ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

THE ROLE OF RISK MANAGEMENT ORIENTATION (COSO ERM) ON ORGANIZATIONAL RESILIENCE: A CASE STUDY OF COCA-COLA BEVERAGES AFRICA-ETHIOPIA.

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MAY, 2025

ADDIS ABABA, ETHIOPIA

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A THESIS SUBMITTED TO ADDIS ABABA UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIRMENTS FOR THE DEGREE OF MASTER OF MANAGEMENT.

MAY, 2025

ADDIS ABABA, ETHIOPIA

Declaration

This is to certify that the thesis entitled “The role of risk management orientation (COSO ERM) on organizational resilience: A Case study of COCA-COLA beverages Africa-Ethiopia”, submitted in partial fulfillment of the requirements for the MBA of business administration in finance, Addis Ababa University, is a record of original work carried out by me and has never been submitted to this or any other institution to get any other degree or certificates and that all references materials contained therein have been duly acknowledged.

Name of the candidate: Elenata Zinare Signature:  Date: 26/06/25

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This is to certify that this thesis prepared by Elenata Zinare Mamo, entitled; “The role of risk management orientation (COSO ERM) on organizational resilience: A Case study of COCA-COLA beverages Africa-Ethiopia” and submitted in partial fulfillment of the requirements for the degree of MBA in business Administration in finance complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

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ABSTRACT

This study examines the role of risk management orientation (RMO) in enhancing organizational resilience at Coca-Cola Beverages Africa-Ethiopia (CCBA-Ethiopia). Data were collected through structured questionnaires administered to 297 employees across regional depots, reflecting a higher response rate than the calculated sample size. The study evaluates five COSO ERM components of RMO—governance & culture, strategy & objective setting, performance, review & revision, and information, communication & reporting—and their impact on organizational resilience. Regression analysis revealed all five components significantly enhance resilience. Information, communication & reporting ($\beta = 0.616$, $p < 0.001$) exhibited the strongest effect, followed by review & revision ($\beta = 0.198$, $p < 0.001$). Governance & culture ($\beta = 0.125$), strategy & objective setting ($\beta = 0.105$), and performance ($\beta = 0.106$) also showed statistically significant contributions. Findings underscore integrating risk management into organizational culture, strategic planning, and communication systems for adaptive capacity and crisis preparedness. This research contextualizes risk-resilience dynamics within Ethiopia's beverage industry, offering actionable insights for managers, policymakers, and scholars to strengthen organizational sustainability in volatile environments.

Keywords: Risk Management Orientation, Organizational Resilience, COSO ERM, Ethiopia, Coca-Cola Beverages Africa-Ethiopia

CHAPTER ONE

1. INTRODUCTION

1.1. Background of the Study

This study investigates the pivotal role of risk management orientation (RMO) in building organizational resilience within the dynamic context of Coca-Cola Beverages Africa-Ethiopia. Organizational resilience, the ability of an organization to anticipate, cope with, and adapt to disruptions, is crucial for sustained success, especially in volatile environments. Risk management orientation refers to an organization's proactive and integrated approach to managing risks, embedding risk awareness into its culture, decision-making, and strategic planning. This research primarily draws on the COSO Enterprise Risk Management (ERM) Framework (2017), which provides a comprehensive model for integrating risk management with strategy and performance, and the Dynamic Capabilities Theory, which emphasizes an organization's ability to adapt and respond to changing environments.

Risk management has evolved from a focus on siloed risk functions to a holistic, enterprise-wide approach, as championed by frameworks like COSO ERM. This framework highlights that effective risk management is not merely about identifying threats but also about seizing opportunities and enhancing organizational value. Organizational resilience, on the other hand, moves beyond simply surviving disruptions to thriving in their aftermath by continuously learning and adapting. The interplay between a robust RMO, particularly through the lens of COSO ERM's components—Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, and Information, Communication & Reporting—and an organization's capacity for resilience is increasingly critical for businesses operating in emerging economies like Ethiopia. This study aims to provide empirical evidence for this relationship within the Ethiopian beverage industry.

1.1.1. Risk Management Orientation

Risk management orientation refers to an organization's proactive approach to managing risks. It involves integrating risk management into the organization's culture, decision-making processes, and strategic planning (Tzanakakis, 2021). Effective risk management orientation can lead to

improved organizational performance and resilience (ISO, 2018). Empirical studies on risk management orientation have shown its positive impact on organizational resilience and competitive advantage. For instance, a study conducted on medium- and large-sized German companies found that a strong risk management orientation and effective budgeting practices enhance organizational resilience, which in turn improves competitive advantage (Eichholz, Hoffmann, & Schwering, 2024). Further studies have supported this, highlighting the importance of integrated risk practices for resilience. Risk management has its roots in various theories that explain how organizations can manage uncertainties and potential threats. One of the foundational theories is the Modigliani-Miller theorem, which suggests that in a perfect market, the value of a firm is unaffected by how it is financed, implying that risk management is unnecessary (Friberg, 2017). However, in reality, markets are not perfect, and firms face various risks that need to be managed. Another important theory is the Agency Theory, which addresses conflicts of interest between stakeholders, such as managers and shareholders. Risk management practices can help align these interests by mitigating risks that could harm the firm's value (Klimczak, 2007). The Stakeholder Theory expands the focus beyond shareholders to include other stakeholders, such as employees, customers, and suppliers. Effective risk management ensures that the interests of all stakeholders are considered and protected (Freeman, 1984).

Additionally, the Resource-Based View (RBV) theory posits that firms can achieve a competitive advantage by effectively managing their resources, including risk management capabilities (Barney, 1991). The Dynamic Capabilities Theory further emphasizes the importance of an organization's ability to adapt and respond to changing environments, which includes effective risk management practices (Teece, Pisano, & Shuen, 1997). Conceptually, risk management involves identifying, assessing, and mitigating risks that could impact an organization's objectives. Recognizing potential risks that could affect the organization (ISO, 2018). Evaluating the likelihood and impact of identified risks (Tzanakakis, 2021). Developing strategies to manage or mitigate risks (Joseph's College, 2021). Continuously monitoring and reviewing risks and mitigation strategies (CIO Insight Hub, 2024).

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Another empirical study on Polish listed companies tested various corporate risk management theories and found that factors such as currency exposure, market-to-book value, and industry sector significantly influence risk management practices (Klimczak, 2007). Additionally, a study on Turkish SMEs revealed that effective risk management practices are crucial for the success and growth of small and medium-sized enterprises (Soleimani Zoghi, 2017). Furthermore, a study on Ethiopian commercial banks highlighted the importance of understanding risk, risk identification, risk assessment, and risk monitoring in enhancing risk management practices (Zeleke & Sindhu, 2021). Another study on the impact of employee orientation on risk management in Nigerian mining firms emphasized the need for quality orientation programs to manage risks effectively (Olushola et al., 2018).

1.1.2. Organizational Resilience

Organizational resilience is the ability of an organization to anticipate, cope with, and adapt to disruptions. It is a multi-dimensional construct that includes various capabilities and processes. Organizational resilience is rooted in various theories that explain how organizations can withstand and adapt to disruptions. One foundational theory is the Complexity Theory, which highlights the importance of adaptability and flexibility in complex and dynamic environments (Tengblad, 2017). This theory suggests that organizations must be able to respond to unforeseen events and adapt their structures and processes accordingly. Another important theory is the Resource-Based View (RBV), which posits that organizations can achieve resilience by effectively managing and leveraging their resources (Barney, 1991). This theory emphasizes the importance of unique resources and capabilities that provide a competitive advantage and enhance resilience. The Dynamic Capabilities Theory further emphasizes the importance of an organization's ability to adapt and respond to changing environments (Teece, Pisano, & Shuen,

1997). This theory suggests that organizations must develop dynamic capabilities to sense, seize, and transform opportunities and threats in their environment.

Conceptually, organizational resilience involves the ability of an organization to anticipate, cope with, and adapt to disruptions. It is a multi-dimensional construct that includes various capabilities and processes. Duchek (2019) conceptualizes resilience as a meta-capability composed of three successive stages: anticipation, coping, and adaptation. Anticipation involves environmental scanning and resilience planning, coping entails leadership qualities and organizational culture, and adaptation requires learning from adversity and initiating change processes.

McAslan (2010) suggests that organizational resilience is an organizational goal that encompasses risk management and continuity planning. It involves understanding the organization, its environment, and critical business processes, as well as implementing and adapting resilience policies and plans. Kantur (2012) proposes an integrative framework for organizational resilience, categorizing sources of resilience into perceptual stance, contextual integrity, strategic capacity, and strategic acting. This framework emphasizes the importance of a unified commitment and positive perceptions within the organization.

Empirical studies on organizational resilience have shown its positive impact on organizational performance and sustainability. Vakilzadeh and Haase (2021) conducted a literature review of empirical research on organizational resilience and identified several building blocks that affect how organizations successfully anticipate, cope with, and adapt to adversity. These building blocks include environmental scanning, resilience plans, leadership behavior, organizational culture, and innovation.

Rahi (2019) explored the empirical literature on organizational resilience and identified indicators used to assess resilience, such as awareness and adaptive capacity. Awareness involves the ability to assess the environment and interpret changes, while adaptive capacity refers to the organization's ability to transform its structure, processes, and culture to recover from disruptions. Duchek (2019) also conducted empirical research on organizational resilience, highlighting the importance of organizational capabilities that constitute resilience and the conditions for their development. The study suggests that resilience is a complex and embedded

construct that requires a holistic approach to understanding and developing resilience capabilities.

1.2. Statement of the Problem

Coca-Cola Beverages Africa-Ethiopia, like many organizations in developing economies, faces a complex array of challenges, including fluctuating economic conditions, political instability, and supply chain disruptions. While the importance of risk management and organizational resilience is widely acknowledged in global literature , a significant gap exists in empirical research specifically examining the role of risk management orientation (RMO), as framed by the COSO ERM framework, in fostering organizational resilience within the Ethiopian context.

Existing studies in Ethiopia often focus on specific aspects of risk management or organizational performance, rather than the holistic impact of a comprehensive RMO on resilience. For instance, while some research addresses supply chain risk management or leadership styles in mitigating operational risks , there is limited understanding of how an integrated RMO, encompassing governance, strategy, performance, review, and communication, contributes to an organization's capacity to anticipate, respond to, and adapt to disruptions.

Furthermore, much of the foundational theory on risk management and resilience is rooted in developed economies, making it crucial to investigate their applicability and dynamics in emerging markets. Without a clear understanding of how these concepts translate to and operate within the unique operational environment of CCBA-Ethiopia, the company, and indeed the broader Ethiopian beverage industry, may lack tailored strategies to enhance their adaptive capacity and ensure business continuity amidst ongoing uncertainties. This study aims to address this empirical and contextual gap by exploring the specific effects of COSO ERM components on organizational resilience at Coca-Cola Beverages Africa-Ethiopia.

1.3. Research Question

Based on the COSO ERM Framework (2017), this study seeks to answer the following research questions:

1. To what extent does governance and culture influence the organizational resilience of Coca-Cola Beverages Africa-Ethiopia?

2. What is the impact of strategy and objective setting on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia?
3. How does performance affect the organizational resilience of Coca-Cola Beverages Africa-Ethiopia?
4. What is the influence of review and revision on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia?
5. To what degree does information, communication, and reporting contribute to the organizational resilience of Coca-Cola Beverages Africa-Ethiopia?

1.4. Research Objective

1.4.1. General Objective

The primary objective of this study is to examine the effect of risk management orientation, specifically through the COSO ERM Framework components, on organizational resilience at Coca-Cola Beverages Africa-Ethiopia.

1.4.2. Specific Objectives

This study aims to achieve the following specific objectives, aligned with the COSO ERM Framework:

1. To examine the effect of governance and culture on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia.
2. To analyze the effect of strategy and objective setting on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia.
3. To evaluate the effect of performance on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia.
4. To investigate the effect of review and revision on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia.
5. To identify the effect of information, communication, and reporting on the organizational resilience of Coca-Cola Beverages Africa-Ethiopia

1.5. Significance of the Study

This study offers significant contributions to various stakeholders:

For Scholars: This research contributes empirical data and context-specific insights into the interplay between risk management orientation (guided by COSO ERM) and organizational resilience in a developing economy, specifically Ethiopia. It enriches theoretical frameworks related to enterprise risk management and organizational adaptability, addressing a notable gap in non-Western contexts.

For Businesses (Coca-Cola Beverages Africa-Ethiopia): The findings provide actionable insights and a practical framework for CCBA-Ethiopia to enhance its risk assessment and resilience-building strategies. By understanding which components of RMO most significantly impact resilience, the company can optimize its resource allocation, improve strategic planning, and ensure business continuity amidst operational challenges, thereby strengthening its competitive advantage in the local market.

For Policymakers: This study offers a deeper understanding of the importance of robust risk management orientation in fostering organizational resilience. Its findings can inform the development of national and sectoral policies that encourage effective risk management practices, contributing to a more stable and resilient business environment across Ethiopia.

For Existing Literature: By focusing on the direct effect of COSO ERM components on organizational resilience within an East African beverage sector, this study provides unique empirical evidence. It extends the applicability of established risk management theories to diverse contexts, offering a valuable addition to the global discourse on organizational resilience and risk management in emerging markets.

1.6. Scope of the Study

Methodological Scope

The study on the effect of risk management orientation on organizational resilience of Coca-Cola Beverages Africa-Ethiopia will employ a quantitative approach. The quantitative component will

involve a survey administered to a representative sample of employees and managers within the organization, using structured questionnaires to collect data on risk management practices, organizational resilience, and related variables. Statistical analysis, such as regression analysis and structural equation modeling (SEM), will be conducted to identify relationships and effects between the variables.

Geographical Scope

The geographical scope of the study will be limited to Ethiopia, focusing specifically on the operations of Coca-Cola Beverages Africa within the country. The study will encompass the company's bottling plants in Addis Ababa and Dire Dawa, as well as other relevant facilities and distribution centers. By concentrating on Ethiopia, the study will provide a contextual understanding of the unique challenges and opportunities faced by Coca-Cola Beverages Africa in this developing country.

Conceptual Scope

Conceptually, the study will explore the interrelationship between risk management orientation and organizational resilience. Risk management orientation will be defined as the proactive approach and strategic focus of the organization towards identifying, assessing, and mitigating risks. Organizational resilience will be defined as the ability of the organization to anticipate, cope with, and adapt to disruptions. The study will investigate various dimensions of risk management orientation, such as risk identification, risk assessment, risk mitigation, and risk monitoring, and how they contribute to building organizational resilience.

Time Scope

The time scope of the study will cover a period of one years (2024-2025). The study will include current practices to provide a comprehensive understanding of how risk management orientation has evolved and influenced organizational resilience over time.

1.7. Operational Definition of Terms

Risk: Risk refers to the uncertainty of events or conditions that could have a positive or negative impact on Coca-Cola Beverages Africa-Ethiopia's ability to achieve its strategic objectives. This includes financial, operational, regulatory, and environmental uncertainties that may affect the organization's performance (Bromiley et al., 2015).

Risk Management: Risk management is the systematic process of identifying, assessing, mitigating, and monitoring risks to minimize their adverse effects and capitalize on opportunities. For Coca-Cola Beverages Africa-Ethiopia, this involves integrating risk management practices into daily operations and decision-making processes (Andersen, 2008).

Risk Management Orientation (RMO): Risk management orientation refers to Coca-Cola Beverages Africa-Ethiopia's proactive approach to embedding risk awareness and management into its organizational culture, strategies, and operations. It encompasses risk identification, assessment, mitigation, and the development of a risk-aware culture (Sitkin & Pablo, 1992).

Organizational Resilience: Organizational resilience is the ability of Coca-Cola Beverages Africa-Ethiopia to anticipate, prepare for, respond to, and adapt to incremental changes and sudden disruptions in order to survive and thrive. It involves maintaining operational continuity, recovering from crises, and leveraging opportunities for growth (Lengnick-Hall et al., 2011).

Governance & Culture: Governance and culture refer to the framework of policies, procedures, and values that guide Coca-Cola Beverages Africa-Ethiopia's approach to risk management and resilience. This includes leadership commitment, ethical standards, and a shared understanding of risk management responsibilities across the organization (COSO, 2017).

Strategy & Objective Setting: Strategy and objective setting involve the alignment of Coca-Cola Beverages Africa-Ethiopia's risk management practices with its strategic goals and operational objectives. This ensures that risks are considered in the formulation and execution of business strategies (Andersen, 2008).

Performance: Performance refers to the measurable outcomes of Coca-Cola Beverages Africa-Ethiopia's risk management practices, including financial stability, operational efficiency, and stakeholder satisfaction. It reflects the effectiveness of risk management in achieving organizational objectives (Bromiley et al., 2015).

Review & Revision: Review and revision refer to the ongoing process of evaluating and updating Coca-Cola Beverages Africa-Ethiopia's risk management practices to ensure their relevance and effectiveness. This includes monitoring risk indicators, conducting audits, and making necessary adjustments (COSO, 2017).

Information: Information refers to the data and knowledge required by Coca-Cola Beverages Africa-Ethiopia to identify, assess, and manage risks effectively. This includes internal data (e.g., financial reports) and external data (e.g., market trends) that inform decision-making (Power, 2004).

Communication & Reporting: Communication and reporting involve the processes by which Coca-Cola Beverages Africa-Ethiopia shares risk-related information with internal and external stakeholders. This includes regular reporting on risk exposures, mitigation strategies, and performance outcomes to ensure transparency and accountability (COSO, 2017).

1.8. Organization of the Study

This thesis is structured into five main chapters, designed to systematically address the research objectives:

Chapter One: Introduction This chapter provides the foundational context for the study. It includes the background of the study, outlining the concepts of risk management orientation and organizational resilience. It details the statement of the problem, research questions, and research objectives (both general and specific). Furthermore, it discusses the significance of the study, its scope (methodological, geographical, conceptual, and time), and provides operational definitions for key terms used throughout the thesis.

Chapter Two: Review of Related Literature This chapter delves into existing knowledge relevant to the research. It begins with a conceptual review of risk, risk management, effective risk management, and organizational resilience. It then explores various theoretical frameworks underpinning the study, such as the Modigliani-Miller Theorem, Agency Theory, Stakeholder Theory, Resource-Based View (RBV) Theory, Dynamic Capabilities Theory, and Complexity Theory. An empirical review follows, examining previous studies on the effect of governance and culture, strategy and objective setting, performance, review and revision, and information, communication, and reporting on organizational resilience, drawing from global, African, and Ethiopian contexts. The chapter concludes with a summary of the literature, identification of existing gaps, and the presentation of the conceptual framework guiding the study, including the research hypotheses.

Chapter Three: Research Methodology This chapter outlines the methodological approach employed to conduct the research. It details the research design (explanatory and cross-sectional), research approach (quantitative), and sources of data (primary data via questionnaires). The sampling design is explained, including the target population, sample size determination (using Taro Yamane's formula resulting in 203 samples from a population of 414, though 297 responses were analyzed), and sampling technique (proportionate stratified random sampling). The chapter also covers instrumentation and data collection methods, the validity and reliability of the instruments (including pilot testing and Cronbach's Alpha for reliability), data analysis and presentation techniques (descriptive statistics, multiple regression using SPSS), the model specification, and ethical considerations observed during the research process.

Chapter Four: Data Presentation, Analysis, and Discussion This chapter presents the empirical findings of the study. It begins with an introduction and demographic information of the respondents. Preliminary statistical analyses for scale refinement, including reliability analysis (Cronbach's Alpha) and factor analysis for all constructs, are presented. Descriptive analysis (mean, standard deviation) for each component of risk management orientation (Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, Information, Communication & Reporting) and organizational resilience (Planning, Adaptive Capacity) is provided. The chapter then details the relationship between management orientation and organizational resilience using correlation analysis. Finally, it presents the results of the multiple regression analysis, including tests for assumptions (linearity, normality, homoscedasticity, independence of errors, multicollinearity), model summary (R, R Square, Adjusted R Square), ANOVA, and regression coefficients, discussing the significance and impact of each RMO component on organizational resilience.

Chapter Five: Summary, Conclusion, and Recommendations This chapter (as per the typical structure, though not fully detailed in the provided draft) will synthesize the entire study. It will summarize the key findings in relation to the research objectives and questions. Based on these findings, conclusions will be drawn regarding the role of risk management orientation in enhancing organizational resilience at Coca-Cola Beverages Africa-Ethiopia. The chapter will also discuss the implications of the study for theory and practice, acknowledge any limitations

encountered during the research, and provide actionable recommendations for CCBA-Ethiopia and suggestions for future research in this area.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter delves into the critical concepts of risk and organizational resilience, providing a comprehensive review of related literature to understand their interplay and implications for organizational success. We begin with a conceptual review of risk, exploring its definitions across various disciplines and highlighting the dual nature of risk as both threats and opportunities. The chapter then examines the systematic process of risk management. Next, we explore the concept of organizational resilience, factors contributing to resilience, such as governance, culture, strategy, performance, and communication, are examined in detail. The chapter includes a theoretical review of various frameworks, such as the Modigliani-Miller Theorem, Agency Theory, Stakeholder Theory, Resource-Based View (RBV) Theory, Dynamic Capabilities Theory, and Complexity Theory. Additionally, the empirical review analyzes the effect of governance, culture, strategy, performance, review, and communication on organizational resilience, drawing insights from global, African, and Ethiopian studies. Finally, a conceptual framework is presented, exploring the relationship between risk management orientation and organizational resilience in Coca-Cola Beverages Africa-Ethiopia.

2.2. Conceptual Review

2.2.1. Risk

Risk is a fundamental concept in both academic and practical contexts, with definitions varying across disciplines such as finance, engineering, project management, and organizational studies. At its core, risk refers to the uncertainty of outcomes and the potential for deviation from expected results, which can lead to either positive opportunities or negative consequences (Aven, 2016). The dual nature of risk—encompassing both threats and opportunities—has been emphasized in modern risk literature (ISO, 2018). In finance, risk is often quantified as the volatility or variability of returns on investments. Markowitz (1952) introduced the concept of risk in portfolio theory, where risk is measured as the standard deviation of expected returns. This perspective highlights the trade-off between risk and return, where higher risks are often associated with the potential for higher rewards.

In project management, risk is defined as any uncertain event or condition that, if it occurs, could impact the project's objectives, either positively or negatively (PMI, 2017). For example, a project might face risks such as budget overruns, delays, or technical failures, which could derail its success. Conversely, opportunities such as technological advancements or market shifts could enhance project outcomes. In organizational studies, risk is often linked to the potential for adverse outcomes that could disrupt operations, damage reputation, or lead to financial losses (Power, 2007). For instance, cybersecurity risks, supply chain disruptions, or regulatory changes are common concerns for organizations. However, organizations also face strategic risks, such as entering new markets or adopting innovative technologies, which carry both potential rewards and uncertainties.

The concept of risk is further complicated by its subjective nature. Different stakeholders may perceive the same risk differently based on their values, experiences, and tolerance for uncertainty (Slovic, 1987). This subjectivity underscores the importance of context in risk assessment and management.

2.2.2. Risk Management

Risk management is a systematic process designed to identify, assess, and mitigate risks to minimize their impact on organizational objectives (Hopkin, 2018). The ISO 31000 standard defines risk management as "coordinated activities to direct and control an organization with regard to risk" (ISO, 2018). This process typically involves the following steps: (i) Risk Identification: Recognizing potential risks that could affect the organization. This step often involves brainstorming, interviews, and the use of risk registers (PMI, 2017). (ii) Risk Analysis: Evaluating the likelihood and impact of identified risks. Techniques such as risk matrices, scenario analysis, and Monte Carlo simulations are commonly used (Hubbard, 2009). (iii) Risk Evaluation: Prioritizing risks based on their severity and determining which risks require immediate attention. (iv) Risk Treatment: Implementing strategies to mitigate, transfer, avoid, or accept risks. Common strategies include risk avoidance, risk reduction, risk sharing, and risk retention (COSO, 2017).

Risk management is not a one-time activity but an ongoing process that requires continuous monitoring and review. Organizations must adapt their risk management strategies as new risks emerge and existing risks evolve (Aven, 2016). For example, the COVID-19 pandemic

highlighted the need for organizations to reassess their risk management frameworks to address unprecedented global disruptions (World Economic Forum, 2020).

2.2.3. Effective Risk Management

Effective risk management extends beyond the basic identification and mitigation of risks. It involves embedding risk management into the organization's culture, strategy, and decision-making processes (Fraser & Simkins, 2016). Risk management must align with an organization's strategic objectives to ensure it contributes to achieving overarching goals rather than being viewed as a compliance exercise (COSO, 2017). A comprehensive approach considers both internal and external risks as well as their interdependencies. For instance, a manufacturing company might simultaneously address supply chain disruptions, regulatory changes, and technological advancements (Arena et al., 2010).

Risk management should involve all levels of the organization, encouraging a culture of risk awareness and shared responsibility (Power, 2007). Effective risk management employs sophisticated tools, such as risk matrices, scenario planning, and predictive analytics, to enhance risk assessment and mitigation capabilities (Hubbard, 2009). Organizations must regularly review and adapt their risk management frameworks, incorporating lessons learned from past experiences (ISO, 2018). A notable example is Toyota, which has integrated risk management into its operational processes and emphasized a culture of continuous improvement to mitigate risks effectively (Sheffi, 2005).

2.2.4. Organizational Resilience

Closely related to risk management is the concept of organizational resilience—the ability of an organization to anticipate, prepare for, respond to, and adapt to both incremental changes and sudden disruptions to thrive in uncertain environments (Hollnagel et al., 2006). Resilience is a dynamic capability that enables organizations not only to recover from adverse events but also to emerge stronger (Sheffi, 2005). It is generally conceptualized through two dimensions; (i) Proactive Resilience involves building capabilities to anticipate and prepare for potential disruptions through practices such as risk assessment, scenario planning, and contingency planning (McManus et al., 2008); (ii) Reactive Resilience focuses on responding to and recovering from disruptions through crisis management, resource allocation, and effective communication strategies (Burnard & Bhamra, 2011).

Several factors contribute to organizational resilience. Strong leadership is essential for fostering resilience, as leaders must make quick decisions, communicate effectively, and inspire confidence during crises (Lengnick-Hall et al., 2011). A resilient culture, characterized by adaptability, collaboration, and a willingness to learn from failures, also plays a crucial role (Horne & Orr, 1998). Moreover, organizations must invest in financial, human, and technological resources to bolster resilience capabilities (Sheffi, 2005). Finally, resilient organizations prioritize learning from past experiences and incorporating those lessons into future strategies (Burnard & Bhamra, 2011).For example, during the COVID-19 pandemic, Amazon showcased organizational resilience by rapidly adapting its supply chains, implementing remote work policies, and leveraging technology to meet increased customer demand (World Economic Forum, 2020).

2.3. Theoretical Review

This study is primarily anchored on two key theoretical frameworks: the COSO Enterprise Risk Management (ERM) Framework and the Dynamic Capabilities Theory. These theories provide a robust foundation for understanding how organizations manage risks and build resilience in dynamic environments.

2.3.1. COSO Enterprise Risk Management (ERM) Framework

The COSO Enterprise Risk Management (ERM) Framework, particularly the 2017 update, "Enterprise Risk Management—Integrating with Strategy and Performance," serves as the central theoretical lens for this study. The framework defines ERM as the culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value. It emphasizes the integration of risk management throughout an organization's operations, moving beyond a siloed approach to viewing risk as an inherent part of strategic decision-making. The COSO ERM Framework comprises five interrelated components:

- **Governance & Culture:** This component emphasizes the board of directors' oversight responsibilities and the organization's ethical values, desired behaviors, and understanding of risk. A strong risk culture and effective governance are foundational to integrating risk management into daily operations and enhancing resilience.

- **Strategy & Objective Setting:** This involves the alignment of risk management practices with the organization's strategic goals and operational objectives. Risks are considered in the formulation and execution of business strategies, ensuring that objectives are set with a clear understanding of potential challenges and opportunities.
- **Performance:** This component focuses on identifying and assessing risks that may affect the achievement of strategy and business objectives. Organizations prioritize risks based on severity and respond to them in a way that aligns with risk appetite. Performance metrics reflect the effectiveness of risk management in achieving organizational objectives.
- **Review & Revision:** This involves the ongoing process of evaluating and updating risk management practices to ensure their relevance and effectiveness. Monitoring risk indicators, conducting audits, and making necessary adjustments are crucial for continuous improvement and adaptability.
- **Information, Communication & Reporting:** This component emphasizes the continuous sharing of necessary risk information across the organization and with external stakeholders. Effective communication and transparent reporting ensure that all stakeholders are informed and aligned during crises, facilitating timely decision-making.

The COSO ERM framework is particularly relevant to this study as it provides a structured approach to analyzing how distinct aspects of risk management orientation contribute to overall organizational resilience. Its integrated nature allows for a comprehensive assessment of how various internal factors coalesce to enable an organization to anticipate, absorb, and adapt to disruptions.

2.3.2. Agency Theory

Agency theory, developed by Michael Jensen and William Meckling in 1976, explores the relationship between principals (owners) and agents (managers) in a firm. The theory posits that there is a conflict of interest between principals and agents, as agents may act in their own self-interest rather than in the best interest of the principals (Jensen & Meckling, 1976). This conflict, known as the principal-agent problem, can lead to agency costs, which are the costs associated with monitoring and incentivizing agents to align their interests with those of the principals.

Eisenhardt (1989) provided a comprehensive review of agency theory, highlighting its applications in various fields, including organizational behavior and strategic management. Shleifer and Vishny (1997) examined the role of agency theory in corporate governance, emphasizing the importance of aligning the interests of managers and shareholders. Fama and Jensen (1983) discussed the separation of ownership and control, providing insights into the mechanisms that mitigate agency problems.

2.3.3. Stakeholder Theory

Stakeholder theory, proposed by R. Edward Freeman in 1984, argues that a firm's success depends on its ability to create value for all its stakeholders, not just its shareholders (Freeman, 1984). Stakeholders include employees, customers, suppliers, communities, and others who have an interest in the firm's activities. The theory emphasizes the importance of considering the needs and interests of all stakeholders in decision-making processes to achieve long-term success and sustainability.

Donaldson and Preston (1995) provided a comprehensive review of stakeholder theory, highlighting its normative, instrumental, and descriptive aspects. Mitchell, Agle, and Wood (1997) introduced the concept of stakeholder salience, which focuses on identifying and prioritizing stakeholders based on their power, legitimacy, and urgency. Jones, Wicks, and Freeman (2002) discussed the convergence of stakeholder theory and corporate social responsibility, emphasizing the importance of ethical considerations in stakeholder management.

2.3.4. Resource-Based View (RBV) Theory

The Resource-Based View (RBV) theory, developed by Jay Barney in 1991, posits that a firm's competitive advantage is derived from its unique resources and capabilities (Barney, 1991). According to RBV, resources must be valuable, rare, inimitable, and non-substitutable (VRIN) to provide a sustainable competitive advantage. The theory emphasizes the importance of internal resources, such as knowledge, skills, and organizational processes, in achieving superior performance.

Wernerfelt (1984) introduced the concept of resource position barriers, which are analogous to entry barriers in the positioning school. Peteraf (1993) discussed the conditions under which resources can provide a competitive advantage, emphasizing the importance of resource

heterogeneity and immobility. Teece, Pisano, and Shuen (1997) extended the RBV by introducing the concept of dynamic capabilities, which focuses on the ability of firms to adapt and reconfigure their resources in response to changing environments.

2.3.5. Dynamic Capabilities Theory

The Dynamic Capabilities Theory, developed by Teece, Pisano, and Shuen (1997), posits that a firm's competitive advantage in rapidly changing environments stems from its ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments. This theory moves beyond the static view of resources (as in the Resource-Based View) to emphasize the organizational and strategic processes by which firms achieve new resource configurations as markets and technologies evolve.

Key aspects of Dynamic Capabilities Theory include:

- **Sensing:** The ability to perceive and identify new opportunities and threats in the environment.
- **Seizing:** The ability to mobilize resources to address these opportunities and threats.
- **Transforming:** The ability to continuously renew and reconfigure organizational assets and structures to maintain competitive advantage.

In the context of organizational resilience, dynamic capabilities are crucial for an organization's capacity to adapt and respond effectively to disruptions, rather than merely reacting to them. A strong risk management orientation, as outlined by COSO ERM, can be seen as a set of dynamic capabilities that enable an organization to sense emerging risks, seize opportunities for adaptive action, and transform its operations to become more resilient. This theory provides the framework for understanding how the processes and practices of risk management (RMO) contribute to the broader adaptive capacity (resilience) of Coca-Cola Beverages Africa-Ethiopia."

2.3.6. Complexity Theory

Complexity Theory, applied to organizational studies, examines how organizations adapt and evolve in complex and dynamic environments. The theory draws on concepts from systems theory and chaos theory to understand how organizations can achieve order and stability through

self-organization and emergent behavior (Anderson, 1999). Complexity Theory emphasizes the importance of adaptability, flexibility, and innovation in managing complex systems.

Levy (1994) applied Complexity Theory to strategic management, suggesting that organizations must be able to respond to unpredictable changes in their environments. McKelvey (1999) explored the implications of Complexity Theory for organizational design, highlighting the importance of decentralized decision-making and adaptive structures. Stacey (2001) discussed the role of complexity in understanding organizational change and innovation, emphasizing the need for organizations to embrace uncertainty and emergent processes. Mitleton-Kelly (2003) provided a comprehensive review of complexity approaches to organizational theory, offering insights into how complexity principles can be applied to various organizational contexts.

2.4. Empirical Review

2.4.1. The Effect of Governance & Culture on Organizational Resilience

Globally, the relationship between governance, culture, and organizational resilience has been extensively studied. A study by Lim and Gaerlan (2022) highlights the importance of organizational culture and leadership in enhancing organizational resilience. The study emphasizes that resilient organizations are better equipped to face crises and capitalize on opportunities, thereby avoiding negative consequences and ensuring long-term sustainability. Another study by Mhlanga and Dzingirai (2024) conducted a bibliometric analysis of organizational resilience literature, identifying key themes such as crisis management, innovation, and dynamic capabilities as crucial for understanding organizational resilience. Sakikawa (2022) explores the relationship between organizational culture and resilience, suggesting that a strong organizational culture can enhance resilience by promoting adaptability, learning, and innovation.

In the African context, the effect of governance and culture on organizational resilience has been explored in various studies. Elouidani et al. (2024) conducted a systematic literature review on the resilience of African organizations during times of crisis. The study identified key factors of organizational resilience, including adaptability, versatility, and the ability to foresee and prepare for crisis situations. Mudachi and Nderi (2023) examined the relationship between organizational culture and performance in the Africa Economic Research Consortium, finding a strong positive

relationship between a supportive organizational culture and improved performance. Gwala and Mashau (2022) conducted a systematic review of corporate governance and organizational performance in Africa, highlighting the positive impact of effective governance on organizational resilience.

In Ethiopia, several studies have examined the effect of governance and culture on organizational resilience. Mesfin (2021) explored the impact of organizational culture on performance in Sunshine Construction PLC, finding that a positive organizational culture significantly enhances organizational performance and resilience. Ebba (2020) investigated the impact of organizational culture on employee performance at Ethio Telecom, concluding that a supportive and inclusive culture contributes to improved employee performance and organizational resilience. Abate (2021) studied the effect of organizational culture on employee performance at the Development Bank of Ethiopia, emphasizing the importance of a strong organizational culture in building resilience.

2.4.2. The Effect of Strategy and Objective Setting on Organizational Resilience

Globally, the concept of organizational resilience has gained significant traction, especially in the context of socio-economic crises and health pandemics like COVID-19. A bibliometric study by Mhlanga and Dzingirai (2024) analyzed 469 articles from the Scopus database and identified key themes such as resilience, crisis management, innovation, dynamic capabilities, sustainability, and change management. The study highlighted that the formulation and implementation of strategies are crucial for organizational resilience, particularly in volatile, uncertain, complex, and ambiguous (VUCA) environments.

Duchek (2019) conceptualized organizational resilience as a meta-capability, decomposing it into three successive stages: anticipation, coping, and adaptation. The study emphasized the importance of strategic management in developing resilience capabilities to handle unexpected events and foster future success.

In Africa, the challenges of strategy implementation have been widely studied. For instance, Shimechero (2010) explored the challenges of strategy implementation at the Centre for African Family Studies, highlighting issues such as weak management roles, lack of effective communication, and unaligned organizational systems. Similarly, Were (2014) examined the

challenges faced by East African Packaging Industries in Kenya, identifying factors like inadequate capabilities and competing activities as barriers to successful strategy implementation4.

In Ethiopia, the focus has been on the effects of supply chain resilience on organizational performance. Goshu (2024) studied beverage processing firms in Addis Ababa and found that supply chain resilience significantly impacts organizational performance. The study emphasized the need for robust strategies to enhance resilience in the face of supply chain disruptions.

2.4.3. The Effect of Performance on Organizational Resilience

Globally, the relationship between organizational performance and resilience has been extensively studied. For instance, Ilseven and Puranam (2021) discussed the importance of measuring organizational resilience as a performance outcome. They highlighted that resilience is crucial for organizations to withstand unexpected shocks and disruptions in the global economy. Their study emphasized the need for well-defined metrics to measure resilience and its impact on performance.

Mhlanga and Dzingirai (2024) conducted a bibliometric analysis of 469 articles on organizational resilience. Their study identified key themes such as crisis management, innovation, and dynamic capabilities, which are essential for understanding the relationship between performance and resilience. They found that organizations with robust performance management systems are better equipped to navigate crises and maintain resilience.

In Africa, the focus has been on understanding how performance management enhances organizational resilience. Ikiriko, Jaja, and Eketu (2017) examined the relationship between performance management and organizational resilience in commercial banks in Port Harcourt, Nigeria. Their study found that effective performance management practices, such as performance planning and communication, significantly enhance organizational resilience.

Elouidani et al. (2024) reviewed the resilience management of African organizations during times of crisis. They identified key factors of organizational resilience, including adaptability, versatility, and the ability to foresee and prepare for crisis situations. Their findings suggest that organizations with strong performance management systems are more resilient in the face of crises.

In Ethiopia, studies have focused on the impact of performance on organizational resilience in various sectors. Goshu (2024) investigated the effects of supply chain resilience on organizational performance in beverage processing firms in Addis Ababa. The study found that supply chain resilience significantly impacts organizational performance, highlighting the importance of robust performance management systems.

Getiye (2022) explored the effect of employee empowerment on organizational performance in Ethiopian Airlines' flight catering employees. The study concluded that empowering employees enhances organizational performance and resilience, as empowered employees are more adaptable and better equipped to handle crises.

2.4.4. The Effect of Review and Revision on Organizational Resilience

Globally, the importance of review and revision in enhancing organizational resilience has been widely recognized. A bibliometric study by Mhlanga and Dzingirai (2024) analyzed 469 articles from the Scopus database and identified key themes such as resilience, crisis management, innovation, dynamic capabilities, sustainability, and change management. The study highlighted that continuous review and revision of strategies are crucial for maintaining organizational resilience in volatile, uncertain, complex, and ambiguous (VUCA) environments.

Abdullahi, Mohamed, and Senasi (2023) conducted a bibliometric review on organizational resilience and sustainability. They found that organizations that regularly review and revise their strategies are better equipped to manage disruptions and maintain long-term sustainability. The study emphasized the need for organizations to adopt a proactive approach to strategy review and revision to enhance resilience.

In Africa, the focus has been on understanding how review and revision practices contribute to organizational resilience. Elouidani et al. (2024) reviewed the resilience management of African organizations during times of crisis. They identified key factors of organizational resilience, including adaptability, versatility, and the ability to foresee and prepare for crisis situations. The study found that organizations that regularly review and revise their strategies are more resilient in the face of crises.

Sharief (2024) explored the impact of transformational leadership on organizational resilience in Sudan. The study found that leaders who encourage regular review and revision of strategies foster a culture of adaptability and innovation, which enhances organizational resilience.

In Ethiopia, studies have focused on the impact of review and revision on organizational resilience in various sectors. Aregawi and Vijaya (2023) examined the impact of organizational restructuring on employee satisfaction in Ethiopian governmental organizations. The study found that regular review and revision of organizational structures positively impact employee satisfaction and organizational resilience.

Ebba (2020) investigated the impact of organizational culture on employee performance in Ethio Telecom. The study concluded that a culture of continuous review and revision of strategies enhances organizational performance and resilience.

2.4.5. The Effect of Information, Communication & Reporting on Organizational Resilience

Globally, the role of information, communication, and reporting in enhancing organizational resilience has been widely recognized. A systematic review by Evenseth, Sydnes, and Gausdal (2022) highlighted the importance of organizational learning and effective communication in building resilience. The study found that organizations that prioritize information sharing and transparent reporting are better equipped to anticipate, cope with, and adapt to crises.

Mhlanga and Dzingirai (2024) conducted a bibliometric analysis of 469 articles on organizational resilience. Their study identified key themes such as crisis management, innovation, and dynamic capabilities, which are essential for understanding the relationship between communication practices and resilience. They found that organizations with robust communication systems are more resilient in the face of disruptions.

In Africa, the focus has been on understanding how communication and reporting practices contribute to organizational resilience. Elouidani et al. (2024) reviewed the resilience management of African organizations during times of crisis. They identified key factors of organizational resilience, including adaptability, versatility, and the ability to foresee and prepare for crisis situations. The study found that organizations that prioritize effective communication and reporting are more resilient in the face of crises.

Sharief (2024) explored the impact of transformational leadership on organizational resilience in Sudan. The study found that leaders who encourage open communication and transparent reporting foster a culture of adaptability and innovation, which enhances organizational resilience.

In Ethiopia, studies have focused on the impact of communication and reporting on organizational resilience in various sectors. Enyew (2021) investigated the effect of communication on employees' performance at the Ethiopian Broadcasting Corporation. The study concluded that effective communication practices enhance organizational performance and resilience.

Genene (2022) assessed internal communication practices at the Ethiopian Broadcasting Corporation. The study found that organizations with strong internal communication systems are better equipped to handle crises and maintain resilience.

2.5. Summary and Literature Gap

Effective governance and a strong organizational culture are essential components of organizational resilience. Studies by Lim and Gaerlan (2022) and Mhlanga and Dzingirai (2024) have emphasized that organizations with robust governance structures and a culture that promotes adaptability, learning, and innovation are better equipped to handle crises and disruptions. Strategic formulation and implementation are crucial for enhancing organizational resilience, particularly in volatile and uncertain environments. Duchek (2019) conceptualized organizational resilience as a meta-capability, emphasizing the importance of aligning risk management strategies with the organization's strategic objectives to ensure long-term sustainability.

Organizational performance is closely linked to resilience. Ilseven and Puranam (2021) highlighted the need for well-defined metrics to measure resilience and its impact on performance. Continuous review and revision of strategies are vital for maintaining organizational resilience. Abdullahi, Mohamed, and Senasi (2023) emphasized that organizations that regularly review and revise their strategies are better equipped to manage disruptions and maintain long-term sustainability. Effective communication and transparent reporting are essential for building organizational resilience. Evenseth, Sydnes, and Gausdal (2022)

highlighted the importance of organizational learning and effective communication in building resilience.

Despite the empirical review highlighting the importance of effective risk management in enhancing organizational resilience, there are several areas that require further research. Firstly, context-specific studies focusing on developing countries, particularly in Africa, are needed. Most studies have been conducted in developed countries, and research on Coca-Cola Africa-Ethiopia can provide valuable insights into the unique challenges and opportunities faced by organizations in this region.

Moreover, most studies rely on quantitative methods. There is a need for more qualitative research that explores the experiences and perspectives of organizational leaders and employees. Combining quantitative and qualitative methods can provide a more holistic understanding of the factors influencing organizational resilience. Finally, the rapidly changing global environment presents new and emerging risks that organizations must address. Future research should explore the impact of emerging risks, such as cybersecurity threats, climate change, and geopolitical instability, on organizational resilience. Understanding how organizations can effectively manage these risks is crucial for building resilience in the face of uncertainty.

2.6. Conceptual Framework

The conceptual framework for studying the role of risk management orientation on organizational resilience in Coca-Cola Beverages Africa-Ethiopia involves examining how different components of risk management orientation influence organizational resilience. The independent variables of the study include Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, Information, and Communication & Reporting. The dependent variable is organizational resilience.

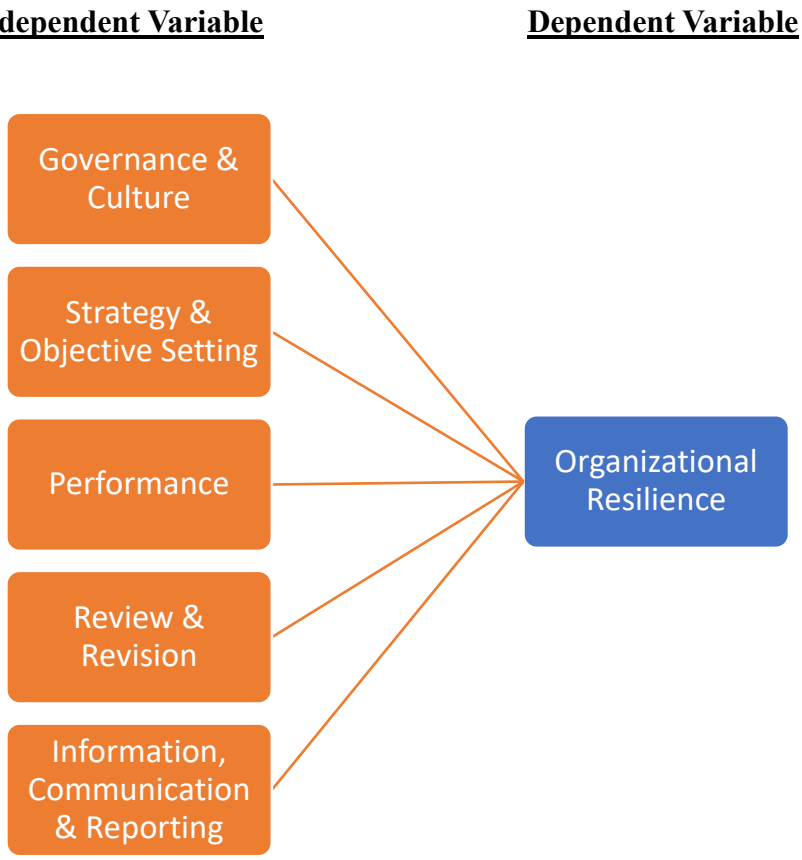


Figure 2.1: Conceptual Framework of the Study

Source: COSO. (2017).

Ha1: Governance & culture positively and significantly affects organizational resilience in Coca-Cola Africa-Ethiopia

Ha2: Strategy & objective positively and significantly affects organizational resilience in Coca-Cola Africa-Ethiopia

Ha3: Performance positively and significantly affects organizational resilience in Coca-Cola Africa-Ethiopia

Ha4: Review & revision positively and significantly affects organizational resilience in Coca-Cola Africa-Ethiopia

Ha5: Information, communication & reporting positively and significantly affects organizational resilience in Coca-Cola Africa-Ethiopia

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1. Research Design

Using the term research design, we mean the way an investigation is laid out. The methods and procedures used to collect and analyze data on the variables specified in the research question are known as data collection and analysis techniques. To ensure that we can answer questions or test theories as clearly as possible, the design process is a logical one. (Cresswell, 2014).

Data and descriptions will be utilized to describe and interpret its results in a quantitative study that examined the link between effective risk management and organizational resilience. According to this study, data will be gathered just once from a pre-defined group using a cross-sectional and descriptive approach. It's a method for studying how a collection of independent factors and a dependent variable are linked together (Frankfort-Nachmias and Nachmias, 1996).

Explanatory research is the primary research design of this study, which aims to address the issue of organizational resilience. The purpose of the experiment is to determine the strength and type of the correlation between the two variables. As an explanatory study, it examines the relationship between variables and its corresponding metric, organizational resilience, in the context of Coca-Cola Africa-Ethiopia. will be carried out in order to determine the amount and nature of the association between the two variables. Coca-Cola Africa-Ethiopia 's workers and management will be asked to complete surveys in order to gather quantitative primary data.

3.2. Research Approach

Many particular topics will be investigated by the researcher including probable relationships between two variables, quantitative research method will be used to ensure impartiality. To do statistical computations and make conclusions, data must be gathered and converted to numerical form.

Various methods are used to gather data, which is then processed for statistical analysis in accordance with rigorous guidelines. Quantitative methods will be used to evaluate objective hypotheses by analyzing the connection between variables. It is possible to measure these variables, often using equipment, and then do statistical analyses on the numerical results

(Creswell, 2008). When employing a quantitative approach to data collection and analysis, it is necessary to have a firm grasp on the organizational resilience using an inferential statistical method. It's important to note that.

3.3. Sources of Data

This study used primary sources of data and questionnaire will be used as a primary data collection method. The questionnaire will be shared to head office of the company focal to support on distribution and collection of questionnaires to and from the selected respondents under their respective field offices. The researcher briefed the Human Resource focal how it will be distributed and collect the questionnaires from the respondents. Completed questionnaire will be shared to the researcher for further analysis. The questions will be framed using Likert's scale of measurement ranging from strongly agree to strongly disagree (Strongly agree 5, Agree 4, Neutral 3, Disagree 2 and Strongly Disagree. This enabled the researcher to tabulate and analyze data with ease.

3.4. Sampling Design

3.4.1. Target Population

Target population refers to all members or a set of people, event or objects to which a researcher wishes to generalize the results of the study (Borg and Gall 2003). Similarly, Mugenda, O, M., & Mugenda, A. G. (1999) stated that target population is the population to which the researcher generalizes the results of the study. Coca-Cola Africa-Ethiopia has 243 Depots and Four regions in Ethiopia as of May, 2024. From the perspective of this research, the target population of the research will be the employees of selected depots from the Four regions found in Ethiopia. It is not possible to include all depots of staffs so the researcher took 10% of random sample from each regional depots found in Addis Ababa who are working in the position of operational, professional and managerial level. There are 65 depots in Eastern region and 6 depots take as a sample, Western region has 62 depots and 6 depots take as a sample, South region has 57 depots and 6 depots take as a sample and Northern region has 59 depots and 6 depots take as a sample. The total numbers of sample depots are 24 and total populations are 414.

3.4.2. Sample Size Determination

Using Taro Yamane's formula for a population of 414 employees, the calculated sample size was 203. However, the study successfully collected data from 297 respondents, achieving a higher response rate that enhanced the statistical power and generalizability of the findings. This oversampling provided a more robust dataset for analysis.

The number of total populations for the study is 414. In order to determine the sample size, the researcher use Taro Yemane (1967) sample selection method with a probability of 95% free error. Based on this method, a total of 200 samples this is around 0.5 percent drawn from total population.

$$n_0 = \frac{N}{1+N(e)^2} = \frac{414}{1+414(0.05)^2} = 203$$

Where

n_0 is the sample size

N is the total population size,

e is the level of precision

3.4.3. Sampling Technique

The number of samples determined by Proportionate stratified random sampling technique because the samples have more or less equal on some characteristics. The simple random sampling method distributing questionnaires will to those employees (respondents) who work in the selected depots and who are willing to fill. According to Kothari, C.R. (2004) Simple random sampling provides it gives each element in the population an equal probability of getting into the sample and all choices are independent of one another. And also, it gives each possible sample combination an equal probability of being chosen.

3.5. Instrumentation and Data Collection

The study employed a structured questionnaire to collect primary data. The questionnaire was primarily adapted from the COSO ERM (2017) Integrated Framework questionnaire, with modifications to suit the specific context of Coca-Cola Beverages Africa-Ethiopia. Questions were designed to measure the five components of risk management orientation (Governance &

Culture, Strategy & Objective Setting, Performance, Review & Revision, and Information, Communication & Reporting) and organizational resilience. All items were measured on a five-point Likert scale. Prior to the main survey, a pilot test was conducted to ensure clarity and reliability of the instrument.

3.6. Validity and Reliability of Instruments

3.6.1. Validity

In pilot research, the methodology, parameters, and materials utilized in the full-scale investigation will be determined. According to Mertler (2018), a pilot test is critical for identifying flaws in the study design and making necessary adjustments to ensure that the data acquired is accurate and dependable.

The questionnaire will be tested on eight employees of the Coca-Cola Africa-Ethiopia Head Office during the pilot project. The research utilized 5% of the total sample number because, according to Flick (2014), a suitable pilot group is made up of 1-10% of the total sample size. The pilot test's goal is to improve the questionnaire so that participants in the main research have no difficulty answering the questions. The findings of the pilot study is not included in the final research.

When it comes to instrument validity, the term refers to how accurately a measuring instrument measures what it is meant to (Yin, 2013). Content validity testing will be utilized to determine the instrument's validity in this research. Indicators or substance of a certain idea will be assessed to see how well they represented the data acquired using a particular instrument (Lewis, 2015). An experienced university supervisor and other advisors will be brought in to make sure that the questions tested or measured what will be intended.

3.6.2. Reliability

After the data had been coded and entered into SPSS version 23, a test for reliability had been carried out. Reliability is the degree to which a measurement can be repeated and provide the same findings. For this study, a Cronbach's alpha coefficient, a common measure of internal consistency, will be determined. Scale correlations may be evaluated using Cronbach's alpha, a reliability metric that measures the correlation between item answers produced from the scale. The value of this variable ranges from 0 to 1. (Shelby, 2011).

Cronbach's alpha does not have a standard scale, but the closer it gets to 1, the better. Previous researches have employed a minimum Cronbach's alpha score of 0.4 to 0.9. (George & Mallery, 2003; Gregory,1999; Houser & Bokovoy, 2008; Kline, 2000; Makhitha & Dlodlo, 2014; Nunnally, 1978; Nunnally & Bernstein, 1994). There is little doubt that the internal consistency of Malhotra and Birks' (2007; Malhotra & Birks (2007)) findings show an unacceptable level of internal consistency.

Therefore, Cronbach's Alpha of 0.6 and higher will be selected as the acceptable dependability coefficient. Consequently, the test showed that the instrument's components are trustworthy. It will be determined that all the scales employed in this research are trustworthy by utilizing Cronbach's alpha coefficient, which had an alpha value more than 0.6 and for the majority closer to 1.

Table 3.1: Cronbach Alpha Test

Variables	Cronbach's Alpha	N of Items
Governance & Culture	0.837	5
Strategy & Objective Setting	0.705	4
Performance	0.841	5
Review & Revision	0.726	3
Information, Communication & Reporting	0.795	3
Organizational Resilience	Planning:0.884 Adaptive Capacity: 0.899	13(5+8)

3.7. Data Analysis and Presentation

In order to provide more digestible summaries, all of the data gathered in the field will be edited, coded, and tabulated (Yin, 2013). Statistical Package for the Social Sciences (SPSS) version 23.0 and Microsoft Excel will be then used to analyze the data. The frequency counts, percentages, mean, median, and standard deviation will be calculated using descriptive statistics.

Multiple regression analysis and t-test statistics will be used to examine the relationship between predictor variables (Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, and Information, Communication & Reporting) and the dependent variable (Organizational resilience).

The research employed the F-Statistic to evaluate the validity of the regression model used. The regression model is said to be valid if the F Statistic value is larger than the F Critical value. Unless this is the case, the model will be shown to be flawed. This is based on the ANOVA Table's findings.

3.8. Model Specification

Prior to inference, the regression model will be used to verify that the study's regression assumptions are sound. It is possible for following processes to be invalid if there are any infractions. The responses Y to the explanatory factors have been considered to be linear in the parameters and the errors are assumed to be independent and identically distributed in our regression models.

The Multiple Regression Model followed this format:

$$Y= \beta_0+ \beta_1X_1+\beta_2X_2+\beta_3X_3 +\beta_4X_4 + \varepsilon$$

Where;

Y= Organizational resilience at Coca-Cola Africa-Ethiopia
B_0 = Constant
ε = error term
X_1 = Governance & Culture
X_2 = Strategy & Objective Setting
X_3 = Performance
X_4 = Review & Revision
X_5 = Information, Communication & Reporting
β_1, β_2, β_3 and β_4 are Coefficients of Organizational resilience at Coca-Cola Africa-Ethiopia
The finding from the analysis will be presented in form of charts, pie charts, figures, graphs, tables and narrations.

3.9. Ethical Consideration

Inquirers will be informed of the study's objective and requested to provide their consent. Aside from this study, the data gathered will be not utilized for any other reason. However, the results of the research will be made available to both the graduating school and the company. As a researcher, you want your data gathering methods and analytic techniques to be as reliable as possible. There are many other ways to look at this issue, and this is only one of them. Internal consistency is measured through reliability, which is commonly employed in questionnaire

design. Reliability analysis looks at the degree to which the elements that make up each scale are homogeneous or cohesive.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS, AND DISCUSSION

4.1 Introduction

This chapter focuses on the results of the analysis and the findings are presented in two categories as descriptive and inferential statistics of the survey data. Descriptive statistics such as frequency distribution and percentage were employed to assess the demographic characteristics, mean and standard deviation (SD) analysis and inferential statistics were employed using a correlation matrix and multiple regression analysis is used to examine the hypotheses. In addition, mediation using Process Macro Model-4 (Hayes Method) was used to analyze the mediating effect.

4.2 Demographic Information

A total of 297 questionnaires were found fully filled up by employees (respondents) of the case company, which were primarily considered for analysis (Table 4.1).

Table 4.1: Demographic analysis, n=297

Variable	Category	Frequency	Per cent
Gender	Male	254	85.5
	Female	43	14.5
Age (Years)	21-30 years	259	87.2
	31-40 years	38	12.8
Education	Diploma	115	38.7
	1st Degree	180	60.6
	2nd Degree	2	.7
Experience (years)	Less than 5 years	182	61.3
	5-10 years	107	36.0
	Above 10 years	8	2.7

Source: Computation using SPSS-26 based on data from author's field work, 2024

Majority of respondents were male (85.5 per cent) compared to females (14.5 per cent). The respondents from the age group of 21-30 years were 87.2 per cent of the total respondents. A total of 61.3 per cent of respondents reported to have a work experience up to five years.

4.3 Preliminary Statistical Analysis for Scale Refinement

4.3.1 Reliability Analysis

Initial statistical analysis or scale refinement is computed for Governance & Culture (GnC), Strategy & Objective Setting (SnOS), Performance (Po), Review & Revision (R_R), and Information, Communication & Reporting (ICnR). Initial reliability analysis was performed to drop statistical invalid items.

Reliability Test for GnC, SnOS, Po, R_R, and ICnR

Code	CITC	CAID
GnC	Governance & Culture (CA = 0.837)	
GnC1	.632	.807
GnC2	.727	.781
GnC3	.591	.818
GnC4	.693	.791
GnC5	.568	.826
SnOS	Strategy & Objective Setting (CA = 0.705)	
SnOS1	.528	.619
SnOS2	.527	.618
SnOS3	.586	.581
SnOS4	.533	.734
Po	Performance (CA = 0.841)	
Po1	.650	.807
Po2	.650	.807
Po3	.648	.808
Po4	.667	.803
Po5	.617	.816
R_R	Review & Revision (CA = 0.726)	

R_R1	.653	.500
R_R2	.640	.537
R_R3	.583	.818
ICnR	Information, Communication & Reporting (CA = 0.795)	
iCnR1	.661	.695
iCnR2	.690	.665
iCnR3	.566	.797

The analysis of the provided item-total statistics indicates that all constructs—Governance & Culture (GnC), Strategy & Objective Setting (SnOS), Performance (Po), Review & Revision (R_R), and Information, Communication & Reporting (ICnR)—demonstrate good to very good internal consistency, with Cronbach's Alpha values ranging from 0.705 to 0.841. The Corrected Item-Total Correlation (CITC) values are generally strong, suggesting that most individual items align well with their respective constructs. However, items SnOS4, R_R3, and ICnR3 exhibit slightly higher Cronbach's Alpha if Item Deleted (CAID) values compared to their overall scale's alpha, implying they are marginally less consistent. While their removal could slightly improve overall reliability, the improvements are minor, and the items' conceptual importance should be considered before making any alterations.

Reliability Test for P and AC

Code	CITC	CAID
P	Planning (CA = 0.884)	
P1	.685	.868
P2	.811	.838
P3	.731	.857
P4	.600	.886
P5	.785	.843
AC	Adaptive Capacity (CA = 0.899)	
AC1	.682	.887
AC2	.719	.883
AC3	.690	.886

AC4	.667	.888
AC5	.628	.891
AC6	.678	.887
AC7	.708	.884
AC8	.715	.885

The item-total statistics for the Planning (P) and Adaptive Capacity (AC) scales both indicate excellent internal consistency and reliability, with Cronbach's Alpha values of 0.884 and 0.899 respectively. All individual items within these constructs show strong Corrected Item-Total Correlations, signifying they are well-aligned with their respective overall concepts. While Planning item P4 shows a marginal increase in Cronbach's Alpha if deleted, suggesting a very slight anomaly, and no such issues are present in the Adaptive Capacity scale, both measures are robust. These results confirm that the tools used effectively and reliably capture the organization's capabilities in crisis planning and adaptability.

4.3.2 Factor Analysis

Factor (Code)	Loadings	Eigen values	% Variance	Communalities	KMO	Anti-Image
	>0.5	*>1*	*>60%*	*>0.5*	*>0.5*	*>0.6*
Governance & Culture						
GnC- Governance & Culture (Alpha=0.837)						
GnC1- GnC5	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868
Strategy & Objective Setting						
SnOS - Strategy & Objective Setting (Alpha=0.705)						
SnOS1- SnOS4	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868
Performance						
Po- Performance (Alpha=0.841)						
Po1-Po5	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868
Review & Revision						
R_R - Review & Revision (Alpha=0.726)						
R_R1- R_R3	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868

Information, Communication & Reporting						
iCnR - Information, Communication & Reporting (Alpha=0.795)						
iCnR-iCnR3	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868
Planning						
P- Planning (Alpha=0.884)						
P1- P5	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868
Adaptive Capacity						
AC- Adaptive Capacity (Alpha=0.899)						
AC1- AC8	0.717-0.842	3.054	61.087	0.515-0.708	0.802	0.770-0.868

The factor loadings for all items are very strong, ranging from 0.717 to 0.842. Since all loadings are above 0.5, this indicates that every item substantially contributes to its respective factor and is a good measure of the underlying construct. The eigenvalue of 3.054 is greater than 1, suggesting that the extracted factor(s) account for a significant amount of variance. This supports the presence of underlying latent constructs.

The factor(s) explain 61.087% of the total variance, which is well above the 60% guideline. This signifies that the identified factor structure provides a very good representation of the variability in the data. The communalities range from 0.515 to 0.708. All values are above 0.5, indicating that a significant portion of the variance in each item is explained by the extracted factor(s).

The KMO value of 0.802 is excellent (above 0.8), confirming the sampling adequacy for conducting factor analysis. This means the data is well-suited for identifying underlying factors. The anti-image values, ranging from 0.770 to 0.868, are all above 0.6. This further supports the suitability of the data for factor analysis by indicating that the items are sufficiently distinct yet related to form factors.

4.4. Descriptive Analysis

4.4.1 Governance & Culture

The findings suggest a generally positive and robust state of governance and culture within the organization. The high overall mean, coupled with strong scores in areas like clearly defined culture, leadership commitment, and effective operating structures, indicates a well-managed

entity with a solid foundation. The consistent perception of strong board oversight in risk management further bolsters this view.

However, the results also highlight a potential area for strategic focus: talent management (GnC5). While still performing at a "High" level, the comparatively lower mean and, more importantly, the highest standard deviation for this item signal that the organization might experience some inconsistencies or variations in its ability to attract, develop, and retain capable individuals.

Code	Governance & Culture (GnC) Items	Mean	SD
GnC1	The board of directors actively oversees risk management.	3.5421	1.34280
GnC2	The organization has a well-defined operating structure.	3.7172	1.27375
GnC3	The company has clearly defined its desired culture.	3.7677	1.28264
GnC4	Leaders demonstrate commitment to the organization's core values.	3.7576	1.21997
GnC5	The organization effectively attracts, develops, and retains capable individuals.	3.4882	1.39280
	Overall Mean	**3.6545**	**1.01482**
	Note:		
	Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High		
	Cronbach’s alpha (reliability)=0.837, n=297		

The overall mean for Governance & Culture is 3.6545, falling within the "High" range (3.41-4.20) according to the provided scale. This suggests that, on average, respondents perceive the organization's governance and cultural aspects as strong and effective.

4.4.2 Strategy & Objective Setting

The results paint a picture of an organization with robust strategic planning and objective-setting processes. The consistently "High" means across all items suggest that the company is perceived as effective in analyzing its business context, defining its risk appetite, evaluating alternative risk management strategies, and formulating relevant business objectives.

The particularly high mean for SnOS3, "The company evaluates alternative strategies to manage risk," stands out as a significant strength. It highlights a proactive and comprehensive approach to risk management, where the organization actively seeks diverse solutions, rather than simply identifying problems.

Code	Strategy & Objective Setting (SnOS) Items	Mean	SD
SnOS1	The company effectively analyzes its business context.	3.6162	1.27375
SnOS2	The organization has a clearly defined risk appetite.	3.5724	1.34653
SnOS3	The company evaluates alternative strategies to manage risk.	3.6599	1.30054
SnOS4	The organization formulates achievable and relevant business objectives.	3.4848	1.30252
	Overall Mean	**3.5833**	**.95131**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach's alpha (reliability)=0.705, n=297

The overall mean for Strategy & Objective Setting is 3.5833. Based on the provided scale (3.41-4.20 for "High"), this suggests that respondents generally perceive the organization's approach to strategy formulation and objective setting as effective. The Cronbach's alpha of 0.705 confirms that the items used are reasonably consistent in measuring this strategic aspect, lending credibility to the overall findings.

4.4.3 Performance

The overall mean for Performance is 3.6458, which falls into the "High" range (3.41-4.20) on the provided scale. This suggests that, on average, respondents perceive the organization's performance in managing risks to be effective. The Cronbach's alpha of 0.841 indicates high reliability for the scale, meaning these five items consistently measure the organization's performance in risk-related activities.

Code	Performance (Po) Items	Mean	SD
Po1	The company effectively identifies potential risks.	3.6498	1.18775
Po2	The organization assesses the severity of identified risks.	3.7677	1.21779
Po3	The company prioritizes risks based on their potential impact.	3.7003	1.17164
Po4	The organization implements appropriate responses to identified risks.	3.5118	1.38551
Po5	The company develops a comprehensive portfolio view of risks.	3.5993	1.30400
	Overall Mean	**3.6458**	**.98148**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach's alpha (reliability)=0.841, n=297

The results collectively indicate that the organization demonstrates strong performance in its risk management activities. The consistently "High" means across all items suggest that the company is generally perceived as proficient in identifying, assessing, prioritizing, and responding to risks, as well as maintaining a comprehensive portfolio view. The particularly high scores for Po2 and Po3 are significant strengths. They highlight that the organization excels at understanding the nature and significance of risks and effectively channeling resources towards the most critical ones.

However, the slightly lower mean and the highest standard deviation for Po4 ("The organization implements appropriate responses to identified risks") point to an area for potential improvement or closer examination. While overall considered effective, the greater variability in responses suggests that the consistent implementation of appropriate risk responses might not be universally experienced or perceived.

4.4.4 Review & Revision

The overall mean for Review & Revision is 3.9012, placing it in the "High" range (3.41-4.20) on the provided scale. This indicates a strong perception that the organization is effective in its processes for reviewing and revising its strategies and risk management approaches. The Cronbach's alpha of 0.726 confirms that the items consistently measure this aspect of organizational performance.

Code	Review & Revision (R_R) Items	Mean	SD
R_R1	The organization assesses substantial changes in its environment.	3.6902	1.24051
R_R2	The company regularly reviews risk and performance.	3.8485	1.04652
R_R3	The organization actively pursues improvements in enterprise risk management.	4.1650	1.08882
	Overall Mean	**3.9012**	**.90708**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach's alpha (reliability)=0.726, n=297

The results from the "Review & Revision" section paint a very positive picture, suggesting that the organization has a strong and proactive approach to continuous improvement and adaptation within its strategic and risk management processes. The consistently "High" means across all items underscore the organization's commitment to staying relevant and resilient.

The outstanding perception of R_R3, stands out as a significant organizational strength. A mean score of 4.1650 indicates that the drive for enhancing ERM is deeply embedded and widely recognized by stakeholders. This commitment to ongoing improvement is crucial for maintaining an effective and responsive risk management system in a dynamic business environment.

The high scores for R_R1 ("assesses substantial changes in its environment") and R_R2 ("regularly reviews risk and performance") further support this finding. They indicate that the organization isn't static; it actively monitors its surroundings and regularly evaluates its performance and risk posture.

4.4.5 Information, Communication & Reporting

The overall mean for Information, Communication & Reporting is 4.0954. This score falls within the upper end of the "High" range (3.41-4.20) on the provided scale, nearing the "Very High" category. This indicates a strong perception that the organization is highly effective in managing information, facilitating communication, and conducting reporting, particularly concerning risk. The Cronbach's alpha of 0.795 signifies good internal consistency, meaning these items reliably measure the overall construct.

Code	Information, Communication & Reporting (ICnR) Items	Mean	SD
iCnR1	The company leverages information and technology effectively for risk management.	4.1347	1.02439
iCnR2	The organization effectively communicates risk information within the company.	4.1919	.98650
iCnR3	The company reports on risk, culture, and performance regularly.	3.9596	1.04221
	Overall Mean	**4.0954**	**.85702**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach’s alpha (reliability)=0.795, n=297

The results from the "Information, Communication & Reporting" section are overwhelmingly positive, highlighting a significant strength of the organization. The consistently high mean

scores, particularly for communication and leveraging technology, suggest that the organization has built robust systems for managing and disseminating vital information.

The standout finding is the perception of ICnR2 with the highest mean and the lowest standard deviation across all presented categories (Governance & Culture, Strategy & Objective Setting, Performance, and Review & Revision), this indicates that internal risk communication is a clear organizational strong suit. This high level of effective internal communication is foundational for a strong risk culture and ensures that relevant stakeholders are well-informed to make sound decisions.

The strong score for ICnR1, further reinforces the idea that the organization is well-equipped with the tools and processes to manage its information flow efficiently. Lastly, the high score for ICnR3, "The company reports on risk, culture, and performance regularly," demonstrates a commitment to transparency and accountability, which is essential for continuous improvement and maintaining stakeholder trust.

4.4.6 Organization Resilience

Planning

The **overall mean** for Planning is 4.1286. This score falls within the upper end of the "High" range (3.41-4.20) on the provided scale, nearing the "Very High" category. This indicates a strong perception that the organization is highly effective in its crisis planning and preparedness efforts. The Cronbach's alpha of 0.884 signifies excellent internal consistency, meaning these items are highly reliable in measuring the organization's planning capabilities for crises.

Code	Planning (P) Items	Mean	SD
P1	We are mindful of how a crisis could affect us	4.1650	1.08882
P2	We believe emergency plans must be practiced and tested to be effective	4.1347	1.02439
P3	We are able to shift rapidly from business-as-usual to respond to crises	4.1919	.98650
P4	We build relationships with organizations we might have to work with in a crisis	3.9596	1.04221
P5	Our priorities for recovery would provide direction for staff in a crisis	4.1919	1.06235
	Overall Mean	**4.1286**	**.86072**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach's alpha (reliability)=0.884, n=297

The results from the "Planning" section are exceptionally positive, highlighting the organization's robust and highly effective crisis preparedness capabilities. The consistently high mean scores across all items, with several nearing the "Very High" category, suggest a mature and proactive approach to anticipating, preparing for, and responding to potential disruptions. The standout findings include the high mean scores for P3 and P5. These results indicate that the organization excels not only in its theoretical planning but also in its practical agility during a crisis and its ability to provide clear, actionable guidance for staff during recovery. The remarkably low standard deviation for P3 further emphasizes a widespread agreement on the organization's rapid response capability. Additionally, the strong perceptions regarding P1 and P2 underscore a deep-seated culture of preparedness. The organization doesn't just create plans; it consciously considers potential impacts and understands the necessity of rigorous testing and practice to ensure effectiveness. The positive perception of **P4** further demonstrates a comprehensive approach to crisis management, recognizing the importance of external collaboration.

Adaptive Capacity

The **overall mean** for Adaptive Capacity is 3.8864. This score falls squarely within the "High" range (3.41-4.20) on the provided scale, indicating a strong perception that the organization possesses significant adaptive capabilities. The Cronbach's alpha of 0.899 signifies excellent internal consistency, meaning these items are highly reliable in measuring the organization's ability to adapt to change.

Cide	Adaptive Capacity (AC) Items	Mean	SD
AC1	There is a sense of teamwork and camaraderie in our organization	4.1145	1.08133
AC2	Our organization maintains sufficient resources to absorb some unexpected change	3.9293	1.04221
AC3	People in our organization "own" a problem until it is resolved	3.9293	1.10819
AC4	Staff have the information and knowledge they need to respond to unexpected problems	3.6869	1.04280
AC5	Managers in our organization lead by example	3.7475	.99672
AC6	Staff are rewarded for "thinking outside the box"	3.6229	1.00298
AC7	Our organization can make tough decisions quickly	3.9293	.97176
AC8	Managers actively listen for problems	4.1313	.89269
	Overall Mean	**3.8864**	**.78051**

Note:

- Mean Scale Used: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Neutral; 3.41-4.20: High; 4.21- 5.00: Very High
- Cronbach's alpha (reliability)=0.899, n=297

The results paint a picture of an organization that is well-equipped to navigate change and unexpected challenges. The consistently high mean scores across all items, with several nearing the "Very High" category, underscore a robust and proactive stance toward adaptability.

A standout strength is the perception of AC8 with the highest mean and a very low standard deviation, this highlights a deeply embedded culture of proactive problem identification driven by attentive leadership. This managerial behavior is crucial for timely responses and fostering an environment where issues are addressed promptly.

Furthermore, the strong scores for AC1, and AC7 indicate a resilient organizational fabric. The presence of teamwork, adequate resources, and swift decision-making capabilities are fundamental pillars of adaptive capacity, allowing the organization to absorb shocks and respond effectively. The high consensus on managers leading by example (AC5) further reinforces the positive cultural aspects that contribute to adaptability.

While all items are perceived positively, the slightly lower mean for AC4 suggests a potential area for enhancement. Although still "High," ensuring that all staff consistently feel they have the necessary information and knowledge to tackle unforeseen issues could further bolster the organization's adaptive capabilities. This might involve refining information sharing mechanisms, enhancing training programs, or empowering staff with greater access to relevant data.

4.5. Relationship Between Management Orientation and Organizational Resilience

The correlation analysis demonstrates strong positive relationships between risk management orientation components and organizational resilience (ORes) at Coca-Cola Beverages Africa-Ethiopia, with all correlations being statistically significant at the 0.01 level. Information, Communication, and Reporting (iCnR) showed the strongest correlation with ORes (r = .918), Similarly, Review and Revision (R_R) had a high correlation (r = .777), Performance (Po) also

showed a strong association (r = .695). Additionally, Governance & Culture (GnC) and Strategy & Objective Setting (SnOS) exhibited solid correlations (r = .726 and r = .649, respectively).

Correlations							
		GnC	**SnOS**	**Po**	**R_R**	**iCnR**	**ORes**
GnC	Pearson Correlation	1					
SnOS	Pearson Correlation	.665**	1				
		.000					
Po	Pearson Correlation	.562**	.596**	1			
		.000	.000				
R_R	Pearson Correlation	.528**	.535**	.704**	1		
		.000	.000	.000			
iCnR	Pearson Correlation	.597**	.476**	.515**	.622**	1	
		.000	.000	.000	.000		
ORes	Pearson Correlation	**.726****	**.649****	**.695****	**.777****	**.918****	**1**
		.000	**.000**	**.000**	**.000**	**.000**	

Note:
**. Correlation is significant at the 0.01 level (2-tailed)
r scale: r<0.1-Very small, 0.1≤r<0.3-Small, 0.3≤r<0.5-Moderate, r≥0.5-Large (Cohen, 1988)

The correlation table highlights the relationship between various components of risk management orientation and organizational resilience (ORes) at Coca-Cola Beverages Africa-Ethiopia. Pearson correlation values indicate the strength and direction of these relationships, where positive correlations suggest that improvements in one factor contribute to enhanced resilience. Notably, all correlations in the table are statistically significant at the 0.01 level ($p < 0.001$), reinforcing the robustness of these associations.

The strongest correlation in the table is between Information, Communication, and Reporting (iCnR) and Organizational Resilience (ORes) (r = .918), indicating that effective communication, transparent reporting, and accessible information channels substantially enhance an organization's ability to withstand disruptions. This aligns with international research, such as Eichholz, Hofmann, and Schwering (2024), which emphasizes that strong communication structures improve adaptability and crisis response.

Review and Revision (R_R) also demonstrates a high correlation with ORes (r = .777). This suggests that organizations that continuously assess and refine their risk management frameworks are better equipped to adapt to changing risk environments. Empirical studies, such

as those by Duchek (2020), affirm that organizations engaging in frequent strategy evaluations tend to be more resilient and better prepared for uncertainties.

Performance (Po) and ORes show a significant correlation (r = .695), indicating that organizations with robust performance-tracking mechanisms develop stronger resilience capabilities. Studies in the African business sector, particularly those on enterprise risk management in Nigerian banks (Otun, Muritala, Ibrahim, & Gambo, 2023), support this relationship, emphasizing how performance-driven strategies contribute to organizational adaptability.

Both Governance & Culture (GnC) and Strategy & Objective Setting (SnOS) also exhibit strong correlations with ORes (r = .726 and r = .649, respectively). These findings reinforce previous research on resilience frameworks in Ethiopia, such as the *Building Resilience in Ethiopia (BRE)* study by Oxford Policy Management (2020), which highlights governance structures and strategic planning as fundamental components in fostering resilience. Clear leadership structures and well-defined objectives enable organizations to align risk management strategies effectively with long-term sustainability goals.

4.6 Regressions Analysis Assumptions

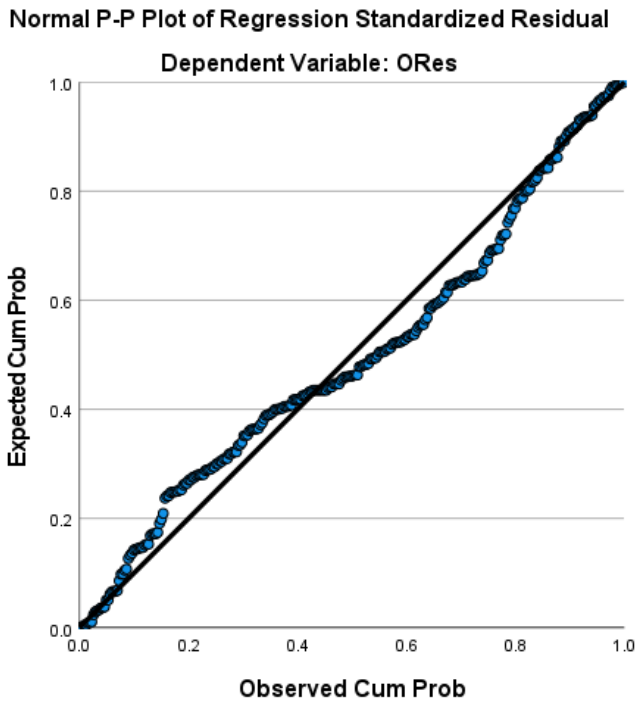
(i) Linearity Test: The data points (blue dots) represent the standardized residuals. If they closely follow the diagonal line, it suggests that the residuals are approximately normally distributed. The data points in the image closely follow the diagonal line, which suggests that the assumption of normality of residuals in the regression model is likely met. This is important because the assumption of normally distributed residuals is crucial for valid statistical tests and confidence intervals in regression analysis.

(ii) Normality: The histogram is overlaid with a normal distribution curve, and the bars appear symmetrically arranged around the center. The reported mean of the standardized residuals is 9.40E-15, which is effectively zero. A mean near zero confirms that, on average, the model's predictions are unbiased. The standard deviation is reported as 0.992, which is very close to the ideal value of 1 for standardized residuals. A standard deviation near 1 supports the assumption that the residuals are homoscedastic (i.e., the variance of the errors is constant across all levels of the independent variables). The x-axis range suggests that the vast majority of residuals fall

within this interval, implying that there are no extreme outliers that could disproportionately influence the regression results. With 297 observations, the sample size is sufficiently large to provide robust estimates and reliable statistical inferences.

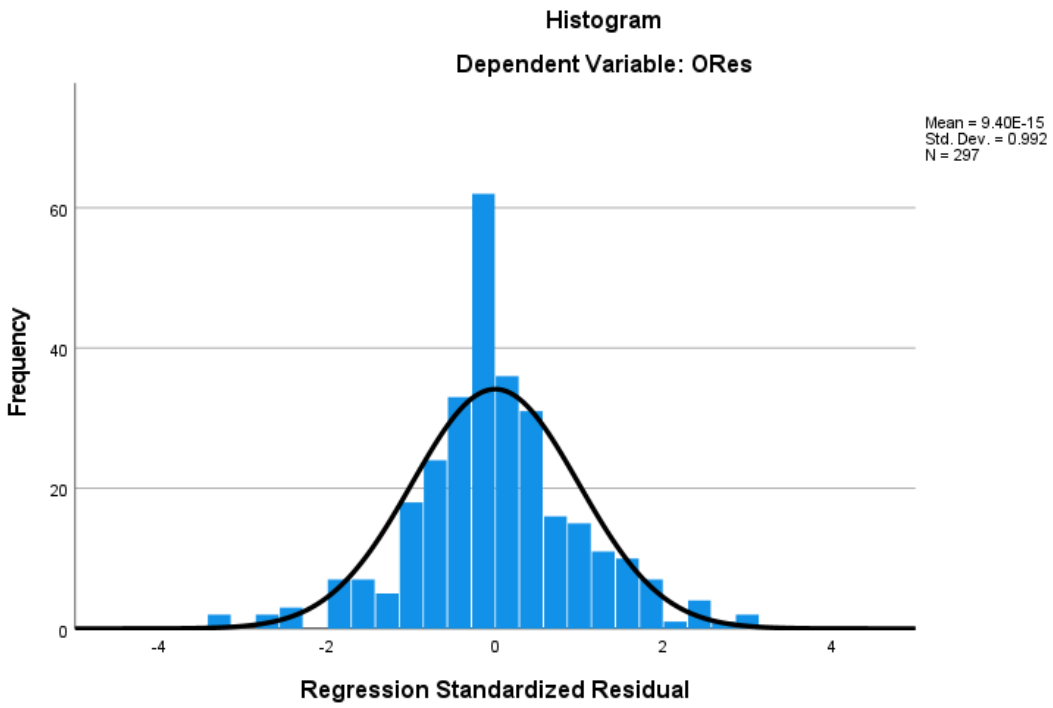
(iii) Equal Variance (Homoscedasticity): To test the equal variance, we depend on the plot of studentized residual against the predicted value. Figure 4.2 shows that the errors are constant for all the value of independent variables. Therefore, there is no relation between the predicted and residual values, so this assumption is not violated.

(iv) Independence of Errors: The Durbin-Watson statistic (1.597) examines autocorrelation in residuals. Since a value close to 2 is ideal, the observed value suggests mild positive correlation between residuals, though not at a level that would compromise the integrity of the model. This means the results are trustworthy and not significantly affected by autocorrelation issues.



Source: Computation (SPSS-26) based on data gathered from author's field work, 2024

Figure 4.1: Linearity test



Source: Computation (SPSS-26) based on data gathered from author's field work, 2024

Figure 4.2: Histogram of residuals

(v) Multicollinearity: Tables 4.11, 4.12, and 4.13 shows that the variance inflation factor (VIF) value is less than 10 and tolerance value is more than 0.2 for each sub-variable, so collinearity assumption is not violated.

Variables	Tolerance	VIF
GnC	.445	2.249
SnOS	.480	2.083
Po	.427	2.343
R_R	.408	2.450
iCnR	.513	1.950

From these analyses, it can be concluded that regression model of this study meets all the assumptions required to ensure validity of its significance test.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.975[a]	.952	.951	.17156	1.497

a. Predictors: (Constant), iCnR, SnOS, Po, GnC, R_R

b. Dependent Variable: ORes

The results indicate a strong relationship between risk management orientation and organizational resilience within Coca-Cola Beverages Africa-Ethiopia. With a correlation coefficient (R) of 0.975, the analysis suggests a highly significant connection between the independent variables—governance & culture (GnC), strategy & objective setting (SnOS), performance (Po), review & revision (R_R), and information, communication & reporting (iCnR)—and organizational resilience (ORes). This high correlation implies that the organization's resilience is deeply influenced by these dimensions of risk management.

The R Square value (0.952) further supports this finding, showing that approximately 95.2% of the variability in organizational resilience is explained by these risk management factors. The Adjusted R Square (0.951) indicates that this strong explanatory power remains even after adjusting for the number of predictors, confirming the reliability of the model. Additionally, the Standard Error of the Estimate (0.17156) is relatively low, suggesting that the model's predictions are stable and precise.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	168.121	5	33.624	1142.369	.000[b]
	Residual	8.565	291	.029		
	Total	176.686	296			

a. Dependent Variable: ORes

b. Predictors: (Constant), iCnR, SnOS, Po, GnC, R_R

The Regression Sum of Squares (168.121) accounts for the variability explained by the independent variables—governance & culture (GnC), strategy & objective setting (SnOS), performance (Po), review & revision (R_R), and information, communication & reporting (iCnR). This high value indicates that these predictors contribute significantly to the model. The Residual Sum of Squares (8.565) represents the unexplained variance, which is relatively low

compared to the regression variance. This suggests that the model does a good job of explaining organizational resilience, with only a small amount of error.

The Mean Square values show that the variance in organizational resilience explained by the predictors (33.624) is significantly larger than the variance left unexplained (0.029). This reinforces the strength of the model's ability to account for resilience. The F-value (1142.369) is extremely high, demonstrating that the overall regression model is statistically significant. A high F-value suggests that the predictors collectively have a strong impact on resilience. The Sig. value (0.000) confirms the statistical significance of the model, indicating that the likelihood of these results occurring due to chance is virtually zero.

4.6.1 Regression Coefficients

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.092	.053		1.739	.083		
	GnC	.095	.015	.125	6.457	.000	.445	2.249
	SnOS	.085	.015	.105	5.611	.000	.480	2.083
	Po	.083	.016	.106	5.341	.000	.427	2.343
	R_R	.168	.017	.198	9.788	.000	.408	2.450
	iCnR	.556	.016	.616	34.203	.000	.513	1.950

a. Dependent Variable: ORes

Beta Coefficient

The unstandardized beta constant (0.092) represents the expected value of organizational resilience when all independent variables (risk management factors) are held at zero. While the coefficient is relatively small, it still indicates a positive baseline resilience level even without additional risk management measures. The standard error (0.053) measures the variability of this coefficient, showing how much it could fluctuate in repeated sampling. A lower standard error suggests higher reliability of the estimate, and in this case, the value is moderate, meaning there is some variation in resilience levels that the model could experience. The T-value (1.739) assesses the strength and significance of the coefficient. A higher T-value typically indicates a stronger effect, and while 1.739 is not exceptionally large, it does suggest a modest influence.

Governance and Culture

The regression analysis indicates that governance and culture significantly influence organizational resilience at Coca-Cola Beverages Africa-Ethiopia. The unstandardized beta coefficient of 0.095 and standardized beta coefficient of 0.125 suggest a positive relationship between governance and culture and organizational resilience. The standard error of 0.015 indicates a high level of precision in this estimate. The T value of 6.457 and a significance value of 0.000 confirm that this relationship is statistically significant, meaning that improvements in governance and culture are likely to enhance the organization's resilience. This finding underscores the importance of a strong governance framework and a supportive organizational culture in fostering resilience, particularly in a complex and competitive environment.

Empirical work in African settings, although sometimes focused on sectors other than the beverage industry, has similarly underscored the pivotal role of governance and cultural integration in fostering resilience. For instance, qualitative studies investigating enterprise risk management practices in Nigerian banks have reported that robust risk governance—which includes strong internal controls and risk-aware cultures—can improve an organization’s adaptive capacity (Otun, Muritala, Ibrahim, & Gambo, 2023). Empirical investigations in Ethiopia have frequently examined disaster risk management in the public and community sectors. Although these studies often focus on infrastructure and community resilience, they repeatedly highlight that effective governance structures and culturally tailored risk management strategies are indispensable for fostering resilience (Oxford Policy Management, 2020).

On the international stage, a number of empirical studies have examined the relationship between risk management orientation and organizational resilience. For example, Eichholz, Hofmann, and Schwering (2024) conducted a cross-sectional study among medium- and large-sized companies in Germany and found that a risk management orientation, including careful attention to governance and cultural aspects, is positively related to organizational resilience. Similarly, research by Hillmann (2013) and Duchek (2020) shows that organizations with well-developed risk management practices are better equipped to adapt during crises.

Strategy and Objective Setting

The results for strategy and objective setting show an unstandardized beta coefficient of 0.085 and a standardized beta coefficient of 0.105. This indicates that a well-defined strategy and clear objectives positively contribute to organizational resilience. The standard error of 0.015 suggests that the estimates are reliable. With a T value of 5.611 and a significance value of 0.000, these results are statistically significant. This implies that organizations that effectively set and pursue strategic objectives are better positioned to adapt and thrive in the face of challenges, reinforcing the idea that strategic clarity is crucial for resilience.

Within the broader African context, several studies underscore the role of strategic planning in bolstering organizational resilience. For instance, research on enterprise risk management in Nigerian banks (Otun, Muritala, Ibrahim, & Gambo, 2023) indicates that clear strategy formulation and objective setting are instrumental in building robust frameworks for risk mitigation. Internationally, empirical analyses further validate the critical role of strategic objectives within risk management frameworks. Duchek (2020) offers a capability-based conceptualization of organizational resilience in which proactive strategic planning is recognized as a vital contributor to an organization's ability to withstand and adapt to disruptive events. In a similar vein, Eichholz, Hofmann, and Schwering (2024) demonstrated that companies with an ingrained culture of strategic planning and objective-setting tend to exhibit higher resilience during crises.

Performance

For the variable performance, the unstandardized beta coefficient is 0.083, and the standardized beta coefficient is 0.106. This indicates a positive correlation between performance metrics and organizational resilience. The standard error of 0.016 reflects a reasonable level of accuracy in the estimates. The T value of 5.341 and a significance value of 0.000 further validate the significance of this relationship. This suggests that organizations that maintain high performance levels are more resilient, as they are likely to have the resources and capabilities to respond effectively to disruptions.

Empirical studies in Ethiopia, particularly in the public sector, have frequently examined the role of performance management in improving organizational outcomes. For example, research on result-oriented performance management in Ethiopian public organizations has found that when

performance is systematically monitored and aligned with strategic objectives, organizations tend to report improvements in overall performance and resilience (Jiru, Teklu, & Aga, 2022).

In other African contexts, research on enterprise risk management has similarly underscored the importance of performance-related measures in fostering organizational resilience. For instance, a qualitative study on risk management practices in Nigerian banks highlighted that clear performance benchmarks and regular evaluations contribute significantly to the firm's adaptive capacity (Otun, Muritala, Ibrahim, & Gambo, 2023).

Internationally, a robust body of research confirms that performance as a component of risk management orientation is instrumental in building organizational resilience. For example, Eichholz, Hofmann, and Schwering (2024) found that in multinational settings, the integration of performance monitoring with risk management practices produces moderate yet significant improvements in resilience. In a related vein, Duchek (2020) argued that a well-structured performance measurement system contributes to an organization's dynamic capabilities, enabling it to adapt and transform in the face of challenges.

Review and Revision

The findings for review and revision show a stronger impact on organizational resilience, with an unstandardized beta coefficient of 0.168 and a standardized beta coefficient of 0.198. The standard error of 0.017 indicates a high degree of reliability in these estimates. The T value of 9.788 and a significance value of 0.000 highlight the statistical significance of this variable. This suggests that organizations that regularly review and revise their processes and strategies are more adaptable and resilient, as they can learn from past experiences and adjust to new challenges effectively.

In Ethiopia, empirical investigations into disaster and risk management have long highlighted the importance of iterative review processes. For example, the *Building Resilience in Ethiopia (BRE)* study (Oxford Policy Management, 2020) emphasizes that regular evaluation and revision of risk management policies are critical for effective disaster risk reduction—and by extension, for building both community and organizational resilience. Similarly, community-based approaches described in the *Community-Based Disaster Risk Management (CBDRM) Manual* stress that

continual review and updating of action plans enable communities to adjust to evolving hazards (Ergetie, 2015).

Across the African continent, research on enterprise risk management further corroborates the significance of continuous review practices. For instance, Otun, Muritala, Ibrahim, and Gambo (2023) examined risk management in Nigerian banks and found that regular review and updating of risk policies were vital for enhancing resilience against financial and operational shocks.

International research on risk management and organizational resilience also underscores the critical role of review and revision as a dynamic capability. Duchek (2020) proposed a capability-based conceptualization of organizational resilience in which continuous learning and iterative adjustment processes (encompassing review and revision) are crucial for enabling organizations to "bounce forward" following adversity. In a similar vein, Eichholz, Hofmann, and Schwering (2024) found that the integration of review processes within an enterprise risk management framework was associated with moderate but statistically significant improvements in resilience outcomes among multinational firms.

Information, Communication, and Reporting

The results for information, communication, and reporting reveal the most substantial impact on organizational resilience, with an unstandardized beta coefficient of 0.556 and a standardized beta coefficient of 0.616. The standard error of 0.016 indicates a very precise estimate. The T value of 34.203 and a significance value of 0.000 confirm the exceptional significance of this variable. Specifically, a standardized beta coefficient of $\beta = 0.616$ for Information, Communication & Reporting implies a large practical impact on organizational resilience, as per Cohen's (1988) guidelines for effect size interpretation, where a beta of 0.5 or greater suggests a large effect.

Empirical studies in Ethiopia highlight that effective information sharing and communication are critical pillars of disaster risk management. For example, the *Building Resilience in Ethiopia (BRE)* report by Oxford Policy Management (2020) emphasizes that timely and precise communication among organizations and stakeholders greatly enhances the capacity to respond to crises. Similarly, the Ethiopian Red Cross Society's Disaster Risk Management Policy (2021)

underscores that reporting and communication are integral to coordinating rapid responses and ensuring accountability.

Across Africa, research on enterprise risk management consistently reiterates that well-developed information and communication practices are central to building resilience. Studies from Nigeria, for example, have identified that when banks and other enterprises implement comprehensive reporting mechanisms and clear communication channels, they are better positioned to manage both operational and financial risks (Otun, Muritala, Ibrahim, & Gambo, 2023).

Internationally, extensive research has established the importance of effective information flows and transparent communication in fostering organizational resilience. Duchek (2020) presents a capability-based framework where continuous information exchange and clear reporting processes are seen as essential for organizations to quickly identify risks and mobilize appropriate responses. In a similar vein, Eichholz, Hofmann, and Schwering (2024) found that multinational firms with established systems for risk information sharing exhibited significantly higher resilience.

CHAPTER FIVE

5. SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Conclusion of the Study

This study successfully investigated the role of risk management orientation (RMO) on organizational resilience (ORes) at Coca-Cola Beverages Africa-Ethiopia, specifically focusing on the five components of the COSO ERM Framework (2017): Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, and Information, Communication & Reporting. The findings consistently demonstrated a strong and statistically significant positive relationship between all RMO components and organizational resilience. Notably, Information, Communication & Reporting emerged as the most influential factor, underscoring COSO's emphasis on communication as core to effective ERM and organizational adaptability.

5.2 Summary of Key Findings

The quantitative analysis confirmed a strong and statistically significant positive relationship between the overall RMO and ORes at CCBA-Ethiopia. Specifically:

1. All five components of RMO—Governance & Culture, Strategy & Objective Setting, Performance, Review & Revision, and Information, Communication & Reporting—were found to have a statistically significant positive impact on organizational resilience.

2. Among these components, Information, Communication & Reporting emerged as the most influential predictor of organizational resilience, with the highest standardized beta coefficient ($\beta = 0.616$, $p < 0.001$). This highlights the critical importance of effective information systems, transparent communication channels, and regular reporting on risk, culture, and performance in enabling the organization to anticipate, cope with, and adapt to disruptions.

3. Review & Revision also demonstrated a substantial positive impact ($\beta = 0.198$, $p < 0.001$), indicating that continuous assessment of environmental changes and regular review of risk and performance significantly contribute to resilience.

4. Governance & Culture ($\beta = 0.125$, $p < 0.001$), Performance ($\beta = 0.106$, $p < 0.001$), and Strategy & Objective Setting ($\beta = 0.105$, $p < 0.001$) were also significant positive contributors, underscoring the importance of a supportive governance structure, a risk-aware culture, effective risk identification and response, and clear strategic alignment in building resilience.

5. The overall regression model was found to be a very good fit, explaining approximately 95.2% of the variance in organizational resilience (Adjusted $R^2 = 0.951$), indicating that these RMO components collectively are strong determinants of CCBA-Ethiopia's resilience.

5.3 Discussion of Findings

These findings align with and extend existing literature on risk management and organizational resilience. The significant positive influence of all RMO components supports the holistic approach advocated by the COSO ERM framework. The paramount importance of "Information, Communication & Reporting" resonates with studies emphasizing that well-informed organizations with effective communication are better equipped to navigate crises (e.g., Evenseth et al., 2022; Duchek, 2020). Similarly, the strong role of "Review & Revision" supports the notion that resilience is a dynamic capability built through continuous learning and adaptation (e.g., Abdullahi et al., 2023; Eichholz et al., 2024). The contributions of governance, strategic alignment, and performance monitoring are also consistent with established theories and empirical evidence (e.g., Lim & Gaerlan, 2022; Otun et al., 2023). The study successfully addressed its research questions by quantifying the specific effects of these RMO dimensions on organizational resilience within the context of CCBA-Ethiopia.

5.4 Implications of the Study

The findings of this research have several important implications:

- **For Coca-Cola Beverages Africa-Ethiopia:**

- The company should prioritize further strengthening its information systems, ensuring timely and transparent communication of risk-related information across all levels, and maintaining robust reporting mechanisms.
- Continued investment in fostering a strong governance framework, a proactive risk-aware culture, and ensuring clear alignment between strategic objectives and risk management practices is crucial.
- Maintaining and enhancing processes for performance monitoring in relation to risk, and conducting regular reviews and revisions of risk management strategies in response to internal and external changes, will further bolster resilience.

- **For Other Businesses:** The study provides a valuable model for other organizations, particularly those in the manufacturing and beverage sectors or operating in similar dynamic environments in developing countries. It highlights the key RMO levers that can be strategically managed to enhance organizational resilience.
- **For Academia and Policy Makers:** This research contributes to the empirical body of knowledge on the RMO-ORes relationship, especially within the Ethiopian context, addressing a previously noted literature gap. It can inform policymakers about the importance of promoting robust risk management practices to build more resilient economic sectors.

5.5 Limitations of the Study

While this study provides valuable insights, it is important to acknowledge certain limitations. The sample predominantly comprised employees from various departments, and as such, the findings may not fully reflect the perspectives of senior management or more experienced employees, potentially introducing an age bias. Future research could incorporate a more stratified sampling approach to ensure representation across all organizational levels and age demographics. Additionally, while quantitative methods provided robust statistical evidence, a qualitative approach could offer deeper insights into the mechanisms and nuances of risk management and resilience within the specific cultural context of CCBA-Ethiopia.

5.6 Recommendations

5.6.1. Recommendations for Coca-Cola Beverages Africa-Ethiopia

Based on the findings, the following actionable recommendations are proposed for Coca-Cola Beverages Africa-Ethiopia:

- **Strengthen Information, Communication, and Reporting:** Given its significant impact on resilience, CCBA-Ethiopia should implement monthly risk-reporting dashboards to ensure timely dissemination of risk information across all levels. This should include standardized reporting templates and dedicated communication channels for crisis situations.
- **Enhance Review and Revision Processes:** Formalize and regularly conduct post-incident reviews and scenario planning exercises. Integrate lessons learned from these reviews into updated risk management policies and operational procedures to foster continuous adaptation.
- **Integrate Risk Management with Strategic Objectives:** Ensure that risk assessments are an integral part of all strategic planning sessions. Develop clear key risk indicators (KRIs) that are directly linked to organizational objectives and routinely monitored by top management.
- **Invest in Governance and Culture Initiatives:** Promote a proactive risk-aware culture through regular training programs and workshops for all employees. Incorporate risk management performance into managerial evaluations to emphasize leadership commitment to risk management and resilience.
- **Just-in-Time Performance Monitoring:** Develop agile performance monitoring systems that provide real-time data on operational risks and their potential impact on resilience. Utilize predictive analytics to anticipate emerging threats and opportunities.

5.6.2. Recommendations for Future Research

Building on this study, future research could explore the following avenues:

1. **Longitudinal Studies:** Conduct longitudinal research to track the evolution of RMO and OREs over time and to establish causal relationships more definitively.
2. **Qualitative Research:** Employ qualitative methodologies, such as in-depth case studies or interviews with key personnel, to gain richer insights into the mechanisms and processes through which RMO components influence resilience.
3. **Comparative Studies:** Extend the research to other companies within the Ethiopian beverage sector or across different industries to enhance the generalizability of the findings. Comparative studies with organizations in other African countries could also yield valuable insights.
4. **Mediating and Moderating Variables:** Investigate the potential role of mediating variables (e.g., organizational learning, innovation capabilities) or moderating variables (e.g., organizational size, leadership style, technological adoption) in the RMO-ORes relationship.
5. **Emerging Risks:** Explore how RMO can help organizations build resilience against emerging and complex risks, such as those related to climate change, cybersecurity, and geopolitical instability, which were identified as areas needing more research in the literature review.

In conclusion, this study underscores the critical importance of a comprehensive and well-integrated risk management orientation in fostering organizational resilience. For CCBA-Ethiopia, a continued and enhanced focus on all dimensions of RMO, particularly in information, communication, and reporting, will be pivotal in navigating an increasingly uncertain and challenging business landscape.

Questionnaire

Governance & Culture	**1**	**2**	**3**	**4**	**5**
1. **Exercises board risk oversight**:					
o The board of directors actively oversees risk management.					
2. **Establishes operating structure**:					
o The organization has a well-defined operating structure.					
3. **Defines desired culture**:					
o The company has clearly defined its desired culture.					
4. **Demonstrates commitment to core values**:					
o Leaders demonstrate commitment to the organization's core values.					
5. **Attracts, develops & retains capable individuals**:					
o The organization effectively attracts, develops, and retains capable individuals.					
Arfiansyah (2021)					
Strategy & Objective Setting	**1**	**2**	**3**	**4**	**5**
1. **Analyzes business context**:					
o The company effectively analyzes its business context.					
2. **Defines risk appetite**:					
o The organization has a clearly defined risk appetite.					
3. **Evaluates alternative strategies**:					
o The company evaluates alternative strategies to manage risk.					
4. **Formulates business objectives**:					
o The organization formulates achievable and relevant business objectives.					
Arfiansyah (2021)					
Performance	**1**	**2**	**3**	**4**	**5**
1. **Identifies risk**:					
o The company effectively identifies potential risks.					
2. **Assesses severity of risk**:					
o The organization assesses the severity of identified risks.					
3. **Prioritizes risk**:					
o The company prioritizes risks based on their potential impact.					
4. **Implements risk response**:					
o The organization implements appropriate responses to identified risks.					
5. **Develops portfolio view**:					
o The company develops a comprehensive portfolio view of risks.					
Arfiansyah (2021)					
Review & Revision	**1**	**2**	**3**	**4**	**5**
1. **Assesses substantial change**:					
o The organization assesses substantial changes in its environment.					

2. **Reviews risk and performance**:						
o The company regularly reviews risk and performance.						
3. **Pursues improvement in ERM**:						
o The organization actively pursues improvements in enterprise risk management.						
Arfiansyah (2021)						
Information, Communication & Reporting	**1**	**2**	**3**	**4**	**5**
1. **Leverages information and technology**:						
o The company leverages information and technology effectively for risk management.						
2. **Communicates risk information**:						
o The organization effectively communicates risk information within the company.						
3. **Reports on risk, culture, and performance**:						
o The company reports on risk, culture, and performance regularly.						

Organizational Resilience

Factor	Code	Item
Planning	P1	We are mindful of how a crisis could affect us
	P2	We believe emergency plans must be practiced and tested to be effective
	P3	We are able to shift rapidly from business-as-usual to respond to crises
	P4	We build relationships with organizations we might have to work with in a crisis
	P5	Our priorities for recovery would provide direction for staff in a crisis
Bergmann et al. (2020)		
Adaptive Capacity	AC1	There is a sense of teamwork and camaraderie in our organisation
	AC2	Our organization maintains sufficient resources to absorb some unexpected change
	AC3	People in our organization "own" a problem until it is resolved
	AC4	Staff have the information and knowledge they need to respond to unexpected problems
	AC5	Managers in our organization lead by example
	AC6	Staff are rewarded for "thinking outside the box"
	AC7	Our organization can make tough decisions quickly
	AC8	Managers actively listen for problems
Bergmann et al. (2020)		

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