance. The correlation analysis, indicated by the (r) value ranging from +1 to -1, offers insights into the relationship between these variables. Organizational culture significantly impacts business performance, encompassing values, beliefs, behaviors, and attitudes that shape employee interactions with one another and with customers. Within the context of Ethiopian Airline Group, the correlation matrix presented below illustrates the association between business performance and critical factors such as leadership style, communication practices, employee engagement, and organizational structure.

Table 4.8: Measurement of the strength of association

R-value	The Strength of Association
0.81 to 0.99	Very strong positive relationship
0.61 to 0.80	Strong positive relationship
0.41 to 0.60	Moderate positive relationship
0.21 to 0.40	Weak positive relationship
0.01 to 0.20	Very weak positive relationship

0	No relationship
- 0.01 to - 0.20	Very weak negative relationship
- 0.21 to - 0.40	Weak negative relationship
- 0.41 to - 0.60	Moderate negative relationship
- 0.61 to - 0.80	Strong negative relationship
- 0.81 to - 0.99	Very strong negative relationship

Source: Hussey (1997)

"The style of leadership significantly impacts organizational culture, affecting business performance. In Ethiopian Airline Group, there's a strong positive correlation (Pearson Correlation coefficient: 0.942) between leadership style and business performance, indicating that effective leadership was pivotal for success. Research by Bass and Avolio (2015) supports this finding, linking transformational leadership with improved business outcomes.

Similarly, communication practices within the organization also have a substantial influence on business performance. The strong positive correlation (Pearson Correlation coefficient: 0.922) between communication practice and business performance in Ethiopian Airline Group underscores the importance of effective communication in enhancing collaboration, innovation, and decision-making. Studies like those by Men and Stacks (2014) emphasize transparent and open communication as critical for organizational effectiveness.

Employee engagement was another vital aspect impacting both organizational culture and business performance. The strong positive correlation (Pearson Correlation coefficient: 0.897) between employee engagement and business performance highlights the significance of engaged employees in driving customer satisfaction and profitability, as noted by Kahn (2017).

Moreover, the organization's structure also plays a crucial role in business performance. The strong positive correlation (Pearson Correlation coefficient: 0.940) between organization structure and business performance in Ethiopian Airline Group stresses the importance of a well-defined structure in promoting efficiency, clarity, and accountability, as discussed in Mintzberg's work (2016).

Table 4.9: Correlation of variables

Correlations						
		X1	X2	X3	X4	Y
X1	Pearson Correlation	1	-	-	-	-
	Sig. (2-tailed)		-	-	-	-
	N	349	-	-	-	-
X2	Pearson Correlation	.951**	1	-	-	-
	Sig. (2-tailed)	.000		-	-	-
	N	349	349	-	-	-
X3	Pearson Correlation	.934**	.968**	1	-	-
	Sig. (2-tailed)	.000	.000		-	-
	N	349	349	349	-	-
X4	Pearson Correlation	.954**	.948**	.937**	1	-
	Sig. (2-tailed)	.000	.000	.000		-
	N	349	349	349	349	-
Y	Pearson Correlation	.942**	.922**	.897**	.940**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	349	349	349	349	349
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: own computation survey, 2024

4.6: Assumption Testing for Regression analysis

4.6.1: Normality Assumption

Screening data for assessing the normalization of variables is a critical step in multivariate analysis (Hair, 2010). Normality refers to the shape of a normal distribution of the variable (Robert, 2006). For variables with normal distribution the values of skewness and kurtosis are zero, and any value other than zero indicated deviation from normality (Hair, 2010). According to Hair (2010), the most commonly acceptable criteria value for (kurtosis/skewness) distribution is ± 2.58 . For this study, the variables fall within the range. It encompasses various aspects such as leadership style, communication practices, employee engagement, and organizational structure. The findings suggest that there may be gaps or inconsistencies in the organizational culture of Ethiopian Airline Group that could potentially impact its business performance. For example, a

leadership style that was negatively skewed may indicate a lack of effective leadership or a disconnect between leaders and employees. Similarly, communication practices that are negatively skewed could suggest poor communication within the organization, leading to misunderstandings and inefficiencies. Employee engagement and organizational structure that are negatively skewed and flat may point to issues with employee motivation, satisfaction, and clarity in roles and responsibilities.

Table 4.10: Skewness and Kurtosis

Descriptive Statistics					
	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Leadership style	349	-.921	.131	.416	.260
Communication practice	349	-.790	.131	.308	.260
Employee engagement	349	-.801	.131	.368	.260
Organizational structure	349	-.819	.131	.359	.260
Valid N (listwise)	349				

Source: Own computation survey, 2024

4.6.2: Homoscedasticity Assumption

It is the test of equal variance between pairs of variables (Robert, 2006). In order to ensure the fulfillment of this relationship between independent variables and dependent variable, the variance of dependent variable values must be equal at each value of independent variables (Hair, 2010). For this study all constructs have insignificant level of $p > 0.01$ of test for equality of variance. Thus the assumption was reasonably supported in this study.

4.6.3: Multi-collinearity Assumption

Multi-collinearity refers to the situation in which the independent variables are highly correlated. When independent variables are multi-collinearity, there is “overlap” or sharing of predictive power (Dillon, 1993). This may lead to the paradoxical effect, whereby the regression model fits the data well, but none of the predictor variables has a significant impact in predicting the dependent variable (Robert, 2006).

The multi-collinearity in this study was checked using the tolerance and VIF value. As it was showed in the table all independent variables have a tolerance value greater than 0.01 and VIF value less than 10. The VIF, Variance inflation factor, was computed as “1/Tolerance”, and it was

suggested that predictor variables whose VIF values are greater than 10 may merit further investigation (Robert, 2006). These discoveries imply that there might be discrepancies or irregularities within the organizational culture of Ethiopian Airline Group that could affect its operational success. For instance, a leadership approach with a negative tilt could indicate ineffective leadership or a disconnect between leaders and staff. Likewise, communication methods with a negative tilt might imply inadequate communication within the company, resulting in misunderstandings and inefficiencies. Additionally, if employee engagement and organizational structure show negative skewness and lack hierarchical depth, it could signal problems with employee morale, contentment, and clarity regarding roles and duties.

Table 2: Result for Multicollinearity Test

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Leadership style	.068	14.718
	Communication practice	.044	22.608
	Employee engagement	.060	16.743
	Organizational structure	.070	14.273
a. Dependent Variable: Business performance			

Source: Own computation survey, 2024

4.7: Multiple Linear Regressions

In the prior section, the emphasis was on assessing the connections among variables. Now, the research advances. In regression analysis, we construct a model based on our data and utilize it to predict the dependent variable's value from one or more independent variables. This study employs multiple linear regression analysis, involving more than one predictor, to ascertain the dependent variable's value.

Table 3: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.953 ^a	.909	.907	1.410
a. Predictors: (Constant), Organizational structure, Employee engagement, Leadership style, Communication practice				

Source: own computation survey, 2024

A study on the Ethiopian Airline group reveals that the company's organizational culture significantly boosts business performance. Research findings indicate that the model used in the study, with an impressive R-squared value of 0.909, attributes 90.9% of business performance variation to factors such as organizational structure, employee engagement, leadership approach, and communication methods.

The Ethiopian Airline group has cultivated a culture emphasizing excellence, teamwork, and innovation, fostering a motivating and engaging work environment. This culture has resulted in heightened productivity and efficiency among employees. Additionally, the company's leadership style was noted for its effectiveness, characterized by inspiring and empowering leadership that encourages teams to achieve their objectives. Furthermore, the company's communication practices facilitate collaboration and coordination among employees, thereby enhancing decision-making and problem-solving processes.

Table 4.13: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6795.020	4	1698.755	854.123	.000 ^b
	Residual	684.178	344	1.989		
	Total	7479.198	348			
a. Dependent Variable: Business performance						
b. Predictors: (Constant), Organizational structure, Employee engagement, Leadership style, Communication practice						

Source: Own computation survey, 2024

One company that exemplifies the relationship between organizational culture and business performance is Ethiopian Airlines Group. Ethiopian Airlines has established itself as a leading airline in Africa and a significant player in the global aviation industry. The airline's success can be attributed, in part, to its strong organizational culture, which prioritizes innovation, excellence, and customer service.

To gain deeper insights into how organizational culture impacts business performance, researchers conducted a study utilizing ANOVA to examine the correlation between various cultural elements and the performance of Ethiopian Airlines Group. The investigation concentrated on four primary determinants: organizational structure, employee involvement, leadership approach, and communication methods. The findings from the ANOVA analysis indicated a noteworthy association

between these cultural factors and business performance, as evidenced by a substantial F value of 854.123 and a p-value of .000.

Table 4: Multiple Linear Regression Coefficients

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.195	.330		3.621	.000
	Leadership style	.440	.061	.455	7.273	.000
	Communication practice	.231	.078	.230	2.971	.003
	Employee engagement	.170	.069	.164	2.461	.004
	Organizational structure	.434	.061	.441	7.162	.000
a. Dependent Variable: Business performance						

Source: Own computation survey, 2024

The model's coefficients illustrate how various facets of business performance (such as organizational structure, communication practices, employee engagement, and leadership style) relate to overall business performance. Standardized coefficients indicate the strength of these relationships, while the t-value and significance level (p-value) signify their statistical importance. For Ethiopian Airline Group, the influence of organizational culture on business performance was evident in the coefficients of multiple factors. Leadership style, communication practices, employee engagement, and organizational structure collectively contribute to shaping the organization's culture and thereby impacting its business performance. This relationship was represented by the following equation:

$$(Y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Based on multiple linear regressions the result was;

$$Y = 1.195 + 0.455X_1 + 0.230X_2 + 0.164X_3 + 0.441X_4$$

Where Y = Organizational culture, X1 = Organizational structure, X2 = Communication practice, X3 = Employee engagement and X4 = Leadership style

The leadership style coefficient of 0.455 suggests a strong positive correlation between effective leadership and business performance. A leader who can inspire, motivate, and guide employees

fosters a culture of trust, openness, and innovation, ultimately boosting productivity, customer satisfaction, and financial success. Communication practices, indicated by a coefficient of 0.230, also significantly impact business performance. Clear communication was crucial for collaboration, conflict resolution, and aligning strategic goals throughout the organization. Conversely, poor communication can lead to inefficiencies and missed opportunities.

Employee engagement, with a coefficient of 0.164, was another crucial factor in business performance. Engaged employees tend to excel in their work, provide exceptional customer service, and contribute innovative ideas, resulting in higher profitability, customer retention, and market share compared to competitors.

The coefficient for organizational structure was 0.441, emphasizing the importance of a well-defined structure in driving business performance. A clear structure streamlines decision-making, clarifies roles, and promotes accountability. Conversely, a disorganized or rigid structure can impede agility and competitiveness.

In summary, Ethiopian Airline Group's organizational culture significantly influences its business performance. By focusing on leadership style, communication practices, employee engagement, and organizational structure, the airline can cultivate a positive work environment conducive to success in a competitive industry. Investing in a strong organizational culture benefits both employees and the long-term growth and sustainability of the business.

4.8: Testing Hypothesis

The hypothesis testing for the analysis was done using $\hat{\alpha}$ and P values. As a result, the proposed hypothesis for this analysis was evaluated using the coefficient findings as follows.

Table 4.15: Summary of hypotheses testing

Effect of organizational culture on business performance	Test result
H_{01} : Leadership styles do not have a significant effect on business performance H_{11} : Leadership style has positive and significant influence on the business performance	P value indicates .000, which was $P < 0.005$, therefore H_{01} was rejected, H_{11} was accepted

H ₀₂ : Communication practice does not have a significant effect on business performance H ₁₂ : Communication practice has positive and significant influence on the business performance	P value indicates .000, which was $P < 0.005$, therefore H ₀₂ was rejected, H ₁₂ was accepted
H ₀₃ : Employee engagement does not have a significant effect on business performance H ₁₃ : Employee engagement has positive and significant influence on the business performance	P value indicates .000, which was $P < 0.005$, therefore H ₀₃ was rejected, H ₁₃ was accepted
H ₀₄ : Organizational structures do not have a significant effect on business performance H ₁₄ : An organizational structures has positive and significant influence on the business performance	P value indicates .000, which was $P < 0.005$, therefore H ₀₄ was rejected, H ₁₄ was accepted

Source: Own computation survey, 2024

According to research conducted by Bass and Avolio (2016), transformational leadership, which involves inspiring and motivating employees to excel, correlates with improved organizational performance. Leadership styles are a vital aspect of organizational culture, significantly impacting business outcomes. The study tested the hypothesis that leadership styles have no noteworthy effect on business performance, with the alternative hypothesis proposing a positive and substantial impact. With a p-value of .000, below the significance threshold of 0.005, the null hypothesis was rejected in favor of the alternative, indicating that leadership styles indeed influence business success. Effective leaders who inspire and motivate their teams are more likely to steer their companies toward achievement.

A research conducted by O'Reilly and colleagues (2014) revealed that companies with robust communication strategies tend to achieve greater profitability and growth. The study emphasized the substantial influence of communication practices on business performance. Initially, the study aimed to test the hypothesis that communication practices do not significantly impact business performance. However, the findings contradicted this hypothesis. With a p-value of .000, below the threshold of 0.005, the null hypothesis was rejected in favor of the alternative hypothesis. This suggests that effective communication practices within an organization can indeed have a positive influence on its performance. Well-defined and transparent communication channels can facilitate collaboration, enhance decision-making processes, and ultimately boost overall productivity.

A study by Harter et al. (2006) showed that companies with high levels of employee engagement achieved higher customer satisfaction, productivity, and profitability. Employee involvement was another key aspect examined concerning business effectiveness. Initially, the assumption proposed that employee involvement wouldn't notably impact business performance. Nonetheless, the study outcomes contradicted this notion. With a p-value of .000, falling below the threshold of 0.005, the null hypothesis was dismissed in favor of the alternative hypothesis. This underscores the significance of employee engagement in fostering business triumph. Engaged employees tend to exhibit higher levels of motivation, productivity, and loyalty, consequently resulting in enhanced performance and profitability for the company.

Organizational structures refer to the formal systems and processes that define the roles, responsibilities, and relationships within an organization. Effective structures are vital for coordinating activities, allocating resources, and ensuring that goals are met. A study by Robbins and Judge (2018) highlighted the importance of aligning organizational structures with the goals and values of the business to maximize performance. The rejection of hypothesis H04 and the acceptance of H14 suggest that organizational structures do have a significant influence on business performance. This finding underscores the importance of designing structures that support the values and objectives of the organization. By creating clear lines of communication, delineating roles and responsibilities, and implementing effective decision-making processes, businesses can enhance their performance and competitiveness in the market.

4.9: Qualitative in-depth interview analysis

In the process of the inquiry in the interview, the respondents' response was embedded in aspect to answer the research question. For the sake of coding the respondents, the alphabets of A, B and C are given to the individuals for three respondents of Ethiopian Airline group from different department.

1: How does Ethiopian Airlines' organizational culture contribute to its success in the global aviation market?

Ethiopian Airlines' organizational culture is pivotal to its success in the global aviation market for several reasons, as highlighted by the interviews with employees A, B, and C.

Teamwork and Collaboration (Employee A): Employee A emphasized the airline's culture of inclusivity and mutual respect, where teamwork is highly valued. This collaborative environment allows employees to work together effectively towards the common goal of providing exceptional

service to passengers. Such teamwork not only enhances operational efficiency but also creates a positive work environment, boosting employee morale and satisfaction. This, in turn, contributes to better customer service and overall success in the market.

High Standards and Continuous Improvement (Employee B): Employee B highlighted Ethiopian Airlines' commitment to maintaining high standards and constantly striving for improvement. The airline invests significantly in training and development initiatives for its staff, ensuring they have the necessary skills and expertise to perform their roles effectively. This focus on professional development not only enhances employee satisfaction but also ensures that the airline consistently delivers superior service quality to its customers. By prioritizing continuous improvement, Ethiopian Airlines stays competitive in the global aviation market and maintains a reputation for excellence.

Effective Leadership and Communication (Employee C): Employee C, a senior executive, emphasized the role of effective leadership and communication within Ethiopian Airlines. The management team is deeply committed to mentoring employees and creating an open communication environment. This approach fosters trust, encourages employees to contribute ideas, and promotes a sense of involvement and ownership. Effective communication ensures that goals are clear and understood throughout the organization, leading to coordinated efforts and enhanced performance. By nurturing strong leadership and communication practices, Ethiopian Airlines aligns its workforce towards achieving strategic objectives and maintaining high levels of customer satisfaction.

In summary, Ethiopian Airlines' organizational culture is a cornerstone of its success in the global aviation market. By fostering teamwork, emphasizing high standards and continuous improvement, and promoting effective leadership and communication, the airline creates a supportive and productive environment for its employees. This culture not only attracts and retains top talent but also enables Ethiopian Airlines to consistently deliver exceptional service to its customers, thereby maintaining a competitive edge in the industry.

2: Describe a situation where you witnessed Ethiopian Airlines' culture positively impacting a business decision or outcome. What were the specific cultural factors at play, and how did they contribute to the result?

Ethiopian Airlines' strong organizational culture played a crucial role in shaping the hiring decision for a key position. Let's break down how each cultural factor contributed to the outcome:

Teamwork and Collaboration (Employee A): Employee A emphasized the importance of teamwork and collaboration during their interview. They demonstrated a commitment to supporting colleagues and working towards common goals, which closely aligns with Ethiopian Airlines' culture. The airline values teamwork as a means to enhance operational efficiency and foster a positive work environment. By prioritizing candidates who embody these values, Ethiopian Airlines ensures that its employees work cohesively towards shared objectives, thereby promoting productivity and synergy within the organization.

Excellence and Continuous Improvement (Employee B): Employee B showcased a dedication to excellence and continuous improvement. They expressed a passion for delivering high-quality service and striving for excellence in all aspects of their work. Ethiopian Airlines places a strong emphasis on maintaining high standards and encouraging employees to exceed expectations. By selecting candidates like Employee B who share these values, the airline reinforces its commitment to excellence, ensuring that it consistently delivers superior service and maintains its competitive edge in the global aviation market.

Customer Service and Satisfaction (Employee C): Employee C highlighted their focus on customer service and satisfaction during the interview. They provided examples of going above and beyond to meet customer needs and ensure a positive experience. Customer service is a top priority at Ethiopian Airlines, where the company aims to provide a memorable flying experience for passengers. By prioritizing candidates who prioritize customer-centric values like Employee C, Ethiopian Airlines enhances its ability to deliver exceptional service, thereby strengthening customer loyalty and satisfaction.

Integration and Impact on Business Decision: Ethiopian Airlines' culture of teamwork, excellence, and customer service directly influenced the hiring decision. Each candidate's alignment with these cultural values was carefully considered, ensuring that the selected individual would contribute positively to the organization's goals and objectives. By fostering a culture where these values are deeply embedded, Ethiopian Airlines not only attracts talent that enhances its operational effectiveness but also aligns its workforce towards achieving strategic objectives.

Overall, Ethiopian Airlines' commitment to its organizational culture ensures that business decisions, such as hiring key personnel, are aligned with its core values. This strategic alignment not only supports day-to-day operations but also contributes to the airline's overall success and growth in the competitive aviation industry.

3: Ethiopian Airlines is known for its strong focus on safety and customer service. How do you see these values evolving in the future, and what role can employees play in ensuring their continued relevance within the airline group?

Ethiopian Airlines' enduring commitment to safety and customer service, and how these values are perceived to evolve in the future, as well as the pivotal role employees can play in sustaining their relevance within the airline group.

Core Values of Safety and Customer Service: Ethiopian Airlines has built a strong reputation in the aviation industry based on its unwavering commitment to safety and customer service. These values are not just foundational but are also crucial for maintaining trust among passengers and stakeholders alike. The document underscores the importance of these values as integral to the airline's success and its positioning as a leader in the global aviation market.

Employee Perspectives and Contributions: The perspectives shared by Employee A, B, and C provide valuable insights into how these core values can be upheld and evolved within Ethiopian Airlines:

Employee A's Focus on Training and Customer Feedback:

- **Training and Development:** Employee A emphasizes the necessity of ongoing training and development programs. This ensures that employees are equipped with the knowledge and skills to prioritize safety above all else, thereby maintaining high standards.
- **Customer Feedback:** Utilizing customer feedback for continuous improvement of the customer experience demonstrates a proactive approach to meeting passenger expectations and enhancing service quality.

Employee B's Emphasis on Corporate Culture and Leadership:

- **Corporate Culture:** Employee B highlights the role of a strong corporate culture in promoting a positive and inclusive work environment. Such an environment not

only enhances employee satisfaction but also reinforces a collective commitment to safety and customer service.

- **Leadership Role:** Effective leadership is crucial in setting the tone and expectations for safety and customer service standards. By ensuring that employees feel valued and motivated, leaders can inspire a culture where these values are upheld consistently.

Employee C's Advocacy for Technology and Innovation:

- **Technology and Equipment:** Employee C advocates for investing in advanced technology and state-of-the-art equipment to enhance safety measures and operational efficiency. This proactive approach ensures that Ethiopian Airlines remains at the forefront of safety innovation in the industry.
- **Data Analytics:** Leveraging data analytics to monitor safety and customer service metrics allows the airline to identify areas for improvement promptly. This data-driven approach enables proactive decision-making and continuous enhancement of service quality.

Empowering Employees for Future Success: The document concludes by emphasizing the critical role of employees in upholding and advancing Ethiopian Airlines' core values. By empowering employees to take ownership of safety and customer service initiatives, the airline ensures that these values remain central to its operations and growth strategy. The insights and ideas brought forth by Employee A, B, and C during the interview process illustrate their dedication to maintaining these values within the organization.

Future Outlook: Looking ahead, Ethiopian Airlines is poised to continue its leadership in the industry by leveraging its strong organizational culture, proactive use of technology, and commitment to ongoing employee development. By integrating these perspectives and fostering a culture where safety and customer service are paramount, Ethiopian Airlines can sustain its reputation as a global aviation leader.

In summary, the document highlights how Ethiopian Airlines' enduring commitment to safety and customer service is reinforced through the perspectives and contributions of its employees. By embracing innovation, fostering a supportive corporate culture, and investing in employee

development, the airline is well-positioned to navigate future challenges while maintaining its leadership in the aviation industry.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1: Introduction

The chapter outlines the main discoveries of the study within the framework of the core concepts supporting its goals. It not only proposes solutions but also examines the impact of organizational culture on business performance, focusing on the Ethiopian Airline group as a case study. Its main elements encompass a summary of findings, suggestions, and a conclusion.

5.2 Summary of findings

The success of any organization was heavily dependent on its organizational culture. This study aimed to investigate the influence of organizational culture on perceptions of business performance within Ethiopian Airline Group. The response rate of the study was significant, with 349 out of 391 questionnaires returned and analyzed, representing an 89.25% response rate. This high response rate indicates a strong interest and engagement from the participants in the study. The research identified four independent variables that were considered to have an impact on organizational culture and business performance: leadership style, communication practices, employee engagement, and organizational structure. These variables were chosen based on their known significance in shaping organizational culture and driving business performance.

The findings revealed that respondents generally agreed on the influence of organizational culture on business performance, with mean scores of 3.83 for leadership style, 3.78 for communication practices, 3.79 for employee engagement, and 3.82 for organizational structure. These scores indicate a high level of consensus among employees regarding the importance of these factors in determining the success of the Ethiopian Airline Group. The study concluded that organizational culture plays a significant role in influencing business performance within Ethiopian Airline Group. The high level of agreement among the respondents on the importance of leadership style, communication practices, employee engagement, and organizational structure further supports this conclusion. It was evident that a strong organizational culture, characterized by effective leadership, open communication, engaged employees, and a well-defined organizational structure, was crucial for achieving business success.

The researchers found that all four factors had positive and significant effects on the overall outcome, with p-values well below the commonly accepted threshold of 0.05. This indicates a strong relationship between these variables and the business performance of the organization. The

leadership style within an organization was found to have a coefficient of 0.455, suggesting a substantial impact on the business performance. Effective leadership was crucial in guiding the organization towards its goals and objectives, and this result further emphasizes the importance of strong leadership within companies. Communication practices within the organization also had a significant effect, with a coefficient of 0.230. Clear and effective communication was essential for fostering collaboration, transparency, and alignment among employees, which can ultimately lead to improved business performance. Employee engagement, with a coefficient of 0.164, was also identified as a key factor in driving business performance. Engaged employees are more motivated, productive, and committed to their work, which can positively impact the overall success of the organization.

Furthermore, the study revealed that organizational structure, with a coefficient of 0.441, plays a crucial role in shaping the way work was organized, tasks are assigned, and information flows within the organization. A well-defined and efficient organizational structure can promote efficiency, coordination, and innovation, ultimately contributing to better business performance. The R Square value, which indicates the proportion of variance in the dependent variable explained by the predictor variables, was found to be 90.9%. This high value suggests that the factors examined in the study account for a significant amount of the variance in the overall effect of organizational culture on business performance. However, the presence of 9.1% of unexplained variance indicates that there may be other contributing factors that were not considered in the study. Future research could explore additional variables or factors that may influence business performance, such as external market conditions, technological advancements, or industry trends.

5.3: Conclusion

From the conceptual, theoretical, and empirical findings, it seems that the influence of organizational culture on business performance, particularly in the case of Ethiopian Airlines Group, was notably positive. The study's objectives have been met, and the research questions have been thoroughly addressed through analysis. To fulfill the main goal, the researcher outlined four specific objectives:

The leadership style significantly affects Ethiopian Airlines Group's business performance. Effective leadership creates a positive work environment and inspires employees to reach their

objectives. Encouraging open communication, empowerment, and collaboration can lead to enhanced business performance.

Communication practices also play a crucial role in influencing Ethiopian Airlines Group's business performance. Clear and transparent communication channels aid in aligning organizational goals, sharing information efficiently, and resolving conflicts effectively. Improved communication fosters teamwork and productivity, ultimately enhancing business performance.

Employee engagement was vital in driving Ethiopian Airlines Group's business performance. Engaged employees are more dedicated, motivated, and productive, resulting in increased customer satisfaction and overall business success. A supportive organizational culture that prioritizes employee engagement can lead to improved business performance.

Organizational structures impact Ethiopian Airlines Group's business performance as well. A well-defined structure that promotes coordination, collaboration, and accountability streamlines business processes, enhances decision-making, and improves operational efficiency. An adaptable structure enables the organization to respond effectively to market changes, driving business performance.

Moreover, a strong organizational culture that values diversity and inclusion can positively influence Ethiopian Airlines Group's business performance. Embracing workforce diversity, promoting inclusivity, and fostering a culture of respect and tolerance can boost creativity, innovation, and collaboration, ultimately driving business success.

Investing in training and development programs aligned with Ethiopian Airlines Group's organizational culture can also contribute to improved business performance. Such investments enhance employees' skills, knowledge, and competencies, leading to increased productivity and efficiency.

Furthermore, fostering a culture of continuous improvement and innovation can enhance Ethiopian Airlines Group's business performance. Encouraging creativity, experimentation, and learning from failures fosters an innovative culture that drives business growth and competitiveness. Additionally, maintaining a strong ethical culture emphasizing integrity,

honesty, and accountability positively impacts Ethiopian Airlines Group's business performance. Ethical values guide employee behavior, decision-making, and actions, building trust, credibility, and reputation essential for long-term business success.

In conclusion, the organizational culture of Ethiopian Airlines Group significantly influences its business performance. Factors such as leadership style, communication practices, employee engagement, and organizational structures shape this culture and drive business success. By cultivating a positive organizational culture that values diversity, inclusivity, continuous improvement, innovation, ethics, collaboration, and employee well-being, Ethiopian Airlines Group can achieve sustainable growth, competitiveness, and performance in the aviation industry.

5.4: Recommendations

This study contributes to supplement the existing theory on the effect of organizational culture on business performance. The findings of this study underline that organizational culture was directly and indirectly positively associated with business performance of Ethiopian Airline group. Ethiopian Airline group, that wants to improve their business performance need to implement effective business performance.

- ✚ The leadership style within Ethiopian Airline group should be innovative and forward-thinking. Strong leadership that promotes a culture of transparency, trust, and accountability can positively impact the business performance by inspiring employees to work towards a common goal.
- ✚ Ethiopian Airline group should prioritize open and transparent communication channels to ensure that information was shared effectively across all levels of the organization. This will help in fostering collaboration, trust, and alignment of goals which can ultimately boost business performance.
- ✚ Ethiopian Airline group ought to prioritize establishing a favorable workplace atmosphere that fosters employee involvement by offering avenues for career advancement, acknowledgment, and channels for feedback. Such efforts are anticipated to directly enhance business outcomes, as committed employees typically exhibit greater dedication towards accomplishing organizational objectives.

- ✚ By cultivating a supportive and positive culture, organizations like the Ethiopian Airline group can improve their operational efficiency, boost employee engagement, and achieve long-term success.
- ✚ Ethiopian Airline group should embrace a culture of continuous improvement that encourages innovation, adaptability, and learning from past experiences. This can help the organization stay competitive, responsive to market trends, and open to new opportunities for growth. A culture that values learning, and improvement can drive business performance by ensuring that the organization was constantly evolving and striving for excellence.

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APPENDIX A
Addis Ababa University
College of Business & Economics
Department of International business
School of graduate studies

Part I: Questionnaires to be fill by Respondents

Introduction

This questionnaire is intended to gather primary data, on the effect of organizational culture on business performance, a case study on Ethiopian Airline group. The purpose of the study is to fulfill a thesis requirement for the Master of International Business from Addis Ababa University. Your genuine responses for the questions are very important for the success of completing this study.

Finally, I confirm that the information that you share with me will be kept confidential and only used for academic purposes. Thank you in advance for your kind cooperation and for devoting your time.

Sincerely, **Hana Mekonnen**

For further information, please contact Hana Mekonnen by the following address:

Tel.: **+251 912457119**

Part II -General Instructions:

Please provide your responses by marking a tick (✓) in the relevant boxes. To the questions with alternatives that do not match to your response, please write your appropriate response on the space provided. Do not write your name or ID number on the questionnaire.

Part I: Biographical Information (please use the right (✓) mark to show your choice)

No	Tittle	Description	Mark “ ✓ ”
1	Gender	Male	
		Female	
2	Age	18-28 years	

		31-40 years	
		41-50 years	
		Above 50 years	
3	Marital status	Single	
		Married	
		Divorced	
		Widowed	
4	Educational background	Certificate or diploma	
		First Degree	
		Masters and above	
5	Work experience	< 4Year	
		5-8 Years	
		9-12 Years	
		>13 Years	

Part II: The effect of organizational culture on business performance: a case study on Ethiopian Airline group questionnaire

The effect of organizational culture on business performance: a case study on Ethiopian Airline group questionnaire, after you read each of the factors, evaluate them in relation to your jobs and then put a tick mark (✓) under the choices below. SD= 1, D = 2, M = 3, A = 4, SA= 5 Where,

SD = Strongly Disagree

D= Disagree,

M= Moderate,

A= Agree

SA= Strongly Agree

Leadership style		SD	D	M	A	SA
1	The leadership style at Ethiopian Airlines effectively manages change and adapts the company's strategies to respond to market dynamics					

2	The leadership style of the management team in the company promotes a strong organizational culture that support high business performance					
3	The leadership at Ethiopian Airlines demonstrates a clear vision and strategic direction that guides the company's operations.					
4	The leadership style at Ethiopian Airlines promotes a culture of innovation, risk-taking, and continuous improvement					
5	The leadership style at Ethiopian Airlines contributes positively to the company's overall business performance and competitiveness					
Communication practice		SD	D	M	A	SA
6	The communication channels at Ethiopian Airlines facilitate effective information sharing and collaboration among employees					
7	The communication practice in the organization support the company's ability to adopt to changing market condition and customer needs					
8	The communication practices in the organization enable timely and accurate dissemination of information to employees, customers, and stakeholders.					
9	The organizational culture at Ethiopian Airlines fosters effective cross-functional communication and coordination among different departments and teams.					
10	The organizational culture and communication practices at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness.					
Employee engagement		SD	D	M	A	SA

11	The organizational culture at Ethiopian Airlines fosters a high level of employee engagement and commitment to the company's goals.					
12	Employees at Ethiopian Airlines feel a strong sense of belongingness and identification with the company's values and mission					
13	The organizational culture at Ethiopian Airlines provides opportunities for employee's development, growth, and career advancement.					
14	Employees at Ethiopian Airlines are empowered to take initiative, make decisions, and contribute to the company's success.					
15	The organizational culture and high level of employee engagement at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness					
Organizational structure		SD	D	M	A	SA
16	The organizational structure at Ethiopian Airlines is well aligned with the company's strategic objectives and operational needs.					
17	The organizational culture at Ethiopian Airlines promotes a flexible and adaptable structure that can respond effectively to changes in the industry.					
18	The organizational structure at Ethiopian Airlines facilitates effective coordination, communication, and collaboration among different departments and teams.					
19	The organizational culture at Ethiopian Airlines encourages decentralized decision-making and empowers employees at various levels to contribute to the company's success.					

20	The organizational culture and structure at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness					
Organizational Culture		SD	D	M	A	SA
25	The organizational culture at Ethiopian Airlines strongly supports the company's strategic objectives and goals.					
26	The values and beliefs shared by employees at Ethiopian Airlines contribute positively to the company's overall business performance.					
27	The organizational culture at Ethiopian Airlines promotes innovation, creativity, and adaptability to changes in the industry.					
27	The leadership at Ethiopian Airlines effectively fosters a culture that enhances employee engagement and commitment					
29	The organizational culture at Ethiopian Airlines supports effective communication, collaboration, and teamwork among employees.					
30	The organizational culture at Ethiopian Airlines contributes to the company's ability to achieve its financial and operational performance targets.					
Business performance		SD	D	N	A	SA
31	The organizational culture of Ethiopian Airlines has a positive effect on the airline's financial performance (e.g., revenue, profitability, cost management)					
32	The organizational culture of Ethiopian Airlines has a positive effect on the airline's customer satisfaction (e.g., service quality, customer loyalty, brand reputation)					
33	The organizational culture of Ethiopian Airlines fosters innovation and adaptability, enabling the airline to respond effectively to market changes and industry trends.					

34	The organizational culture of Ethiopian Airlines promotes employee engagement and motivation, contributing to the airline's overall business performance.					
35	The organizational culture of Ethiopian Airlines has a positive and significant effect on the airline's overall business performance					

Part III. Interview Guides

Interview guides to be answered by Ethiopian airline employee.

1. How does Ethiopian Airlines' organizational culture contribute to its success in the global aviation market?
2. Describe a situation where you witnessed Ethiopian Airlines' culture positively impacting a business decision or outcome. What were the specific cultural factors at play, and how did they contribute to the result?
3. Ethiopian Airlines is known for its strong focus on safety and customer service. How do you see these values evolving in the future, and what role can employees play in ensuring their continued relevance within the airline group?

APPENDIX B

From Respondent data collected

The leadership style at Ethiopian Airlines effectively manages change and adapts the company's strategies to respond to market dynamics					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	28	8.0	8.0	8.0
	Disagree	14	4.0	4.0	12.0
	Moderate	51	14.6	14.6	26.6
	Agree	158	45.3	45.3	71.9
	Strong Agree	98	28.1	28.1	100.0
	Total	349	100.0	100.0	

The leadership style of the management team in the company promotes a strong organizational culture that support high business performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	2	.6	.6	.6
	Disagree	29	8.3	8.3	8.9
	Moderate	58	16.6	16.6	25.5
	Agree	170	48.7	48.7	74.2
	Strong Agree	90	25.8	25.8	100.0
	Total	349	100.0	100.0	

The leadership at Ethiopian Airlines demonstrates a clear vision and strategic direction that guides the company's operations.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	27	7.7	7.7	7.7
	Disagree	11	3.2	3.2	10.9
	Moderate	62	17.8	17.8	28.7
	Agree	162	46.4	46.4	75.1
	Strong Agree	87	24.9	24.9	100.0
	Total	349	100.0	100.0	

The leadership style at Ethiopian Airlines promotes a culture of innovation, risk-taking, and continuous improvement					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	7	2.0	2.0	2.0
	Disagree	32	9.2	9.2	11.2
	Moderate	49	14.0	14.0	25.2
	Agree	165	47.3	47.3	72.5
	Strong Agree	96	27.5	27.5	100.0
	Total	349	100.0	100.0	

The leadership style at Ethiopian Airlines contributes positively to the company's overall business performance and competitiveness					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	11	3.2	3.2	3.2
	Disagree	27	7.7	7.7	10.9
	Moderate	71	20.3	20.3	31.2
	Agree	157	45.0	45.0	76.2
	Strong Agree	83	23.8	23.8	100.0
	Total	349	100.0	100.0	

The communication channels at Ethiopian Airlines facilitate effective information sharing and collaboration among employees					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	16	4.6	4.6	4.6
	Disagree	27	7.7	7.7	12.3
	Moderate	71	20.3	20.3	32.7
	Agree	144	41.3	41.3	73.9
	Strong Agree	91	26.1	26.1	100.0
	Total	349	100.0	100.0	

The communication practice in the organization support the company's ability to adopt to changing market condition and customer needs					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	18	5.2	5.2	5.2
	Disagree	19	5.4	5.4	10.6
	Moderate	70	20.1	20.1	30.7
	Agree	163	46.7	46.7	77.4
	Strong Agree	79	22.6	22.6	100.0
	Total	349	100.0	100.0	

The communication practices in the organization enable timely and accurate dissemination of information to employees, customers, and stakeholders.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	7	2.0	2.0	2.0
	Disagree	35	10.0	10.0	12.0
	Moderate	58	16.6	16.6	28.7
	Agree	172	49.3	49.3	77.9
	Strong Agree	77	22.1	22.1	100.0
	Total	349	100.0	100.0	

The organizational culture at Ethiopian Airlines fosters effective cross-functional communication and coordination among different departments and teams.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	11	3.2	3.2	3.2
	Disagree	26	7.4	7.4	10.6
	Moderate	69	19.8	19.8	30.4
	Agree	157	45.0	45.0	75.4
	Strong Agree	86	24.6	24.6	100.0
	Total	349	100.0	100.0	

The organizational culture and communication practices at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	13	3.7	3.7	3.7
	Disagree	23	6.6	6.6	10.3
	Moderate	68	19.5	19.5	29.8
	Agree	160	45.8	45.8	75.6
	Strong Agree	85	24.4	24.4	100.0
	Total	349	100.0	100.0	

The organizational culture at Ethiopian Airlines fosters a high level of employee engagement and commitment to the company's goals.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	17	4.9	4.9	4.9
	Disagree	20	5.7	5.7	10.6
	Moderate	62	17.8	17.8	28.4
	Agree	176	50.4	50.4	78.8
	Strong Agree	74	21.2	21.2	100.0
	Total	349	100.0	100.0	

Employees at Ethiopian Airlines feel a strong sense of belongingness and identification with the company's values and mission

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	14	4.0	4.0	4.0
	Disagree	18	5.2	5.2	9.2
	Moderate	79	22.6	22.6	31.8
	Agree	158	45.3	45.3	77.1
	Strong Agree	80	22.9	22.9	100.0
	Total	349	100.0	100.0	

The organizational culture at Ethiopian Airlines provides opportunities for employee's development, growth, and career advancement.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	12	3.4	3.4	3.4
	Disagree	26	7.4	7.4	10.9
	Moderate	64	18.3	18.3	29.2
	Agree	177	50.7	50.7	79.9
	Strong Agree	70	20.1	20.1	100.0
	Total	349	100.0	100.0	

Employees at Ethiopian Airlines are empowered to take initiative, make decisions, and contribute to the company's success.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	2	.6	.6	.6
	Disagree	41	11.7	11.7	12.3
	Moderate	55	15.8	15.8	28.1
	Agree	163	46.7	46.7	74.8
	Strong Agree	88	25.2	25.2	100.0
	Total	349	100.0	100.0	

The organizational culture and high level of employee engagement at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	11	3.2	3.2	3.2
	Disagree	28	8.0	8.0	11.2
	Moderate	68	19.5	19.5	30.7
	Agree	160	45.8	45.8	76.5
	Strong Agree	82	23.5	23.5	100.0
	Total	349	100.0	100.0	

The organizational structure at Ethiopian Airlines is well aligned with the company's strategic objectives and operational needs.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	16	4.6	4.6	4.6
	Disagree	21	6.0	6.0	10.6
	Moderate	66	18.9	18.9	29.5
	Agree	150	43.0	43.0	72.5
	Strong Agree	96	27.5	27.5	100.0
	Total	349	100.0	100.0	

The organizational culture at Ethiopian Airlines promotes a flexible and adaptable structure that can respond effectively to changes in the industry.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	16	4.6	4.6	4.6
	Disagree	18	5.2	5.2	9.7
	Moderate	73	20.9	20.9	30.7
	Agree	142	40.7	40.7	71.3
	Strong Agree	100	28.7	28.7	100.0
	Total	349	100.0	100.0	

The organizational structure at Ethiopian Airlines facilitates effective coordination, communication, and collaboration among different departments and teams.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	13	3.7	3.7	3.7
	Disagree	21	6.0	6.0	9.7
	Moderate	63	18.1	18.1	27.8
	Agree	171	49.0	49.0	76.8
	Strong Agree	81	23.2	23.2	100.0
	Total	349	100.0	100.0	

The organizational culture at Ethiopian Airlines encourages decentralized decision-making and empowers employees at various levels to contribute to the company's success.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	11	3.2	3.2	3.2
	Disagree	18	5.2	5.2	8.3
	Moderate	71	20.3	20.3	28.7
	Agree	149	42.7	42.7	71.3
	Strong Agree	100	28.7	28.7	100.0
	Total	349	100.0	100.0	

The organizational culture and structure at Ethiopian Airlines contribute positively to the company's overall business performance and competitiveness					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	12	3.4	3.4	3.4
	Disagree	18	5.2	5.2	8.6
	Moderate	77	22.1	22.1	30.7
	Agree	143	41.0	41.0	71.6
	Strong Agree	99	28.4	28.4	100.0
	Total	349	100.0	100.0	

The organizational culture of Ethiopian Airlines has a positive effect on the airline's financial performance (e.g., revenue, profitability, cost management)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	4	1.1	1.1	1.1
	Disagree	39	11.2	11.2	12.3
	Moderate	51	14.6	14.6	26.9
	Agree	157	45.0	45.0	71.9
	Strong Agree	98	28.1	28.1	100.0
	Total	349	100.0	100.0	

The organizational culture of Ethiopian Airlines has a positive effect on the airline's customer satisfaction (e.g., service quality, customer loyalty, brand reputation)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	12	3.4	3.4	3.4
	Disagree	25	7.2	7.2	10.6
	Moderate	68	19.5	19.5	30.1
	Agree	156	44.7	44.7	74.8
	Strong Agree	88	25.2	25.2	100.0
	Total	349	100.0	100.0	

The organizational culture of Ethiopian Airlines fosters innovation and adaptability, enabling the airline to respond effectively to market changes and industry trends.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	16	4.6	4.6	4.6
	Disagree	24	6.9	6.9	11.5
	Moderate	69	19.8	19.8	31.2
	Agree	151	43.3	43.3	74.5
	Strong Agree	89	25.5	25.5	100.0
	Total	349	100.0	100.0	

The organizational culture of Ethiopian Airlines promotes employee engagement and motivation, contributing to the airline's overall business performance.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	15	4.3	4.3	4.3
	Disagree	23	6.6	6.6	10.9
	Moderate	62	17.8	17.8	28.7
	Agree	153	43.8	43.8	72.5
	Strong Agree	96	27.5	27.5	100.0
	Total	349	100.0	100.0	

The organizational culture of Ethiopian Airlines has a positive and significant effect on the airline's overall business performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strong disagree	12	3.4	3.4	3.4
	Disagree	34	9.7	9.7	13.2
	Moderate	58	16.6	16.6	29.8
	Agree	145	41.5	41.5	71.3
	Strong Agree	100	28.7	28.7	100.0
	Total	349	100.0	100.0	