

*Addis Ababa*  
*University*  
*(Since 1950)*



# **The Effect of Organizational Culture on Organizational Performance: The Case of Premier Switch Solutions Share Company**

**By: Elmodad Elias**

**A Thesis Submitted to Addis Ababa University, School of Commerce in Partial Fulfillment of the Requirements for the Degree of Master of Art in Human Resource Management**

**ADVISOR: Solomon Markos (PhD)**

**June 2022**

**Addis Ababa**

**Addis Ababa University  
School of Commerce**

**The Effect of Organizational Culture on Organizational Performance: The Case of  
Premier Switch Solutions Share Company**

**By: Elmodad Elias**

**A Thesis Submitted to Addis Ababa University, School of Commerce in  
Partial Fulfillment of the Requirements for the Degree of Master of Art in  
Human Resource Management**

**Advisor: Solomon Markos (PhD)**

**June 2022**

**Addis Ababa**

## DECLARATION

I, Elmodad Elias, hereby declare that the study entitled “**The Effect of Organizational Culture on Organizational performance: The Case of Premier Switch Solutions S.C**” is my original work and has not been presented in Addis Ababa University or any other University. I have carried out the study independently with the guidance and support of the research advisor Solomon Markos (PhD). All other contributors or sources used for the study have been duly acknowledged.

**Elmodad Elias**    **Signature** \_\_\_\_\_    **Date** \_\_\_\_\_

## **STATEMENT OF CERTIFICATION**

This is to certify that Elmodad Elias Fisseha's research work on the topic entitled "**The Effect of Organizational Culture on Organizational performance: The Case of Premier Switch Solutions S.C**" is his original work and suitable for submission for the award of Master's Degree in Human Resource Management. This thesis is submitted for examination with my approval as a university advisor.

---

Solomon Markos (PhD)  
(Advisor)  
June, 2022

# Approval

We, the undersigned, members of the advisor and examiners of the final defense by Elmodad Elias, have read and evaluated his thesis entitled “the effect of organizational culture on organizational performance; The Case of Premier Switch Solutions Share Company” and examined the candidate. This is therefore to certify that the thesis has been accepted in partial fulfillment for the award of the degree of master of business administration.

## Approved by

	<b>Name</b>	<b>Signature</b>	<b>Date</b>
<b>External Examiner:</b>	_____	_____	_____
<b>Internal Examiner:</b>	_____	_____	_____
<b>Advisor:</b>	_____	_____	_____

## **ACKNOWLEDGEMENT**

First and foremost, I want to thank God for giving me his blessings and for assisting me in my endeavors and achievements. Second, I'd like to thank my advisor, Solomon Markos (PhD), for paying great attention to this thesis and offering me suggestions for improvement.

Finally, I'd like to thank my family for everything they've done for me thus far, as well as the PSS staff for their willingness, collaboration, and quick response.

Last but not least, my good friends who have made significant contributions to the entire project ought to be recognized; they have all played an important role in supporting and motivating me throughout my studies.

Thank you all!

## Table of Contents

ABSTRACT.....	3
Chapter One: Introduction.....	4
1.1 Background of the study .....	4
1.2. Background of the organization.....	6
1.3. Statement of Problem.....	7
1.4. Research Questions .....	8
1.5. Research Objectives.....	8
1.6. Definition of Terms .....	<b>Error! Bookmark not defined.</b>
1.7. Significance of the study .....	9
1.8. Scope of the Study .....	9
Chapter Two: Literature Review .....	11
2.1 Theoretical Review.....	11
2.1.1 Culture.....	11
2.1.2 Organizational Culture.....	12
2.1.3 Characteristics of Organizational Culture.....	13
2.1.4 Elements of Organizational Culture.....	14
2.1.5 Models of Organisational Culture.....	15
2.1.6 Measuring Performance toward Organizational Success.....	17
2.2 Empirical Review .....	18
2.2.1 Organizational Culture and Performance.....	18
2.3 Summary of Literature Review .....	20
2.4 Conceptual Framework.....	20
Chapter Three: Research Methodology.....	22
1. Research Approach .....	22
2. Research Design: Survey design.....	22
3. Sources of Data Collection .....	22
4. Research Instrument.....	23
5. Data Analysis Method .....	23
6. Validity and Reliability.....	23
7. Ethical Considerations.....	25

Chapter Four: Data presentation, analysis & interpretation .....	26
4.1 Introduction .....	26
4.2 Response Rate.....	26
4.3 Demographic Information of Respondents .....	26
4.4 Reliability Analysis.....	<b>Error! Bookmark not defined.</b>
4.4.1 Reliability Analysis of Organizational Culture.....	24
4.4.2 Reliability Analysis of Organizational Performance .....	24
4.4 Descriptive Statistics of Variables .....	27
4.4.1 Descriptive analysis of Organizational Culture in PSS.....	28
4.3.2 Descriptive statistics of Organizational performance .....	29
4.4. Relationship between Organizational Culture and Organizational Performance .....	29
4.5 Testing Assumptions of Classical Linear Regression Model (CLRM) .....	31
4.5.1 Linearity Test .....	31
4.5. 3 Normality Test .....	32
4.5. 4: Multicollinearity Test.....	33
4.5 Multiple Regression Analysis for the Effect of Organizational Culture on performance.....	33
4.5.1 Model Summary.....	34
4.5.2 ANOVA Table.....	34
4.5.3 Coefficients .....	35
Chapter Five: Conclusions and Recommendations.....	37
5.1 Summary of major findings.....	37
5.2 Conclusion .....	38
5.3. Recommendations .....	40
5.4 Recommendations for further studies.....	41
Reference .....	42
Annex .....	49
Annex One: Research Questionnaire.....	49



## List of Tables

	<b>Page</b>
Table 4.1 Response rate .....	25
Table 4.2 Cronbach Alpha for Culture Dimension.....	27
Table 4.3 Cronbach Alpha for Culture Dimension.....	27
Table 4.4 Descriptive Statistics for Organizational culture.....	28
Table 4.5 Descriptive Statistics for Organizational Performance.....	28
Table 4.6 Correlation Analysis Matrix. ....	30
Table 4.7 Normality test .....	33
Table 4.8 Co linearity Statistics.....	34
Table 4.9 Model Summary .....	34
Table 4.10 ANOVA .....	35
Table 4.11 Coefficients .....	36

## **ACRONYM**

ANOVA - Analysis of Variance

PSS – Primer Switch Solutions S.C

SPSS- statistical package for social science

## **ABSTRACT**

*The main objective of this study is to determine how organizational culture affects organizational performance by using Denison's model, which measures the four elements of organizational culture: involvement, consistency, adaptability, and mission, and Muchinsky's model of organizational performance, which incorporates customer orientation, employee satisfaction, and customer satisfaction as organizational performance dimensions. The study used primary data using the census data collection method. Questioners were used to collect data from the target population, which were all employees of PSS. The study employed explanatory research design along with a quantitative approach to examine the relationship between organizational culture and organizational performance. The outcomes of this study demonstrate that all components of organizational culture have a positive and significant effect on PSS's performance; in addition, the Mission dimension of organizational culture is identified as the dominant organizational culture in Premier Switch Solutions S.C. Moreover, the study concludes that organizational culture has a significant effect on organizational performance. Therefore, the organization has to consistently create and maintain a strong organizational culture to enhance organizational performance.*

**Key words:** *Organizational culture, Organizational Performance*

# Chapter One: Introduction

## 1.1 Background of the study

Organizational cultures have been changed dramatically over the previous two decades (Schein, 2011). This has been ascribed to increased market competition as well as an increasing diversity of staff in many firms (Rhine & Christen, 2012). The increasing complexity of the corporate environment has compelled companies to seek out more effective management solutions. As a result, in the business world, an emphasis on organizational culture is becoming increasingly important (Kotter 2012).

The common vision, values, conventions, processes, symbols, language, assumptions, beliefs, and habits of all members of an organization define the culture of that organization (Needle, 2004). It also comprises member self-image, inner workings, and interactions with the outside world, as well as expectations, experiences, philosophy, and value that govern member conduct. The business dictionary defines culture as "common attitudes, ideas, rituals, and written and unwritten laws that have evolved over time and are regarded valid." Organizational culture, as defined by Deal and Kennedy (2000), is the way things are done in the organization. Ravasi and Schultz (2006) also defines as an Organizational culture is a set of shared ideas that drive what happens in organizations by defining proper conduct for different scenarios. Performance, on the other hand, is defined as the achievement of financial and non-financial goals, that allows a company to stay profitable and sustainable both in the short and long term (Denison, 2008).

Scholars have suggested that the benefits of culture cannot be harnessed simply by its existence, but rather by the instrumentality of leaders who guarantee that employees are aligned with the company's values in pursuit of its performance goals and objectives (Hopkins and Scott, 2016; Xie, 2019). As a result, superior performance is dependent on the existence of a culture that embodies certain unique traits and characteristics that encourage productivity and efficiency, with the presence of leadership to reinforce the espoused values (Block, 2003; Schein, 2010) that drives organizational effectiveness, thereby generating sustainable competitive advantages (Ogbonna and Harris, 2000; Mohelska and Sokolova, 2015).

Because organizational effectiveness is dependent on its culture, a focus on organizational culture is gradually becoming a major component of everyday organizational functioning. A strong organizational culture demonstrates that employees share the same viewpoints and are guided by the same business principles (Racelis, 2010). As a result, businesses can only achieve their objectives if their culture and managerial coordination are in sync. By establishing an acceptable culture, a firm can give employees control over their own work, which will undoubtedly improve productivity. As a result, organizational performance is influenced by the organization's culture, which is a clear sign of the company's longevity (Racelis, 2010). Some studies have discovered a strong correlation between organizational culture and performance (Muhammad & Muhammad, 2011).

There is a substantial body of work on the relationship between culture and organizational performance, as pointed out above. However, it is unfortunate to note that the majority of these studies are conducted in different socio-cultural contexts. Hence, these conclusions will not be relied upon to fully comprehend the Ethiopian situation; this research attempted to determine if culture has a substantial impact on the performance of Ethiopian organizations such as Premier Switch Solutions Share Company (PSS). Essentially, this study analyzed the extent to which culture influences performance and reached on a conclusion.

Moreover, by investigating and measuring the possible relationships between the two variables /organizational culture and organizational performance/, the research attempted to fill the gap in the literature related to this topic and provided additional empirical evidence that implies the impact of organizational culture on performance.

## **1.2. Background of the organization**

Premier Switch Solutions Share Company (PSS) is a company founded and owned by six private banks i.e., Awash International Bank, Nib International Bank, United Bank, Berhan International Bank, Addis International Bank, and Cooperative Bank of Oromia. It was established in 2009 by the visionary banks to save the high investment cost of the modern payment platform and deliver electronic payment services to financial institutions with a shared system. It commenced operation officially on July 5, 2012 with 165 million Birr.

PSS is supervised by board of directories that include a chairman and other seven directors who are elected by the general assembly of shareholders. The management is entrusted to the CEO who is appointed by the board of directors. The management team has established a right-hand partner that operates to the highest standards of solidarity and integrity, all investment and working decisions is done by strong and explicit code through the general assembly found at the apex of the organizational structure, commits itself to the highest standard of governance.

As the modern payment system plays a key role in the economy's growth, PSS has a vision to be a corner stone in moving the society from cash-based economy to a greater use of electronic payment system. PSS is also dedicated to contribute to the modernization of National Payment System in the country by optimizing economies of scale in investing on e-payment infrastructure through providing interconnectivity and interoperability among participants through shared network which complies with all relevant international standards.

PSS provides a complete end-to-end solution to a range of electronic transaction processing channels. The company uses state-of-the art technology to process payments to financial institutions and merchants being the first and the only PCI DSS certified payment processor in the country. Some of the services provided by PSS are: ATM Driving and Management & Risk management, POS Driving and Management & Chargeback Management, E-commerce – Online & Offline Fraud Monitoring, Debit card solutions, prepaid card solutions, Credit card solutions, Interest free card solutions and Card personalization.

### **1.3. Statement of Problem**

The current business climate is characterized by the negative impacts of the global economic crisis, which has compelled managers to reconsider how they achieve corporate goals. Managers strive to find effective, low-cost solutions to current problems. Closing the gap between corporate culture and performance outcomes could be a potential solution to today's performance challenges. Managers, on the other hand, are oblivious of the impact culture has on their strategy and success, according to Schein (2000). According to a recent study by Coogan and Partners (2006), a positive business culture has a considerable impact on financial performance. Organizations with strong cultures outscored those with weak cultures by 6.2 percent.

Despite the fact that organizational culture has been proved to improve organizational performance, few companies have given it the attention it deserves. According to Gebler (2006), 88 percent of employees felt their managers did not pay enough attention to the effects of culture on performance outcomes. Moreover, In spite of the claims that there is a correlation between organizational culture and employee performance, few research appear to have explored the effect of organizational culture and the nature of the relationship between the two in Ethiopia. However, Gebler (2006) explains the behaviour and the responding level of the work force to the organizational culture might vary from time to time.

Accordingly, as part of a management team in Premier Switch Solutions S.C. and as per the discussion held among different employees of the company, it has been observed that there is no clearly defined information that indicates the company's culture and there is no accountable organ for culture management. As stated above, a culture of urgency, collaboration, and trust must be promoted, as well as the alignment of organizational goals aspirations with corporate goals (Byrne &Hochwarter, 2012). Otherwise, the company might lag behind from competitors in the sector due to a lack of promotion of positive cultural assets and a failure to address negative organizational cultures. Hence, showing the relationship of organizational culture and organizational performance, and identifying the dominant organizational cultures is mandatory to solve the issue. Therefore, the aim of this study is to examine how organizational culture affects organizational performance in Ethiopia, specifically in the context of Premier Switch Solutions Share Company (PSS).

## **1.4. Research Questions**

The following basic research questions were generated in order to address the stated research problem;

1. To what extent does organizational culture affect organizational performance?
2. What is the effect of organizational culture in relation to the Premier Switch Solution's desired results (Performance)?
3. What is the dominant organizational culture at Premier Switch Solution S.C?

## **1.5. Research Objectives**

### **General objective**

- ✓ Determine whether organizational culture has a significant impact on organizational performance.

### **Specific objectives**

- ✓ To determine to what extent does organizational culture affect organizational performance.
- ✓ To investigate the effect of organizational culture on the performance of Premier Switch Solution S.C.
- ✓ To determine the dominant organizational cultures at Premier Switch Solution S.C.



## **1.6. Significance of the study**

This research would assist Premier Switch Solutions Share Company in paying closer attention to its culture, as well as determining which cultures should be enhanced, managed, and which should be eliminated in order to increase performance. It also provides an excellent chance for the company to use it as a test case for further research.

Furthermore, this study could be used as reference for future scholars interested in studying in similar fields. The study findings will contribute to the body of knowledge about organizational culture and organizational effectiveness by presenting crucial characteristics that assist business managers in improving organizational performance. Knowledge of organizational culture is essential for business managers since organizational culture has the capacity to influence productivity and performance (Racelis, 2010).

## **1.7. Scope of the Study**

For the purposes of this study, data was acquired quantitatively by utilizing a survey research methodology to get data from all of the company's employees and analyze the impact of organizational culture on the performance of the company in detail. This method is used since it is consistent with the nature of the research problem, which is to determine the relationship between variables (Saunders, Lewis and Thornhill, 2019).

The study addressed the relationship between the two variables, namely the independent variable organizational culture and the dependent variable organizational performance. In order to make the study more comprehensible, from many factors that influence organizational cultures, this study will only look at four of them: involvement, consistency, mission and adaptability. Similarly, there are several organizational performance dimensions; however, only three were discussed in this study: customer orientation, employee satisfaction, and customer satisfaction. Though the study is to assess the effect of culture on performance, performance is limited to non-financial performance

only. Because financial perspective study needs the respondents to have actual data at hand, so it is difficult to assess based on employee subjective response.

## **1.8 Definition of Terms**

The concepts used frequently in the study are organizational culture and organizational performance; the definition of the terminologies assists the reader in understanding the meaning of the words in the context of the study and is defined as follows.

**Organizational culture:** Organizational culture is defined as the individuals' shared core assumptions, attitudes, and beliefs (Martnez-Caas& Ruiz- Palomino, 2014). Organizational culture refers to how management and employees tackle challenges in the workplace.

**Organizational Performance:** is defined as the achievement of financial and non-financial goals, which allows a company to stay profitable and sustainable both in the short and long term (Denison, 2008).

**The Statistical Tool for the Social Sciences (SPSS)** is a statistical data analysis software package.

**The organizational culture profile (OCP)** was created by O'Reilly, Chatman, and Caldwell (1991) to measure the fit between people and organizations.

**Cultural variables** are the differences in behavior, outlook, and values between persons from different societies are known as cultural factors (Schneider et al., 2013).

## **Chapter Two: Literature Review**

### **2.1 Theoretical Review**

This section provides an over view of the concepts culture, organizational culture, organizational performance, and organizational culture and performance.

#### **2.1.1 Culture**

The concept of culture has been defined and interpreted in a variety of ways. Culture, according to Parsons and Shils (1952), is a system of values, conventions, and symbols that govern the processes and behaviors that people go through while making decisions. They also contend that culture influences how people interact with one another. Similarly, (Trompenaars and Hampden-turner 2004) described culture as a social system of meanings that determines what individuals pay attention to, how they behave, and what they value. These common systems of meaning range from one culture to the next, this implies that people from different cultures will have different viewpoints and beliefs about what culture means to them. Furthermore, the meaning that people place on an organization, as well as its creation, operations, and rules, will be culturally defined (Trompenaars, 1994).

According to these authors, the aspects of culture are intangible and have a substantial impact on human behavior. Hofstede defines culture as "collective programming of the mind that distinguishes members of one group or category of people from another" (Hofstede, Hofstede and Minkov, 2005). According to the author, mind programming occurs throughout the first 10 years of development and is heavily influenced by the social groups present at the time as well as the external environment (Hofstede, 2011). This concept was based on a study conducted in the 1900s and published in *Cultures and Organization: Software of the Mind*, which used IBM employees from 50 companies to analyze cultural variations between countries (Shi and Wang, 2011). His findings revealed commonalities in organizational practices (organizational culture) across employees, which are learnt when a person joins a company, as well as some significant variances

in organizational ideals, which he referred to as "national culture." The contrast in the results is illustrated by his assertion that the term "culture" cannot be used to collectively study culture in an organizational setting or in a national context, because values (national culture) are formed in childhood and remain firmly embedded in the mind (Hofstede, Hofstede and Minkov, 2005; Minkov, 2018).

However, the focus of this study is on organizational culture and its impact on organizational performance. As a result, the construct of organizational culture is most significant for that goal, and it will be focused on and addressed in the next paragraph.

### **2.1.2 Organizational Culture**

The value approach and the work practice approach are the two main approaches that have been identified in numerous descriptions of corporate culture (Khan et al, 2010). Scholars have claimed that organizational culture is based on a set of shared beliefs that has a substantial impact on workplace behavior (Peter and Waterman, 1982; Khan et al, 2010; Schneider, Ehrhart and Macey, 2013; Amin, 2017). A shared system of values, beliefs, and basic assumptions that has been formed and approved by a specific group before it is taught to new members as the proven manner of managing internal and external problems has been defined as organizational culture (Schein, 1983; Schein, 2010). The idea of organizational culture was described by Cooke and Rousseau (1988) as the common values and beliefs that direct the behavioral patterns of members in a specific unit. As a result, these scholars believe that organizational culture consists of a number of distinct factors that reinforce behavioral patterns among group members.

Employee practices in the day-to-day functioning of a business, according to proponents of the work-practice approach, are at the heart of organizational culture. Organizational culture, according to Van Den Berg and Wilderom (2004), is defined as the collective perspectives of work practices that exist within units within an organization. In a similar vein, Hofstede, Hofstede, and Minkov (2005) defined organizational culture as a set of shared work practices inspired by symbols, heroes, and rituals that contain meanings that can only be deciphered by the participants of a certain work environment. Furthermore, according to Hofstede (2011), value is not a component of organizational culture; as they are formed during the first ten years of a person's life before entering the workforce Van Den Berg and Wilderom (2004), on the other hand, disagree with this idea,

claiming that the development of values occurs not just during childhood, but also "derived from existing practices inside an organization, department, or work unit".

As can be seen from the above, there is no agreement on how to define organizational culture. Organizational culture, on the other hand, is widely agreed to include aspects such as values, beliefs, assumptions, and practices that are widely accepted and govern activities inside organizational units.

### **2.1.3 Characteristics of Organizational Culture**

According to Eren, E. the characteristics of organizational culture (Eren, 2016) are organizational culture is a learnt or acquired phenomenon that should be shared by all members of the group, there is no written text format for organizational culture and organizational culture exists as beliefs and values in the group members' attitude, consciousness, and psyche.

Organizational culture, according to Robbins and Judge, manifests itself as consistent, repeating, or emergent behavioral patterns. Organizational culture has seven basic features (Robbins and Judge, 2017) which are employee innovation and risk-taking support: the amount to which employees are encouraged to innovate and take risks, attention to detail: the degree to which employees pay attention to little matters, outcome-oriented: To what extent does management place a premium on outcomes rather than procedures, people orientation: How much management considers the influence of the results on the organization's personnel, team orientation: To what extent are employees able to function as a group rather than acting alone?, Aggressiveness: How enterprising and competitive employees are, Stability: The degree to which organizational operations are focused on maintaining and improving the status quo. The seven characteristics defined above define the organizational culture. The cultural structure that emerges sets the foundation for the shared feelings, how tasks should be performed in the organization and mode of doing business (Robbins & Judge, 2011).

#### **2.1.4 Elements of Organizational Culture**

According to (Robbins and Judge, 2017) and (schien, 1985), Basic elements of organizational culture would be:

**Values:** closely tied to the ideas shared by members of a group since they determine what is "good and wrong." Values give us the feeling that "this is how I want to behave",

**Norms:** are common expressions that show what is correct and what is incorrect. On a formal level, as written rules, and on an informal level, as social control, norms can emerge. Norms give us the sensation that "this is how I generally should behave" whether we are aware of it or not,

**Assumptions:** are usually unconscious principles that serve as a reference point for how people act, think, and feel. The distinction between this system of principles and this system of values is the formers naturally accepted cultural dominance, which makes any comparison with any other alternative impossible. As a result, assumptions are used as a reference framework for perceiving reality. A culture's value, belief, and norm system are guided by assumptions. Motivated group members can search assumptions through deeper observations and more targeted questioning if they are engaged in deep self-analysis. When some of these assumptions are well understood, it would be easier to decipher the subtle meanings of several behavioural and man-made incidents that are observed. Furthermore, an understanding of deeply embedded, taken-for-granted behaviours would enable us to see how ambiguous or self-opposite cultures may seem. Ceremonies, rituals, customs, stories, myths, symbols, languages and heroes are among the visible forms of expressions in organizational culture. It will be easier to comprehend the complex meanings of various observable behavioural and man-made situations if some of these assumptions are clearly known. Furthermore, comprehending deeply established, taken-for-granted behaviors allows us to realize how ambiguous or self-contradictory cultures can appear. Among the visible forms of expression in organizational culture are ceremonies, rituals, customs, stories, myths, symbols, languages, and heroes,

**Ceremonies and Rituals:** Ceremonies are events that are prepared for a gathering of people who have gathered for a special occasion. Such activities serve the objective of highlighting the accomplishments of individuals who have excelled in their roles within the business. As a result, while such individuals are honored, they also serve as role models for others. Ceremonies are special events held to help people remember an organization's principles. Organizations attempt to preserve their cultures through a variety of ceremonies,

**Customs:** Customs are recurring sequences of activities that communicate and reinforce the organization's core beliefs, such as what aims are

most important and who are the most valuable personnel, Stories: are circulating among employees in firms, and include tales of rags-to-riches, workforce downsizing, and retaliation for past misdeeds. Stories explain and legitimize current practices by anchoring them in the past, Myths: is a form of communication that builds a social group's or organization's values or identity systems. Interesting episodes and stories about the principles, founders, and members of an organization at various hierarchical levels become myths when they are turned into a message to convey a certain meaning. Myths can have good and negative connotations. Myths are positive when they promote a sharing environment or strengthen a sense of belonging to the organization, but they are harmful when they cause grouping against the organization and therefore reinforce the separation, Symbols: The size of executive offices, office furnishings, the sorts of automobiles offered to executives, modes of transportation for business excursions, and wardrobe are all examples of symbols in an enterprise. Symbols communicate to employees who are important, the level of egalitarianism desired by top management, and the kind of behaviors encouraged, such as risk taking, participation, or individualism, Language: Employees in organizations utilize language to identify the organization's culture, as well as accept and help preserve it. Suppliers, clients, and key personnel are identified using unique phrases. As a result, new employees must become acquainted with the organization's prevailing language and jargon, Heroes: are very successful persons who have made a name for themselves in an organization through the services they provided, effectively carried out the role that the corporate culture prescribes, and thus set an example for others.

### **2.1.5 Models of Organisational Culture**

There are various models of organizational culture Schein (1992), Hofstede et al (1990), and Denison (1990) are some of the most well-known of these models. According to Schein (1992), culture appears on three levels. Artifacts and works, which comprise the built physical and social world, are the most visible level of culture, the values that drive behavior are found at the next level down and the third level consists of fundamental underlying assumptions that evolve as a problem solution. It was taken for granted because it has been stated so many times, however, the model was originally a hypothesis based solely on a hunch or a value is progressively being accepted as fact.

Hofstede et al. (1990) divide cultural expression into four categories: symbols, heroes, rituals, and values. Symbols are words, gestures, visuals, or things that have a specific cultural meaning. Heroes are people, living or dead, real or imagined, Rituals are group actions that are technically unnecessary but are socially important within a culture, and might be deemed to be performed for the sake of it. These layers are akin to the various skins of an onion, ranging from shallow surface symbols to deeper rituals. Symbols, heroes, and rituals can all be categorized as practices since they are visible to outsiders, but their cultural significance is determined by how they are viewed by insiders. Values, in the broad sense of nonspecific feelings of good and evil, beautiful and ugly, normal and abnormal, rational and irrational, that are often unconscious and rarely spoken, form the core of culture. These ideals are not visible as such, but they are represented in different ways of acting.

The Denison's Model of Culture presents the interrelations of an organisation's culture, its management practices, its performance and its effectiveness. There are four fundamental cultural features, according to the model: involvement, consistency, adaptability, and mission (Denison, 1990). Involvement: The degree to which personnel at all levels of the organization are engaged in the pursuit of the mission and collaborate to achieve organizational goals is referred to as involvement. Building human capability, ownership, and accountability are all part of this attribute. People are empowered, organizations are built around teams, and human talent is developed at all levels. Executives, managers, and employees are dedicated to their jobs and believe they have a stake in the company (Saffold 1988), Consistency: at every level and across organizational borders, consistency is defined by the organization's basic beliefs and internal mechanisms that enable issue solving, efficiency, and effectiveness. Organizations are also more effective when their cultures are "strong," meaning they are consistent, well-coordinated, and well-integrated. Adaptability: Trait Adaptability, according to Denison (1990), is a company's ability to scan the external environment and respond to the constantly changing needs of its customers and other stakeholders. Organizations have a set of norms and beliefs that help them receive, understand, and translate signals from their environment into internal behaviour adjustments that improve their prospects of survival and growth. (Kantar1983). Mission: The degree to which an organization and its members understand where they are heading, how they plan to get there, and how each individual may contribute to the



organization's success is referred to as mission. Organizations that are successful have a strong sense of purpose and direction that defines their goals and strategic objectives (Saffold 1988).

### **2.1.6 Measuring Performance toward Organizational Success**

Muchinsky, (1993) argue that research on organizational performance has mostly concentrated on two areas: economic perspective and organizational perspective. External market elements such as the enterprises' competitive business position and anything linked to financial considerations are emphasized in the economic perspective. The non-economic or organizational approach is based on behavioural and sociological paradigms and their compatibility with the environment, which includes service quality (such as staff satisfaction, customer orientation, and customer satisfaction), product quality, and competitiveness.

According to Ebrahimi et al. (2013), customer satisfaction is critical to many company activities all over the world. It is exemplified by the organization's efforts to build and provide products and services that meet the needs of customers. The concept that customer happiness is the most critical need for long-term organizational performance underpins this principle. To put it another way, achieving this level of satisfaction necessitates a company-wide emphasis on client demands. Customer orientation Saxe and Weitz (1982) at the employee level, customer orientation refers to how motivated an employee is to improve long-term customer happiness. From the customer's perspective, the service employee and the service are frequently seen as synonymous in service organizations (Bowen and Schneider, 1985) Customer orientation, according to Erdil S. and Erdil O., (2003), can be defined as scanning the environment for information about customers and competitors, disseminating this information to all members of the organization for maximum use, and converting this information into value-added actions to offer to the marketplace. Another definition for market orientation is the deployment of marketing activities that are geared to better serve client wants than competitors. Employee satisfaction According to Hunter and Tityen, (1997), Employee Contentment Employees must be utilized in order for businesses to be successful. This helps to gain a competitive edge, and human resource management (HRM) is the subject of HRM in most firms. The 'employee notion' is at the heart of HRM. Because employee pleasure is a win-win situation, when employees are happy, they are more loyal and productive, and this happiness affects customer satisfaction as well as organizational productivity (Potterfield, 1999). Investigating and measuring employee satisfaction in the workplace is crucial to the success and profitability of the firm. As a result, these assertions suggest that employee satisfaction could be used as another metric to measure organizational performance (Kelley, 2005).

## **2.2 Empirical Review**

### **2.2.1 Organizational Culture and Performance**

Shakil (2012) investigated the impact of organizational culture on management practices in Pakistan in order to better understand and assess the link between organizational culture components and performance. The study discovered that consistency and adaptability were two cultural qualities that had a substantial impact on management practices using regression and correlation analysis. Lorraine, Dorai, and Zubair (2011) looked into how organizational culture affects performance management in the insurance business. Adaptive perspective, community, network, mercenary, and fragmented culture were the five variables studied. The study discovered a relationship between managerial techniques and organizational cultures. However, different types of corporate cultures exhibited varying levels of acceptability of performance management, according to the study.

Aluko (2004) studied how culture affects organizational performance in textile industries in Nigeria. The study also aimed to investigate the nature of the relationship, performance determinants, and how culture interacted with other aspects in the organizations. Workers appeared to have imbibed the industrial way of life, regardless of their cultural backgrounds, according to the study, which used both qualitative and quantitative approaches. Furthermore, the study found a strong link between cultural characteristics and employee commitment, attrition, and a favorable attitude toward work. However, these cultural factors did not result in enhanced organizational performance. In another study, Mba, Okechukwu, and Agwu (2013) looked into the impact of organizational culture on employee performance at the Nigerian National Agency for Food and Drug Administration and Control, finding a link between organizational culture and higher employee commitment and productivity.

Abdulkadir, Takow, Abdifitah, and Osman (2014) conducted research in Mogadishu, Somalia, on the impact of organizational culture on Telecommunication Firms' performance. Academic achievement had a strong positive influence on competitive culture, entrepreneurial culture, and consensual culture, according to the study's findings using correlation coefficient. Customer service, risk-taking and communication system, participation, reward system, and innovation were found to have a positively significant impact on organizational job performance in another study by Fakhar,

Iqbal, and Gulzar (2014) on the impact of organizational culture on employees' job performance in Software Houses in Pakistan.

Njugi and Agusioma (2014) investigated the impact of organizational culture on non-financial institution performance in Kenya, with a particular focus on World Vision Kenya. The study found that organizational culture significantly influenced performance by improving organizational philosophy, work environment, performance targets, and organizational stability, using a linear regression analysis to determine how organizational culture correlated with organizational performance. Wairimu (2013) used a case study of Kenya's Wartsila-Kipevu II Power Plant to evaluate the impact of organizational culture on organizational performance. The study found that, contrary to popular belief, organizational principles had a greater impact on organizational job performance than organizational performance itself. Although the study found a strong link between organizational culture and performance, the result diverged when it came to work practices and systems having a substantial impact on employee performance. Muya, Ng'ang'a, Wesonga, and Nyongesa (2011) found that every organization had a culture that influenced people's attitudes and conduct at work in a study on the impact of organizational culture on performance in learning institutions.

In several firms, studies on organizational culture and employee performance have been done. Employees felt that their organization cared about their success, according to a study by Byrne and Hochwarter (2012) on the factors influencing employees' belief in their organization's care in Canada. This increased their commitment to the organization, helped the organization achieve its goals, and 19 made them more loyal to their organizations. As a result, job enrichment, organizational rewards, promotions, admiration, and participation in policy development reflect the felt company culture. Noruzy (2013) found that organizational culture influenced organizational citizen behavior and played a mediating role between organizational justice and organizational citizenship behavior in a study of the link between workplace justice and organizational performance in Pakistan.

However, a meta-analysis by Eisenberger (2003) found a minor link between corporate culture and employee work performance. Yang's (2010) study of the impact of job happiness on employee work performance in Indian commercial banks found that salary has no impact on job satisfaction. In comparison to income, however, the study found a robust correlation between job satisfaction and

happiness. This association revealed that employee rank was a better predictor of professional success. Nicanor (2014) found that employees' performance was influenced by their income and job satisfaction in a study of bank employees in Brazil. According to a study by Dorman (2010) on the determinants impacting employee performance in the United Kingdom, organizational cultures that welcomed job satisfaction generally diminished as employees' educational levels increased. This indicates that employee education had a negative impact on job satisfaction.

### **2.3 Summary of Literature Review**

In nations like Nigeria, Pakistan, and Somalia, some scholars have described organizational culture and performance just from a broader perspective (Shakil, 2012; Lorraine, 2011; Aluko, 2004; Mba, 2013; Abdulkadir, 2014; Fakhar, 2014).

This opens up a lot of opportunities for fresh study into the impact of corporate culture on performance. It is also important to figure out how certain culture-related aspects affect organizational performance, notably in Ethiopia's banking industry and financial technology companies. The goal of the study is to narrow this gap by determining the impact of organizational culture on performance.

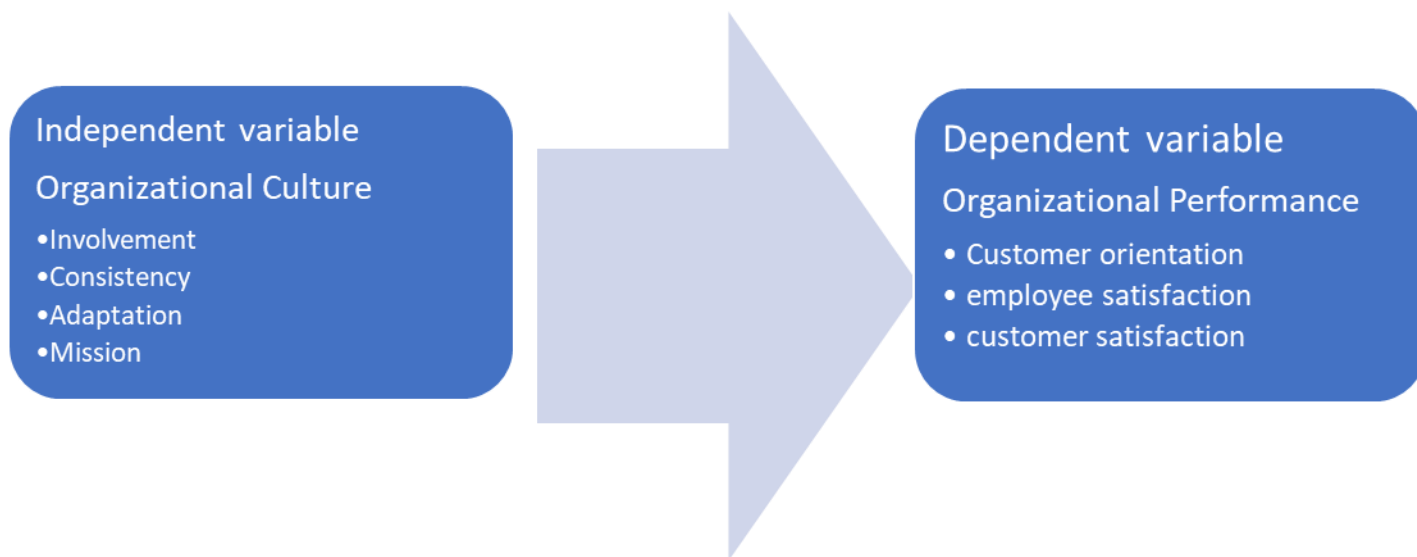
However, according to the current research reviewed so far, organizational culture is mostly established by the firm's founders/leaders, which play a key role in establishing cultural ideals and reinforcing particular organizational behaviours. The outcomes of the literature research showed that there is a considerable link between organizational culture and performance. This study will add to the existing research on the constructs by examining at the possible relationship between the two constructs in Ethiopia, specifically in the case of PSS Ethiopia S.C.

### **2.4 Conceptual Framework**

Organizational culture is an independent variable in the study's conceptual frameworks, whereas organizational performance is a dependent variable. Independent variable organizational culture has aspects, according to (Denison, 1990): Employee empowerment, building organizations around teams, and developing human talent at all levels are all examples of involvement. Cultures that are very consistent, well-coordinated, and well integrated are referred to as consistency, Adaptability: a

culture of firms that are customer-driven, take chances and learn from their errors, and have the ability and experience to make changes. Mission evaluation: Meaning that transcends functionally defined bureaucratic duties and is intrinsic or even spiritual in nature. Regarding the dependent variable, organizational performance focus on three dimensions Muchinsky, (1993); customer orientation, employee satisfaction and customer satisfaction.

*Figure 2. 1 Conceptual framework organizational culture and organizational performance based on the models of Denison (1990) and Muchinsky(1993)*



## **Chapter Three: Research Methodology**

The methodology focuses on the research approach, research design, variables, target population, sampling procedure, sample size, data collection instrument, data collection method, data analysis, and presentation tools used to report the study results.

### **1. Research Approach**

The three main research approaches are quantitative, qualitative, and mixed techniques (Tobi and Kampen, 2018). According to Creswell (2019), the nature of the research topic to be addressed, as well as the philosophical context in which the research endeavour is situated, determines the choice of any research approach. Hence, for the purposes of this research, a quantitative technique has been used because it is thought that it is critical for the research findings to be free of bias in order to establish confidence that the results are rigorous and accurate.

### **2. Research Design: Survey design**

Quantitative data has collected from the population in order to capture the opinions and attitudes of the research participants, explanatory cross-sectional survey approach has been used in this study. The purpose of this study design is to determine the effect of organizational culture on organizational performance at PSS. In addition, descriptive statics was carried out to determine the frequencies of variables. This study examines a setting or a specific problem in order to explain patterns of association between variables.

### **3. Sources of Data Collection**

Primary sources have been used to gather all of the essential data. PSS has a total of 63 employees; due to the small number of employees, primary data has been collected by questionnaire from all current clerical employees.

## **4. Research Instrument**

Organisational culture was measured using the Culture Traits as identified by Denison, since the Denison's Model of Culture states the interrelations of an organisation's culture, its management practices, its performance and its effectiveness unlike other models, which consists mission, involvement, adaptability and consistency. On the other hand, the performance measures were obtained from (Muchinsky1993), the study variables are: staff satisfaction, customer orientation, and customer satisfaction. To test the stated variables, the questionnaire is adopted from Mariama Zakari & Kofi Poku (2013).

## **5. Data Analysis Method**

The Statistical Package for Social Sciences (SPSS), explanatory analysis methods was used to examine and interpret the data. Using SPSS, this cross-sectional data / single point in time responses has been examined and interpreted using Pearson Correlation and regression analysis to identify the link and effect of the two variables. Assumptions has been tested using Classical Linear Regression Model (CLRM) before regression analysis has been made and, finally, to provide recommendations based on the findings, important findings were evaluated based on the analysis results.

## **6. Validity and Reliability**

Measurement validity refers to the degree to which the data gathering methods can do what they are supposed to accomplish, Quinlan (2011). The questionnaire items are adopted from a research published on well-known journal; further to that in order to ensure its validity, it is reviewed by the advisor assigned by Addis Ababa University and other colleagues who are believed having background knowledge on this area.

According to Bonett and Wright, (2015), Cronbach's alpha is a common tool used in assessing the internal reliability of the research instrument.

## 6.1 Reliability Analysis of Organizational Culture

The Cronbach's alpha values of the analysis done from data obtained for the study are shown in Table 4.3. Cronbach's alpha is a method for determining how reliable a research instrument is. In a research project, the Cronbach's alpha is used to assess internal reliability. Because the current study used summative scales for a large number of connected items designed to evaluate the same constructs, Cronbach's Alpha computations are suitable (Vogt, 2007). Cronbach's alpha was calculated in the study and varied from 0.867 to 0.868, confirming Denison's organizational culture model. To be regarded credible, Cronbach's alpha results should be at least 0.70. (Simon,2006).

Table 4.2 Cronbach's alpha organizational culture dimensions

Item	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Involvement	.867	.871	7
Consistency	.867	.871	7
Adaptability	.868	.868	6
Mission	.868	.868	6

Source; survey (2022) SPSS output

## 6.2 Reliability Analysis of Organizational Performance

The table below displayed that the calculated Cronbach's alpha for the dependent variable /organizational performance/ was also varied from 0.790 to 0.882, which confirmed that the model used is to be regarded credible.

Table 4.3 Cronbach's alpha for organizational performance dimensions

Item	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Customer Orientation	.852	.853	4
Employee Satisfaction	.882	.883	6
Customer Satisfaction	.790	.791	4

Source; survey (2022) SPSS output



## **7. Ethical Considerations**

The fundamental ethical principles, according to Hammersley and Traianou, (2012), include "minimizing harm, respecting autonomy, safeguarding privacy, offering reciprocity, and treating individuals fairly." For the purposes of this study, confidentiality and informed consent were the most important ethical standards are considered. Concerning issues of confidentiality, the collected data was exclusively used for the purpose of the current study. The goal of the study and how the data will be handled also are explained to the responders.

# Chapter Four: Data presentation, analysis & interpretation

## 4.1 Introduction

Using Premier Switch Solution S.C (PSS) as a case company, this chapter discusses the study and interpretation of the acquired data on the link between organizational culture and organizational performance. Introduction, response rate, demographic characteristics of respondents, involvement culture, consistency culture, adaptability culture, mission culture, and organizational performance are all covered in this chapter. Finally, the chapter uses correlation and regression analysis to show the relationship between organizational culture and organizational performance.

## 4.2 Response Rate

Out of 63 questionnaires distributed to employees of PSS, 61 questionnaires were collected thus, resulting in the response rate was 97%.

*Table 4.1 Response Rate*

Target population	Total questionnaire Distributed	Questionnaire returned	Not Responded	Response Rate
63	63	61	2	97%

## 4.3 Demographic Information of Respondents

Gender, age, education level, and experience are among the demographic factors. This section of the analysis deals with the respondents' personal information from the questionnaires they were given. Age range is started from 21 years old because according to the HR manual of the company the minimum specification to enter the company is 21 years old. As a result, analyzing the demographic profile of the respondent is required in order to confirm the reliability of the data collected. The findings from the structured questionnaires are shown in table 4.2.

*Table 4.2 Demographic Information*

		Frequency	Percent	Valid Percent	Cumulative Percent
Age	21-30	32	52.5	52.5	52.5
	31-40	23	37.7	37.7	90.2
	41-50	6	9.8	9.8	100.0
	Total	61	100.0	100.0	
Gender	Female	23	37.7	37.7	37.7
	Male	38	62.3	62.3	100.0
	Total	61	100.0	100.0	
Education	First Degree	47	77.0	77.0	77.0
	Post Graduate and Above	14	23.0	23.0	100.0
	Total	61	100.0	100.0	
Experience	below 5 yrs	48	78.7	78.7	78.7
	6-10 yrs	12	19.7	19.7	98.4
	11-15 yrs	1	1.6	1.6	100.0
	Total	61	100.0	100.0	

Source; survey (2022) SPSS output

There were 38 men and 23 women among the 61 people who responded. 32 respondents (52.5%) are between the ages of 21 and 30, while 23 (37.7%) are between the ages of 31 and 40. 6 people (9.8%) were between the ages of 41 and 50. More than half of those polled (77%) had a bachelor's degree, while 14 (23%) have a master's degree or above. 48 responders (78.7%) have less than 5 years of experience. In the study, 12 respondents (or 19.7%) worked for the company for 6 to 10 years. The remaining 1 respondent (1.6%) worked for the company for 11 to 15 years during the survey.

#### **4.4 Descriptive Statistics of Variables**

The descriptive statistics of the study variables were summarized and displayed in the table below, which revealed the variables' mean and standard deviation. The proportion of respondents who strongly agreed or disagreed with the items of the variables was calculated using the average score from the 5-point Likert scale, with 5 indicating strongly agree and 1 indicating strongly disagree. Respondents agreed when the variable's mean was greater than half of a 5-point Likert scale (i.e. 2.5), and disagreed when the variable's mean was less than half of a 5-point Likert scale (i.e. 2.5).

#### 4.4.1 Descriptive analysis of Organizational Culture in PSS

*Table 4. 4: descriptive statistics Organizational Culture*

Category	N	Mean	Std. Deviation
Involvement	61	3.6417	.83813
Consistency	61	3.5287	.84668
Adaptability	61	3.5224	.82724
Mission	61	4.1057	.68776

Source; survey (2022) SPSS output

The aggregate arithmetic mean and standard deviation of independent variables as reported by respondents are shown in Table 4.4. The majority of respondents were adequately agreed with involvement in the study, with a mean value of 3.6417 and a standard deviation of .83813, This result suggests that the majority of respondents agreed that the company had strong trust, participation, teamwork, and a good management style. The other finding shows that the majority of respondents agreed with Consistency, with a mean of 3.5287 and .84668 standard deviation, this implies that there is consistency in the organization, or in other words this indicates that there is a high level of employee predictability, stability, and expectation among organization members. Furthermore, with a mean value of 3.5224 and a standard deviation of .82724, the majority of respondents agreed with adaptability, indicating that the firm is willing to take a large risk in order to generate change, understand customers, and interpret cues from the environment. Finally, Mission had a mean score of 4.1057 with a standard deviation of .68776. This suggests that there is a high level of goal achievement, a clear strategic intention, and a clear set of goals and objectives that relate the organization's mission and strategy. In conclusion, the PSS organizational culture variable meets the average cut-off threshold. This demonstrates that the majority of individual replies are close to the average. However, as previously stated, the dominant cultural component in PSS is the Mission dimension of culture, which has a higher level of agreement, that implies clear strategic goals and objectives are created in the company and the strategic goals and objectives are acknowledged by the company's personnel.

### 4.3.2 Descriptive statistics of Organizational performance

*Table 4. 5: Descriptive statistics of organizational performance*

Category	N	Mean	Std. Deviation
Customer Orientation	61	3.4713	.90611
Employee Satisfaction	61	3.5820	.88014
Customer Satisfaction	61	3.4877	.87014

Source; survey (2022) SPSS output

The arithmetic mean and standard deviation of each construct are clearly displayed in the organizational performance descriptive statistics table above. Customer satisfaction, for example, has a mean of 3.4877 and a standard deviation of .87014, indicating that the firm scans the environment, uses marketing efforts, collects data, and forecasts future needs based on that data. Customer orientation has an average mean value of 3.5820 and a standard deviation of 0.90611, implying well-designed tactics that improve employee skill, ensure motivation, employee expectations, and maximize time usage. Employee satisfaction has an average mean of 3.5820 and a standard deviation of 0.88014, indicating that the organization's ultimate goal is customer satisfaction through good employee retention. All of the variables are above the average cut-off point, and the organizational performance variable in PSS meets the average cut-off point. As a result, the majority of responders were said to be in agreement.

### 4.4. Relationship between Organizational Culture and Organizational Performance

The strength of link between variables is described by correlation. Correlation analysis, according to Brooks (2008), assesses the degree of linear connection between the dependent and independent variables. Correlation coefficient values vary from -1 to 1. A correlation value indicates that two variables have a perfect positive association, whereas a correlation coefficient of indicates that two

variables have a perfect negative relationship. A correlation value of 0, on the other hand, shows that there is no association between variables.

According to McDaniel and Gates (2006), a correlation coefficient of 0.1 to 0.29 suggests a poor relationship between the items. A moderate relationship is indicated by a correlation coefficient of 0.3 to 0.49. A correlation value of greater than 0.5 indicates that two variables have a strong association. According to Gujarati (2004), the most commonly used bi-variant correlation coefficient (Pearson correlation), It was also used in this study to determine the relationship between organizational culture and performance.

*Table 4.6 Correlation Analysis Matrix*

		Organizational performance				
Organizational performance	Pearson Correlation	1				
	Sig. (2-tailed)					
Involvement	Pearson Correlation	.808**	1			
	Sig. (2-tailed)	.000				
Consistency	Pearson Correlation	.861**	.753**	1		
	Sig. (2-tailed)	.000	.000			
Adaptability	Pearson Correlation	.832**	.744**	.748**	1	
	Sig. (2-tailed)	.000	.000	.000		
Mission	Pearson Correlation	.862**	.682**	.705**	.780**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

Source; survey (2022) SPSS output

Accordingly, from the above correlation analysis in table 4.6 results illustrate that there is significant positive relationship between organizational performance and the identified cultural dimensions (Involvement, Consistency, Adaptability and Mission). The mission dimension is the dimension with strong relationships with performance indicated by  $r=0.862$ , followed by the

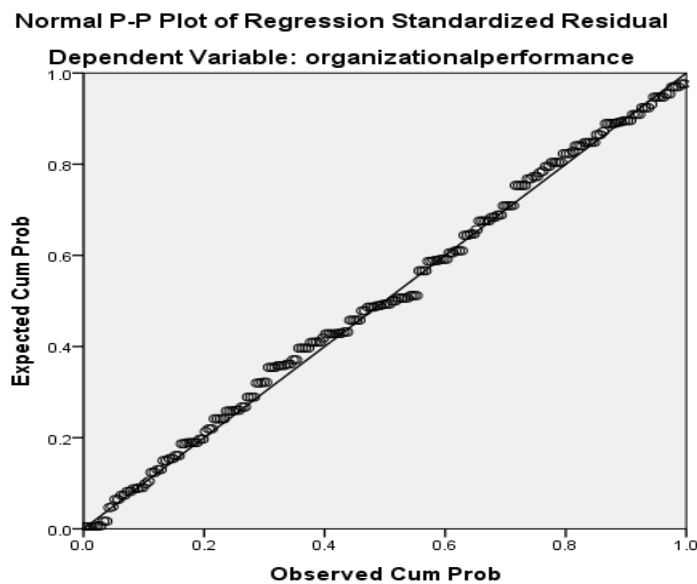
consistency dimension with  $r=0.861$ . And the remaining variables involvement and adaptability culture have strong positive relationship with performance which is indicated by  $r=0.808$  and  $r=0.832$  respectively. These strong positive relationships indicate that the performance has increased due to the adequate level practice of organization culture at PSS. So, the moderate level of performance at PSS,  $M=3.5234$  influenced by the perception of employees on organization culture practice. This implies that when there is an increase on those cultures or when these cultures become strong the performance of the company will increase significantly.

#### 4.5 Testing Assumptions of Classical Linear Regression Model (CLRM)

##### 4.5.1 Linearity Test

By checking the Normal Probability Plot (PP) of the Regression Standardized Residual and the Scatter plot, the assumption of linearity can be tested. Accordingly, the linearity of the relationship between the dependent variables and the independent variables was tested using scatter plots of the regression residuals in SPSS software for all models. The residual scatter plot revealed that the points are in a pretty straight line from bottom left to top right. Therefore, we can conclude that the linearity assumption was not violated.

Figure 4. 1: Linearity test



Source; survey (2022) SPSS output

### 4.5. 3 Normality Test

To check whether the error term is regularly distributed, the normality test was performed. The frequency distribution of the standardized residuals was compared to a normal distribution in the table below. While some residuals are quite far away from the curve, the majority of them are relatively close. Furthermore, the histograms are bell shaped, implying that the residual (disturbance or errors) for all models are regularly distributed. As a result, we can conclude that the assumption of a "normally distributed error term" is not broken, and Normality focuses on the extent to which the data distributes normally (Hair et al., 2010).

According to Landau and Everitt (2003), the researcher evaluated the normalcy of the observed items using skewness and kurtosis. Skewness is defined as "a measure of the asymmetry of a real-valued random variable's probability distribution." Kurtosis, on the other hand, refers to "the peaked or flatness of the distribution in comparison to the normal distribution." Skewness values can be positive, negative, or zero. Skewness of zero suggests a perfectly symmetrical distribution, but skewness of one shows that the tail on the right side is longer. A negative value, on the other hand, denotes left-tailed.

Kurtosis is zero for normal distributions, negative for flat distributions (low kurtosis), and positive for peaked distributions (high Kurtosis). In order to get a suitably normal distribution, the values of skewness and kurtosis should be between -1 and +1 (Bachman, 2004). The normality of the variables is shown in Table 4.7 using Skewness and Kurtosis. All of the variables are between -1 and +1. As a result, all of the variables satisfied the assumption of normality.

*Table 4. 7: Normality Items*

	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
Involvement	-.523	.306	-.444	.404
Consistency	-.296	.306	-.559	.404
Adaptability	-.472	.306	-.233	.404
Mission	-.724	.306	.738	.404
Organization performance	-.401	.306	-.743	.404

Source; survey (2022) SPSS output



#### 4.5. 4: Multicollinearity Test

Multicollinearity is a statistical issue that arises when the explanatory factors (independent variables) are highly linked (Hair, et al., 1998). It denotes the presence of a significant correlation among predictors as well as a r value larger than 0.80, a tolerance value less than 0.10, and a Variance Inflation Factor (VIF) greater than 10 in the correlation matrix (Field, 2009). Tolerance is described in this context as a statistical technique used to illustrate the variability of the stated independent variables in relation to other independent variables in the model (Pallant, 2007).

According to Table 4.8, Tolerance levels for all variables are larger than 0.10, and the Variance Inflation Factor (VIF) value for all variables is less than 10, indicating a correlation between dependent and independent variables; the correlation matrix of all variables among predictors is likewise less than 0.80. Therefore, the correlation value, tolerance level, and VIF value all show that there was no multicollinearity in this study.

Table 4.8: Co linearity Statistics

Model	Co linearity Statistics	
	Tolerance	VIF
Involvement	.246	4.061
Consistency	.236	4.234
Adaptability	.297	3.366
Mission	.357	2.804

Source; survey (2022) SPSS output

#### 4.5 Multiple Regression Analysis for the Effect of Organizational Culture on performance

The most popular and widely used method for analyzing the relationship between a single continuous dependent variable and multiple continuous categorical independent variables is multiple regressions (George et al, 2003). The link between organizational culture aspects (Involvement, Consistency, Adaptability, and Mission) and performance was investigated using multiple regression analysis in this study. The R2 coefficient of regression estimates the amount of variance in a dependent variable that can be explained by the independent variables.

The results of the multiple regressions study are shown in the table below. The squared multiple correlation coefficients (R<sup>2</sup>) indicate the level of variance in the dependent variable (PSS's Performance) explained by the model described below.

#### 4.5.1 Model Summary

Table 4.9 model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.840 <sup>a</sup>	.784	.776	.28900

Source: SPSS Regression results output, 2022

Table 4.7 displays the results of multiple regressions. The coefficient of determination, or adjusted R Square, is 0.776=77.6 percent in the table above. That means the independent variables Mission, Involvement, Adaptability, and Consistency can predict 77.6% of the variation in performance. That is, PSS's organizational culture has a 77.6 percent impact on the company's performance. Other variables can explain the remaining 23.4 percent of the variation in organizational performance. This means that PSS's organizational culture has a significant impact on the company's performance.

#### 4.5.2 ANOVA Table

Model fit has been seen among the numerous components of organizational culture /independent variable/, using multiple regression, the effect of these independent variables: involvement, consistency, adaptability, and mission on the dependent variable, i.e. organization performance, was investigated.

The model's acceptance is shown in the ANOVA table as  $F(4,195) = 106.658, p(.000).005$ . From a statistical standpoint, it demonstrates the model's overall significance. The model is significant since the significance p value is (.000), which is smaller than  $p0.05$ . This suggests that the model's explanation of variation is not due to chance.

Table 4.10 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	35.632	4	8.908	106.658	.000 <sup>b</sup>
	Residual	4.677	56	.084		
	Total	40.310	60			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Mission, Involvement, Adaptability, Consistency

### 4.5.3 Coefficients

Based on table 4.9, which displays the unstandardized beta coefficient, indicates each factor's unique contribution to the model, a high beta value and a small p value ( $<0.05$ ) imply that the predictor variable contributed statistically to the model in a significant way. A small beta value and a high p value ( $p >0.05$ ) on the other hand, imply that the predictor variable makes little or no contribution to the model Gorge et al (2003).

Table 4.11 also shows that, at a 95% confidence level, all of the organizational culture variables had a substantial impact on organizational performance, because their respective p-values for Involvement, Consistency, Adaptability, and Mission are less than 0.05, which is 0.37, .000, .042, .000 respectively. Moreover, from the independent variables under review Mission is with the higher beta value and the lowest P value, therefore, it indicates that the Mission dimension of culture contributes statistically to the organizational performance in a significant way.

Table 4.11 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.655	.229		-2.860	.006
	Involvement	.312	.090	.332	2.901	.037
	Consistency	.362	.091	.373	3.988	.000
	Adaptability	.172	.083	.174	2.082	.042
	Mission	.485	.091	.407	5.340	.000

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Mission, Consistency, Adaptability, Involvement

Source: SPSS Regression results output, 2022

The impact of organizational culture on performance in PSS is investigated using a multivariate regression model. The X1, X2, X3, and X4 predictor variables are employed in the following model.

Where Y represents performance, X1 represents involvement, X2 represents consistency, X3 represents adaptability, and X4 represents mission, and e represents mistake.

The model can be constructed as follows from the significant and insignificant cultural components to PSS Organizational Performance utilizing organizational Performance.

Organizational Performance = 0.037 Involvement + 0.000 consistency + 0.042 Adaptability + 0.000 Mission.

## **Chapter Five: Conclusions and Recommendations**

The study's summary of findings, conclusion, and recommendations are presented in this chapter. The goal of this study was to investigate into the effect of organizational culture on organizational performance at the Premier Switch Solutions S.C (PSS).

### **5.1 Summary of major findings**

The goal of this study was to investigate how organizational culture affects performance in the case PSS. Questionnaires (survey instruments) were chosen and structured from available literature to measure the research variables based on the study's aims and assumptions. A total of 61 (97%) valid questionnaires were collected and used for the analysis out of a total of 63 distributed. The data was examined with the use of a statistical package for social science software (SPSS). The variables were tested using regression analyses. Reliability, correlation analysis and Testing Assumptions of Classical Linear Regression Model (CLRM) were performed before regression analysis. In terms of dependability, the findings revealed that all of the measures utilized in this study had an acceptable level of reliability.

Regarding to the gender distribution of respondents, there were 62.3% males implying that the number of males employees are greater than females employees in PSS. Among the total respondents more than half of the total responses are between the ages of 21 and 30. 77% respondents who have a bachelor's degree, and the remaining of respondents have post graduate and above educational level. 78.7% have worked in the company below 5 years,

When we review the mean of responses out of the organizational culture components involvement, consistency, and adaptability are rated as a moderate agreement, and the fourth component, Mission, is rated in a greater level of agreement. And all organizational performance indicators shows moderate agreement level, According to the Correlation Analysis Matrix, the four organizational culture characteristics (involvement, consistency, adaptability, and mission) has a positive and strong relationship with organizational performance. And the mission dimension had

the highest correlation with performance, followed by the consistency dimension, the adaptability and involvement dimensions, all of which lined up step by step.

Multiple Regression Analysis model summaries were used to further examine the impact of organizational culture on organizational performance. Based on the regression results, the coefficient of determinants revealed that 77.6% of the variation in organizational performance is explained by four factors of organizational culture included in the study. The remaining 22.4% is explained by other variables that are not included in the model. In addition, the unstandardized beta coefficient, which tells us the unique contribution of each item to the model using ANOVA regression analysis, a high beta value and a small p value (0.05) imply that the predictor variable contributed statistically to the model in a significant way. Accordingly, the F-Statistics' p-value (0.000) is less than the significance criterion of 0.05. Therefore, the generated model is statistically significant. Furthermore, according to the findings of this study, the coefficient table indicates that all organizational culture dimensions (involvement, consistency, adaptability, and mission) have a positive and significant impact on organizational performance of PSS.

## **5.2 Conclusion**

According to the results of the study all dimensions of the organizational culture has a positive and significant effect on organizational performance in PSS, in addition, from all organizational culture dimensions mission has greatest impact on the organizational performance.

The findings of this study reveal that moderate involvement is practiced in the organization, indicating that employees in the organization are moderately attached to their work, are aware of its value, and are willing to take additional duties. Organizations that promote an involvement culture value their members' opinion and participation. This can be accomplished by implementing an implicit control system and empowering employees to govern and make decisions that affect their own work.

According to the regression results, Consistency has a positive and statistically significant impact on organizational performance,. The correlation study revealed a positive and substantial link. As a result, it was determined that as cultural consistency increased, so did organizational performance.

Different roles and departments of an organization can work successfully together to achieve common goals when the organization has a consistent culture. Thus, Top management is responsible for establishing clear and consistent ideas and ethical rules that employees can easily foresee and follow.

Employees of PSS also indicate that the Adaptability dimension of organizational culture is moderately employed. The aspects of adaptability included the dimensions of change management, customer focus, and organizational learning, with a moderate level of practice of this organizational culture. The adaptability factor, according to this study, has a positive relationship with organizational performance, when a business has an adaptability culture, better ways of doing work are constantly adopted across all functions and departments, customer input frequently leads to change, innovation is encouraged, and chances for change and growth will be created.

According to the findings of this study, employees feel that the mission organizational culture dimension has practiced at the company more than the other dimensions, it also determined that if the organizations have a workforce that is aligned with the organization's mission, vision and values it will have highly positive effect on the organizational performance. The mission cultural dimension calls for strong work ethics in order for a business to achieve its goal, and this study looked at whether there is a defined mission that gives meaning and direction to employees, and hence influences performance. The findings clearly show that a clear, shared, and realistic objective strongly influences employees to work towards the mission, resulting in high organizational performance.

Furthermore, the effect of these four cultural dimensions on organizational performance accounts for 77.6 percent. When organizational cultural dimensions such as mission, adaptability, involvement, and consistency cultures are added or strengthened, the percentage contribution and effect on organizational performance increases.

### **5.3. Recommendations**

Based on the study's findings and conclusions, the following recommendations are forwarded to PSS.

Since consistency has a strong association with organizational performance, the organization's basic principles and internal mechanisms that support issue solving, efficiency, and effectiveness at all levels enable workers to perform better and maximize organizational performance quality. As a result, it is recommended that organizations' cultures be very consistent in order to improve organizational performance, and that they be effectively coordinated and integrated.

Because adaptability has a significant association with organizational performance, the organization's ability to scan the external environment and respond to the ever-changing needs of its customers and other stakeholders' also helps to boost organizational performance. Thus, organizations should have a set of norms and beliefs that support their ability to receive, analyze, and transform signals from their environment into internal behavior changes that boost their chances of survival and growth.

Involvement leads to a considerable increase in organizational performance. As a result, management should establish policy to promote involvement, and such policy should be reviewed on a regular basis to ensure that its performance is maintained. Furthermore, the organizational culture should inspire employees to participate in decision-making regardless of competence development, team orientation, or empowerment ideology, since this will help to boost workplace involvement.

Among the organizational cultures under consideration, mission has a substantially greater impact on performance, with strategic direction and intent, goals and objectives, and vision. As a result, the organization should prioritize its objective, ensuring that the company has a clear and practical mission that provides long-term direction to all personnel. The organization should also ensure that the mission is clearly communicated to its staff continually.



The combined effect of the four organizational cultures demonstrates that culture has a substantial impact on the company's performance. As a result, the current culture might provide the company with a competitive edge because culture is distinctive by nature. Whereas other performance-related characteristics still have a 22.4 percent impact on performance. As a result, the organization should seek out those contributing factors (which could include job satisfaction, leadership style, salary and benefits, first move advantage, power distance, organizational structure, control systems, and other issues) in order to maintain organizational performance and ensure long-term growth.

#### **5.4 Recommendations for further studies**

The following are some suggestions for future research:

This is a cross-sectional research. As a result, any future research might conduct a longitudinal study that would record employee impressions at different times, providing more rigor as well as any potential variance in the study findings.

This research study was conducted using Denison's Model of organizational culture; however, additional research on the same organization can be conducted using a different framework of organizational culture as suggested above to gain a more in-depth understanding of the culture itself and its impact on organizational performance.

It is recommended that the study be conducted on a specific culture and performance using a large sample size at the industry level, so that it will be more specific and clear for the user of the research results, and the research results will, of course, be useful for all institutions as a reference.

## Reference

- Abdulkadir M., D., Abdifitah, M., Takow, M., & Osman, M. (2014). Organizational Culture and organizational performance at Telecommunication firms in Mogadishu-Somalia *International Journal of Commerce*, 2(21): 54–69
- Aluko, M. A. (2004). The impact of culture on organizational performance in selected textile firms in Nigeria, *Journal of African Studies* 12(2): 164–179.
- Amin, N. (2017) ‘The impact of Organizational Culture on Organizational Performance: The Mediating Role of Employee’s Organizational Commitment’, *International Journal of Organizational Leadership*, 2017(6), pp. 65-72.
- Andy, K. A. (2006) ‘Study design III: Cross-sectional studies’, *Evidence-Based Dentistry*, 7(1), pp. 24–25. doi: 10.1038/sj.ebd.6400375.
- Armstrong, M., & Baron, A. (1998). Performance Management: The New Realities. London: Institute of Personnel and Development.
- Bachman, (2004) statistical analysis for language assessment ,cambridge university assessment series, published united states of americacambridge,press,new york
- Block, L. (2003) ‘The leadership-culture connection: an exploratory investigation’, *Leadership & Organization Development Journal*, 24(6), pp. 318–334. doi: 10.1108/01437730310494293.
- Bonett, D. G. and Wright, T. A. (2015) ‘Cronbach’s alpha reliability: Interval estimation, hypothesis testing, and sample size planning’, *Journal of Organizational Behavior*, 36(1), pp. 3–15. doi: 10.1002/job.1960.
- Brooks, C. (2008). Introductory econometrics for finance. 2<sup>nd</sup> ed Cambridge university press.
- Byrne, K., &Hochwarter, W. (2012). *Diagnosing and changing organizational culture: Based on the competing values framework*. Reading, MA: Addison-Wesley.
- Byrne, Z. &Hochwarter, W. (2012). An empirical assessment of demographic factors, organizational ranks and organizational commitment. *International Journal of Business Management*, 5, 16-27.
- Campbell, J. P., McCoy, R. A., Doppler, S. H., & Sager, C. E. (1993). A theory of performance. In N. Schmitt & W. C. Bormann (Eds.), *Personnel Selection in Organizations* San Francisco: Jossey-Bass.

- Coogan, & Partners. (2006). Organizational culture has positive impact on company performance. Business Wire. Retrieved June 21, 2007, from HighBeam Research at <http://www.highbeam.com>.
- Cooke, R.A. and Rousseau, D.M. (1988) 'Behavioural Norms and Expectations: A Quantitative Approach to the Assessment of Organizational Culture', *Group and Organisational Studies*, 13(3), pp. 245-273.
- Creswell, J.W (2019) *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*. 4th edn. London: Sage Publishing.
- Daniels K. & Harris C. (2002). Work, psychological well-being and performance. Sheffield University Management School, 50, 304-309
- Denison, D.R. (1990), "Corporate culture and organizational effectiveness". New York: John Wiley.
- Denison, D.R. (2008). Denison Organizational Culture Survey. USA: Denison Consulting, LLC. Facilitator Guide
- Deal T.E. and Kennedy, A.A. (1982, 2000) *Corporate Cultures: The Rites and Rituals of corporate Life*, Harmondsworth, Penguin Books, 1982; reissue Perseus Books, 2000.
- Deming, W.E. (2018). *Out of the crisis*. Cambridge: MIT Press. (Eds.), *New Perspectives on Organizational Effectiveness*. Jossey-Bass, San Francisco, CA.
- Dorman, K. (2010). Linking rewards to commitment: an empirical investigation of four UK Banks. *The International Journal of Human Resource Management*, 18(12), 2095-2128.
- Ebrahimi, M. & Sadeghi, M. (2013). Quality management and Performance: An Annotated Review, *International Journal of Production Research*. 51(18), (5625-5634)
- Eisenberger, R. (2003). Perceived Organizational culture and Psychological Contracts: A Theoretical Integration, *Journal of Organizational Behavior*, 24: 491-509.
- Eren, E. (2016). *Örgütsel Davranış ve Yönetim Psikolojisi*, Baskı, Istanbul press
- Erdil S. and Erdil O., (2003) the relationships between marketing orientation firm innovativeness and innovation performance. (2003), 1, (3-12)
- Fakhar, S., Iqbal, I., & Gulzar, M. (2014). Impact of Organizational Culture on Employees Job Performance: An Empirical Study of Software Houses in Pakistan *Journal of Business Studies Quarterly*, 5(2).
- Field, A. (2009). *Discovering Statistics using SPSS*. 3rd ed. s.l.: Sage Publications Ltd.

- Gebler, D. (2006). Is your culture a risk factor. *Business and Society Review*, 111(3), 337-362.
- George, (2004) Quantitative and Qualitative Approaches to Content Analysis. In *Sociological Methodology*, 3rd edited by A. Raftery. Oxford: Basil Blackwell, pp. 135-44.
- Hair ,J., Black& eteal .(2010), multivariate data analysis, 7 th edition, Newyork; prentice hall.
- Hammersley, M. and Traianoa, A. (2012) *Ethics and Educational Research*. Available at: [www.bera.ac.uk](http://www.bera.ac.uk) [Accessed 14 August 2019].
- Hofstede, G., Neuijen, B., Ohayv, D.D. and Sanders, G. (1990), “Measuring organizational cultures”, *Administrative Science Quarterly*, Vol. 35, pp. 286-316.
- Hofstede, G., Hofstede, G. J. and Minkov, M. (2005) *Intercultural Cooperation and Its Importance for Survival*. Available at: [http://testrain.info/download/Software of mind.pdf](http://testrain.info/download/Software%20of%20mind.pdf).
- Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. *Online Readings in Psychology and Culture*, 2(1). <https://doi.org/10.9707/2307-0919.1014>
- Hopkins, W. E. and Scott, S. G. (2016) ‘Values-based leadership effectiveness in culturally diverse workplaces’, *Cross Cultural and Strategic Management*, 23(2), pp. 363–385. doi: 10.1108/CCSM-11-2014-0125.
- Hunter, W.and Tityen, D., (1997) *Business to business marketing: creating a community of customers*. 1st ed Lincoln wood-llino-is: McGraw-Hill professional.
- Kaplan, R.S. and Norton, D.P. (2001). *The Strategy-focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment*. Harvard Business School Press, Boston, MA.
- Kantar, R. (1983) *the change masters: Innovation for productivity in the American corporation*. New York: Simon and Schuster.
- Kelley, T. (2005) Employee satisfaction results in improved profitability (online). Available from <http://www.indiangaming.com/jstore/Nov05-kelley>
- Khan, I.U., Usoro, A. and Majewski, G. (2010) 'An Organizational Culture Model for Comparative Studies: A Conceptual View', *International Journal of Global Business*, 3(1), pp. 53-82.
- Kotter, J. P (2012). *Corporate Culture and performance*. New York: Free Press.

Korir, B. (2013). *Determinants of employee satisfaction in commercial banks in UashinGishu County*, Unpublished Masters Thesis, Moi University, Eldoret.

Korman, A.K. (1971) *Industrial and organizational psychology*. Englewood Cliffs, N.J.

Landau and Everitt,( 2003) *A Handbook of Statistical Analyses using SPSS* London, Chapman & Hall/CRC Press LLC

Lorraine, A. Dorai, P. & Zubair, H. (2011). The Influences of Organizational Culture on Performance Management, *International Journal of Accounting, Business and Management*, 1(1).

Mariama Zakari & Kofi Poku (2013), *Organizational Culture and Organisational Performance: Empirical Evidence from the Banking Industry in Ghana*, *International Journal of Business, Humanities and Technology*,3(1).

Mba, O. A. (2013). Organizational Culture and Employees Performance in the National Agency for Food and Drugs Administration and Control Nigeria, *Journal of Management and Business Research Management* 14(2).

McDaniel, C., and Gates, R. (2006). *Marketing Research Essentials* (5<sup>th</sup> Ed.). New Jersey: John Wiley and Sons Inc.

Minkov, M. (2018) ‘A revision of Hofstede’s model of national culture: old evidence and new data from 56 countries’, *Cross Cultural and Strategic Management*, 25(2), pp. 231–256. doi: 10.1108/CCSM-03-2017-0033.

Mohelska, H. and Sokolova, M. (2015) ‘Organisational Culture and Leadership – Joint Vessels?’, *Procedia - Social and Behavioral Sciences*. Elsevier B.V., 171, pp. 1011–1016. doi: 10.1016/j.sbspro.2015.01.223.

Muchinsky, P. M. (1993). *Psychology applied to work: an introduction to industrial and organizational psychology*. London: Chapman & Hall.

Muhammad, T. M., & Muhammad, S. A. (2011). Relationship between Organizational Culture and Performance Management Practices: A Case of University in Pakistan. *Journal of Competitiveness*, 2(1) 129-139.

Needle, David (2004). *Business in Context: An introduction to Business an Its Environment*

- Nicanor, T. (2014). Relationship between communication satisfaction and organizational identification: an empirical study, *The Journal of Business*, 10 (2) 41-51.
- Njugi, A. W. & Agusioma, L. A. (2014). Effect of Organization Culture on Organizational Performance in Non Governmental Organizations, *International Journal of Scientific and Research Publications*, 4(11).
- Noruzi, F. (2013) Employee Organizational commitment: the influence of cultural and organizational factors in the Pakistan Banking industry. *The International Journal of Human Resource Management*, 20, 2494–2516.
- Ogbonna, E. and Harris, L. (2000) ‘Managing Organizational Culture: Insights from the Hospitality Industry’, *Human Resource Management Journal*, 12(1), pp. 22-53.
- Pallant, J. (2007). *SPSS Survival Manual*. 3rd ed. Sydney : Ligare Book Publisher.
- Parsons, T., & Shils, E. (1952). *Toward a general theory of action*. Cambridge, MA: Harvard University Press
- Peters, T.J. and Waterman, R.H. (1982) *In search of excellence*. New York: Harper and Row.
- Quinlan, C. (2011) *Business Research Methods*. Andover: Cengage Learning.
- Ravasi, D.; Schultz. (2006). “Responding to organizational identity threats: Exploring the role of organizational culture”. *Academy of Management Journal*, 49(3):433-458.
- Racelis, A. D (2010). The influence of organizational culture on performance of Philippine Banks. *Social Science Dilman*, 6(2) 29-49.
- Rahi, S. (2017) ‘Research Design and Methods: A Systematic Review of Research Paradigms, Sampling Issues and Instruments Development’, *International Journal of Economics & Management Sciences*, 06(02). doi: 10.4172/2162-6359.1000403.
- Rhine, D., & Christen, R. (2012). *Human Resource Management*. UK, Butter Worth-Heinemann.
- Robbins, S. P. and T. A. Judge (2017). *Organizational Behaviour*, 14th Edition, Pearson Education, Inc., New Jersey.
- Saunders, M., Lewis, P. and Thornhill, A. (2019) *Research Methods for Business Students" Chapter 4: Understanding research philosophy and approaches to theory development, Research 73 methods for business students*. Available at:

[https://www.researchgate.net/publication/330760964\\_Research\\_Methods\\_for\\_Business\\_Students\\_Chapter\\_4\\_Understanding\\_research\\_philosophy\\_and\\_approaches\\_to\\_theory\\_development](https://www.researchgate.net/publication/330760964_Research_Methods_for_Business_Students_Chapter_4_Understanding_research_philosophy_and_approaches_to_theory_development).

Saffold, G.S. (1988). Culture traits, strength and organizational performance: moving beyond a strong culture. *Academy of Management Review*, 13(4), 546-558.

Saxe, R. & Weitz B.A. (1982). The SOCO scale: A measure of the customer orientation of salespeople. *Journal of Marketing Research*, 19(3): 343–351.

Schein, E. H. (1983) ‘The Role of the Founder in Creating Organizational Culture’, *Organizational Dynamics*, 12(1), pp. 13–28.

Schein, E. (1985). *Organisational Culture and Leadership: A Dynamic View*, San Francisco, Jossey Bass.

Schein, E. (1992). *Organizational culture and leadership* (2nd ed.). San Francisco: Jossey-Bass

Schein, E.H. (2010) *Organizational culture and leadership*. 4th edition. San Francisco: Jossey-Bass.

Schein, E. H. (2011). *Organizational Culture and Leadership*. San-Francisco: Jossey-Bass.

Schein, E. H. (2000). Sense and nonsense about culture and climate. In N. M. Ashkanasy, C. P. Wilderom, & M. F. Peterson (Eds.), *Handbook of organizational culture and climate* (pp. xxiii-xxx). Thousand Oaks, CA: Sage Publications.

Shakil, M. A. (2012). Impact of Organizational Culture on Performance Management Practices in Pakistan, *Business Intelligence Journal*, 16 (3)9-18.

Shi, X. and Wang, J. (2011) ‘Interpreting Hofstede Model and GLOBE Model: Which Way to Go for Cross-Cultural Research?’, *International Journal of Business and Management*, 6(5), pp. 93–99. doi: 10.5539/ijbm.v6n5p93.

Simon, G.S. (2006). Culture Traits, Strength, and Organizational Performance: Moving beyond Strong Culture. *The Academy of Management Review*, Vol. 13, 546-558.

Tobi, H. and Kampen, J. K. (2018) ‘Research design: the methodology for interdisciplinary research framework’, *Quality and Quantity*. Springer Netherlands, 52(3), pp. 1209–1225. doi: 10.1007/s11135-017-0513-8.

Trompenaars, F. (1994) *Riding the Waves of Culture: Understanding Cultural Diversity in Business*. N/A. London: Nicholas Brealey Publishing.

Trompenaars, F., Hampden-Turner, C. (2004), *Managing people across cultures*. Capstone, Chichester.

Van Den Berg, P. T. and Wilderom, C. P. M. (2004) 'Defining, measuring, and comparing organisational cultures', *Applied Psychology*, 53(4), pp. 570–582. doi: 10.1111/j.1464-0597.2004.00189.x.

Wamalwa, L. (2011). Effects of Organizational culture on work-outcomes in banks in Bungoma County. *Unpublished Master's Thesis, Maseno University, Maseno*. 51

Wambugu, L. (2014). Effects of Organizational Culture on Organizational Performance, *European Journal of Business and Management* Vol.6, No.32.

Vigoda, E., and Goliembiewski, R.T. (2003). "Citizenship Behavior and the Spirit of New Managerialism. A Theoretical Framework and Challenge for Governance ". *American Review of Public Administration*. Vol. No. 31. 3. September.

Vgot Kondalkr (2007). *Organizational behavior*. Ansari Road, Daryaganj, New Delhi : Published by New Age International (P) Ltd., Publishers.

Yang, Y. (2010). Relationships between goal setting, innovation, projectmanagement, quality, speed to market, and new product success. *The BusinessReview*, 9(1), 1-8. Retrieved March 27, 2011, from ABI/INFORMGlobal database.



## **Annex**

### **Annex One: Research Questionnaire**

**Addis Ababa**

**University**

**School of**

**Commerce**

**Department of Human Resource Management**

**Questionnaire to be filled by employees of PSS**

Dear Respondent: I am Postgraduate student at Addis Ababa University School of commerce. This questionnaire is designed to collect relevant information for the research carried out on the topic “The effect of Organizational Culture on The Organizational Performance: The case of Premier Switch Solutions S.C”. The study is conducted for academic purpose that is for partial fulfillment of the requirements of the Master of Human Resource Management. Hence, your responses will be kept confidential.

The soundness and validity of findings highly depend on your honest and thoughtful responses. Therefore, I kindly request you to fill the questionnaire carefully and return at your earliest convenience.

Thank you in advance for your kind cooperation!

#### **Part1: General Profile (Please put (√) mark in the box that best describes you)**

1. Age:  21-30  31-40  41-50  51 and above
2. Gender:  Female  Male
3. Educational Qualification:  Diploma  First Degree  Post Graduate and Above
4. Years of Service at PSS  below 5 yrs  6-10 yrs  11-15 yrs  15 yrs and above

**Part –II Survey Questions on the Study on the Effect of Organizational Culture on Organizational Performance in the case of Premier Switch Solution S.C (PSS)**

**Section one:** The following tables classified by the four basic dimensions of organizational culture (i.e. involvement, consistency, adaptability and mission). Each table is composed of statements that the researcher believes can best explain the organizational culture of PSS. There are five blank boxes beside each statement listed. The five numbers above the boxes represents the degree in which the respondent agrees with each statement. Therefore, the respondents are kindly requested to put “√” in the box that describes their exact feeling.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Strongly Disagree	Disagree	Neutral or Undecided	Agree	Strongly Agree

	<b>Item</b>	<b>SD</b>	<b>D</b>	<b>N</b>	<b>A</b>	<b>SA</b>
<b>Involvement</b>						
1	The management style in the organization is characterized by teamwork, consensus and participation					
2	Human development, high trust, openness and participation are emphasized in the organization					
3	Human development, high trust, openness and participation are emphasized in the organization					
4	The organization defines success in basis of teamwork, employee commitment and concern for people.					
5	Employees of the organization are empowered with real responsibility					
6	Employees work cooperatively towards common goals					
7	The company invests continually in the development of employee’s skill to meet employee’s desire to learn and develop					
<b>Consistency</b>						
8	The management style of the company is characterized by security of employment, predictability and stability					
9	The company's employees have a set of clear expectations from the company.					
10	Different points of view on critical issues are addressed well, and high levels of agreement and reconciliation are obtained					

11	The departments of PSS work together in a synchronized manner					
<b>Adaptability</b>						
12	The company takes high risk to create change					
13	The company is able to understand customers' needs and anticipate their future desire					
14	The organization converts signals from the environment into opportunities					
15	Employees are willing to take risks in order to meet the goals and objectives of the company					
16	The management style of the organization is characterized based on the demand in the environment					
17	Trying new things and prospecting for opportunities are valued in the company					
<b>Mission Assessment</b>						
18	The major concern of PSS is to be result-oriented					
19	Employees are focused on achievement and goal attainment.					
20	PSS's employees have all agreed on a desired future state /vision/ for the company					
21	PSS has clear strategic vision that shows the organization's purpose.					
22	There is a clear set of goals and objectives linked with mission, vision and strategy in which every employee can use as a reference					

**Section two:** Tables below examine the overall performance of PSS based on the three indicators of performance. In addition, to what extent the organizational culture affects the organizational performance. Respondents are expected to choose one of the five choices for each characteristic of the company. Each character is to be rated from strongly disagree to strongly Agree (1-5).

	<b>Item</b>	<b>SD</b>	<b>D</b>	<b>N</b>	<b>A</b>	<b>SA</b>
<b>Customer Orientation</b>						
1	Marketing efforts undertaken to meet the demands of customers					
2	In the organization, scanning the environment and disseminating information to all members is common					
3	The level to which customer information has been gathered and used to benefit the company and its customers is high.					
4	Using environmental data, the company estimates future demand					
<b>Employee satisfaction</b>						
5	The human resource strategy focus on developing skills					
6	PSS ensures motivation and commitment in the company					
7	The management exerts considerable effort in order to meet the expectations of the employees.					
8	In general, PSS employees are highly motivated					
9	Employees are eager to contribute to the success of the organization.					
10	Employees in PSS use their time efficiently					
<b>Customer satisfaction</b>						
11	Customers are satisfied with the company's service					
12	Customers are encouraged to review the company's performance and give suggestions for future enhancements.					
13	Existing customers are loyal to the organization					
14	Customer satisfaction is the ultimate aim of the organization					

Thank You!