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**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE**

Graduate Studies

**The Effect of ‘Organizational Culture’ on ‘organizational
Performance’: The Case Of Tsedey Bank**

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June, 2023

Addis Ababa, Ethiopia

**The Effect of ‘Organizational Culture’ on ‘organizational
Performance’: The Case Of Tsedey Bank**

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**A Final Project Submitted to Addis Ababa University School of Commerce in
Partial Fulfillment of the Requirements for the Degree of
Master of Arts in Business Leadership**

**Addis Ababa, Ethiopia
June, 2023**

DECLARATION

Under the supervision of my research advisor, Bahran Asrat (PhD), I hereby certify that the study titled "The Effect of Organizational Culture on Organizational Performance: A Case of Tsedey Bank" is my original work. It has been prepared and submitted to Addis Ababa University in partial fulfillment of the requirements for the Degree of Master of Business Leadership. No other university, including Addis Ababa University, has ever received this article for a degree award, and all information sources used in the study have been properly cited.

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STATEMENT OF CERTIFICATION

This is to certify that the research project "The Effect of Organizational Culture on Organizational Performance: The Case of Tsedey Bank" completed by Yeabsira Biruk under my supervision for the partial fulfillment of the requirements for the Degree of Master of Business Leadership at Addis Ababa University College of Business and Economics School of Commerce is an original work and has not been submitted previously for any degree award at this University or any other University.

Research Advisor: Bahran Asrat (PhD)

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APPROVAL

This is to Certify that the thesis prepared by Yeabsira Biruk, by the title “**The Effect of ‘Organizational Culture’ on ‘organizational Performance’: The Case of Tsedey Bank**” submitted in partial fulfillment of the requirements for the Master of Arts in Business Leadership complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Approved by Board of Examiners:

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Advisor	Signature	Date
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External Examiner	Signature	Date

ACKNOWLEDGEMENT

First and foremost, I would want to offer my sincere gratitude to the Almighty God with his mother (Theotokos) for their mercy, discernment, protection, and guidance. He has given me the perseverance, patience, and fortitude to complete the courses. Without his intervention and provision, it would never have been a success story. My sincere and heartfelt gratitude goes out to my adviser, **Bahran Asrat (Ph.D.)**, for his ongoing support and encouragement in helping me finish my thesis on schedule and with such a wonderful attitude. Furthermore, I owe a great deal to his invaluable, unreserved, punctual, and selfless support for helping me finish this study assignment on time. Dr. Bahran, I cannot express my gratitude enough, even if you deserve more. The employees of Tsedey Bank at the HO and those branch locations are grateful for your time and the genuine interest you showed in the survey.

It would be incomplete if I didn't mention your commitment, **Tsadik K/Mariam** (my mother). I sincerely appreciate your unwavering support throughout the years and the courage you displayed. You made the majority of the contribution. Thank you to my father, brother, and dear families (**Mr. Biruk Kibebew, Mr. Zelalem Biruk**) it has been of the utmost assistance. I thank you very much.

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Acronyms

MFI - microfinance institution

ACSI- Amhara Credit & Savings Institute

ETB- Ethiopian Birr

BARS - behaviorally anchored rating and Observation scale

SPSS - Statistical Package for Social Sciences

KPI – Key performance indicators

HO-Head Office

SD-Standard Deviation

BARS-Behaviorally Anchored Rating and Observation Scale

HR-Human Resource

MA-Master of Art

MSC-Master of Science

BA-Bachelor of Art

BSC-Bachelor of Science

VIF -variance inflation factor

Abstract

The way an organization interacts with its internal and external environments in the quest for answers to issues like performance and survival depends on the culture that the majority of its people share. Therefore, the main goal of this study was to examine how organizational culture affected Tsedey Bank's performance from a non-financial standpoint in Addis Ababa, Ethiopia. The research's scope was restricted to all leaders and staff members working under a few chosen branch offices, eliminating recently hired personnel who cannot demonstrate all performance management processes, i.e., the company's progression from an MFI to a bank. To accomplish its primary impartiality, for the literature review on organizational culture and performance, the researcher examined primary and secondary sources that were gathered through structured questionnaires from the employees still employed by the bank and from books and the bank's website, respectively. The association and impact of two factors were examined using an "explanatory/causal" approach. Statistical Package for Social Sciences (SPSS) 23 was used by the researcher to analyze and interpret the data. Out of 30 branches in Addis Ababa, the researcher focused on 12 branches that mostly operate in Addis Ababa, Ethiopia. The study used a 59 person sample size. The primary and secondary sources yielded all the information required. The term "primary data" refers to information that has been collected directly by the researcher. Secondary data is information that was gathered earlier by another party. The response rate was 100% out of the 59 questionnaires that were given to Tsedey Bank employees and collected. According to the finding of the research that all four organizational cultural features, particularly value, tradition, custom, and belief, were relevant in the context of the bank and had a weighted average mean value of 4.133. The cumulative impact of the four organizational cultures demonstrates that culture has a significant impact on the performance of the bank. While still other performance-related aspects have an impact on a performance to the tune of 33.8%. In order to maintain its performance and guarantee its ecological growth, the organization should therefore continue to research those other contributing variables.

Key words: Organizational culture, Organizational Performance, Tsedey bank

CHAPTER-ONE

INTRODUCTION

The study's framework, the problem statement, and the research questions are all presented herein chapter. The scope and constraints of the investigation are followed by the aims and importance of the study. The definitions of essential terminology and the paper's structure are supplied towards the end.

1.1. Background of the study

Leaders in business are actively forming and communicating their workplace cultures. However, there is no prejudicial relationship between leadership and culture. Despite the fact that leaders are the main architects of culture, the kind of leadership that is imaginable is dependent upon the culture already in place. (Schein's, 2010)

An organization's culture must be recognized by its leaders as something they have helped to preserve or develop. A deeply embedded and well-established culture sets an example of acceptable behavior, which can help staff members accomplish their goals. This behavioral framework, in turn, results in greater job satisfaction for employees when they believe that their leaders are helping them to achieve their goals (Tsai, 2011). According to this perspective, there is a direct link between leadership, workplace culture, and job satisfaction.

(Hofstede, February 2019) claims that culture is the programming of the human mind that makes it possible for one group of individuals to stand out from another. Culture is usually something that is shared and social that you pick up from your environment. (It gives employees priority.)

Due to the cultural influences on the conduct of group members (Galves & Garca, 2011; Hofstede, 1988; Martins & Terblanche, 2003) (Adriana Madya Marampa1), culture and performance are intimately correlated. The organization's culture is also comprised of its mission, objectives, standards, processes, symbols, language, presumptions, beliefs, and routines. The mission, goals, standards, procedures, symbols, language, presumptions, beliefs, and routines of the organization are also part of its culture (Huff, Nov 26, 2014).

The four contrasts that Hofstede said may be used to analyze cultural values are individualism-collectivism, avoiding ambiguity, power distance (the strength of social hierarchy), and masculinity-femininity (task-orientation versus person-orientation). 20223 Saul McLeod Cultural preferences were the subject of extensive research by Gert Jan Hofstede and his research teams,

which formed the basis of the Hofstede Cultural Dimensions factor analysis. Hofstede's research utilized national cultural preferences rather than his own personal cultural preferences.

According to (John P. Kotter & James L. Heskett, 24 Jul 2008), culture is a key factor in determining excellent financial success. In addition, Kotter and Heskett cultural content was discovered to be classified as an adaptable culture that had a significant impact on superior performance.

Culture is made up of various artifact combinations (additionally referred to as actions, expressive symbols, or forms), shared values and beliefs, and basic assumptions regarding appropriate conduct across member groups (Luce, 2017, p. 851).

Members' self-perceptions, internal processes, interactions with others, and expectations for the future are manifestations of organizational culture. It includes the beliefs that guide member behavior within an organization includes its expectations, experiences, philosophy, and values. The Business Dictionary (dictionary) states that culture is made up of recognized beliefs, practices, rituals, and both inscribed and unrecorded rules that have developed through time. (Global Journal of Management and Business Research: A, 2016)

According to (Ravasi & Schultz, 2006), organizational culture is a group of accepted beliefs that shape behavior. New organizational members are also trained how to perceive, even think, and feel using the pattern of these common actions and assumptions.

According to (Shahzad, F., Luqman, R. A., Khan, A. R., & Shabbir, L., 2012), business managers can affect productivity and performance by having a strong corporate culture. According to Linnenluecke and Griffiths (2010), organizational culture has the potential to influence the work place, work ways, routine, output, and effectiveness.

Kosfeld and von Siemens (2011) investigate organizational culture from the standpoint of cooperation and teamwork. Collaboration and solidarity are at any rate advantageous to the company in two ways: The efficiency of manufacturing is increased when staff communicate relevant information, and teams of workers with balancing abilities can do they can together produce in the economy what they cannot individually. (Michael Kosfeld & Ferdinand von Siemens's, August 2007)

Organizational culture can be influenced by setting up organizational boundaries in a way that promotes individual interaction and/or by limiting the depth of information processing to the right

level, according to Krefting and Frost (1985), (Adriana Madya Marampa, Rr. Woeri Vive Khananda, Ade Irma Anggraeni³, 2019) can result in an edge in competition.

Performance is correlated with particular organizational cultural features, according to Gordon, DiTomaso, and Denison (1992) and their research. They make a point of emphasizing that a culture's continued association with improved performance depends on its capacity to adapt to environmental changes. (Adriana Madya Marampa¹, 2019)

The connection between Culture and performance within organizations is a crucial subject. Numerous investigations have been made into the function of culture as an alternatively, asset within a company. Peters and Waterman (1982) found a high correlation between particular kinds of strong cultures and higher monetary performance. (Silwal, 2021, p. 5)

Accordingly, the researcher determined whether organizational culture had a considerable effect on the non-financial performance of Tsedey Bank based based on the information regarding corporate culture, performance, and assessment of performance that was presented above. This assessment focused further on the durability of the business with issues like customer satisfaction, employee satisfaction, internal business process effectiveness, and innovation, etc. that improve organizational performance of firms.

For instance, the bank was originally a microfinance organization until changing its name to a bank in September 2015 E.C. Due to the possibility that the bank's current organizational culture could significantly aid in the organization's transition from microfinance institution to banking sector, the researcher was interested in studying the bank.

1.2. Background of Tsedey Bank

In 1992, Amhara Credit and Saving Institution (ACSI) first opened for business. The institution is registered as a commercial entity in accordance with the Ethiopian Commercial Law and Proclamation No. 40/1996 with the intention of offering financial and non-financial services to the able poor who are willing and able to engage in productive economic activities. ACSI currently runs its 471 branches throughout four regional states make up the country: Amhara, Oromia, SNNPR, and Addis Ababa. However, as other financial institutions that offer credit and savings have entered the market, the institution is dealing with fierce competition. Customers are switching to the competitors as a result of the increased options available to them; ACSI has a unique business strategy to become a bank called Tsedey.

On September 24, 2022, Tsedey Bank, formerly Amhara Credit and Savings Institution (ACSI), started conducting business. By accomplishing this, the bank elevated its position from that of a microfinance institution (MFI) to that of the first newly established Ethiopian bank in 2015 E.C. (2022–23 G.C. fiscal year). Throughout the day, 148 branches were inaugurated simultaneously in Addis Abeba and the Amhara area.

The Amhara Credit & Savings Institute (ACSI), which was founded in 10 Amhara area zones a year after the bank's initial establishment as a "Rural Credit Service" with only ETB3 million to its name, was upgraded to an MFI status. It succeeded in becoming the best credit and savings institution in Africa and the sixth best in the world throughout its 20 years of operation.

Two decades later, the firm grew large enough to transform into a fully operational bank under the name Tsedey, a term referring to the spring season where Ethiopia transitions from a time of rain and cold to a period of sunshine, warmth, and optimism. The name will perhaps be a symbol of what this bank can do for Ethiopian citizens and businesses without adequate and appropriate financial reach. Tsedey Bank, upon its inauguration, registered one of the highest capitals recorded among new banks, with net capital and signed up capital reaching ETB11.3 and ETB7.75 billion, respectively. As per the article by Ethiopians Today, Tseeday has a total asset of more than ETB40 billion, ETB24billion of total savings, and has disbursed an aggregate of ETB28.8 billion loans.

All of the aforementioned details show that Tsedey Bank concentrated on client coverage by dispersing its branches across the nation, adjusting its operation hours, and focusing on technology, efficiency, and customer service, all of which helped the organization make its transformation. This was the primary justification for choosing this organization.

1.3. Statement of the problem

Due to the complexity and challenges they encounter as they grow, the majority of businesses need to transform their culture to one that is more supportive of achieving the goal. An organization that adopts a positive organizational culture will perform better, and the opposite is also true; an organization with a negative organizational culture will perform worse.

Organizational culture is examined by Kosfeld and von Siemens (2011) from the perspective of collaboration and solidarity. Although employee teamwork and cooperation can be of great value to a company, levels of employee cooperation frequently vary amongst different businesses.

(Adriana Madya Marampa¹, 2019) Teams of people can achieve goals through strong abilities and effective work in a good workplace culture and environment through teamwork and cooperation. Collaboration among team members can spark a revolution, boost job happiness, help solve problems, and develop outstanding soft skills.

According to Ravasi and Schultz (2006), an organization's culture is made up of a group of shared beliefs that shape behavior. As a method of identification and even thinking and emotion, It serves as a model for these group behaviors and presumptions that new organizational members are taught. (Cancialosi, 2017, 17)

According to Gallagher and Brown (2007), a company's philosophy affects all of the work that it conducts. The way the business functions, what it prioritizes, and how it handles clients, staff, and shareholders all come down to this. (Ismael Younis Abu-Jarad, December 2010)

Organizational culture, according to Gert Jan Hofstede in 1988, is increasingly focused on employee-centered activities. Performance has a direct relationship with culture due to the cultural influences on organizational members' behavior. Culture is usually something that is shared and social that you pick up from your environment. (team, May 31, 2020)

After focusing on the case company's employees and managers and listening to the discussion, the researcher realized that, despite the institution's transformation from MFI to bank roughly 19 years later, there is no concrete evidence that demonstrates the culture and stage of the bank.

As a result, the Kosfeld and von Siemens (2011) theory of organizational culture, which defines culture from the standpoint of teamwork and cooperation amongst employees of an organization, has been incorporated into this study. Non-financial performance places more of an emphasis on behavior and long-term success of a company, and it includes elements like customer happiness, internal business process efficiency, transformation, employee contentment, etc., which increase organizational performance of companies. As a result, the researcher relied on and chose to research how company culture affects performance outside of the financial realm.

1.4. Research questions

The following fundamental research inquiries were created in order to address the highlighted issue:

1. What it looks like the organizational culture of Tsedey Bank (Value, tradition, custom, belief)?
2. What is the influence of (Value, Tradition, Custom, and Belief) on organizational performance of Tsedey bank?
3. Which dimension more influences the organizational performance of Tsedey bank?

1.5. Research objectives – General and Specific

1.5.1. General Objective

To research the impact of organizational culture on organizational performance of Tsedey Bank

1.5.2. Specific Objectives

The precise goals of this research are:

- i. To assess the prevalent organizational culture (Value, Tradition, Custom, and Belief) of Tsedey Bank.
- ii. To determine how the Organizational Value, Tradition, Custom, and Belief traits affects the performance of Tsedey bank.
- iii. To determine which organizational cultures dimension influences Tsedey Bank's performance and to make recommendations about how organizational cultures affect performance.

1.6. Significance of the study

The culture of a business defines expectations for how personnel should conduct themselves, work together, and function as a team. In this manner, culture can erode team barriers, direct decision-making, and enhance work flow in general. The type of long-term goals that support the organization in realizing its vision and the working environment inside it are both influenced by the company's culture. The organization's culture also influences the policies and practices that are used on a daily basis to carry out its objective.

As said by the above-mentioned discussions, the study would assist Tsedey Bank in focusing on its culture and non-financial performance and in making decisions and taking action regarding which cultures need to be educated, enhanced, and achieved, and which cultures need to be

avoided and eliminated in order to perform better and more effectively. Additionally to establishing expectations for how staff members conduct themselves, collaborate, and perform as a team. For imitating the actions and results of the company through the group efforts of various organization members.

The results of this study may aid various firms in choosing the best organizational culture to employ in particular circumstances in order to boost their effectiveness and performance. It might also be a turning point for other researchers who want to do a related study on issues involving banks that have changed from MFIs to banks. This study could be utilized as supporting empirical evidence on the subject.

1.7. Scope of the study

The research was specifically made to evaluate how organizational culture affects performance in the case of Tsedey Bank.

The conceptual aim of this study was to investigate the connection flanked by Tsedey Bank's organizational culture and performance. The two cannot really be comprehended separately when we look at culture and performance attentively since they are two sides of the same coin. By encouraging a high-performance culture, an organization can succeed and flourish for the benefit of both its personnel and its business. A high-performance culture may nevertheless vary between companies in reality.

The study takes into account all managers, and employees who work for a few particular branch offices in Addis Ababa. The research also didn't include new hires or staff with less than a year of experience because they couldn't demonstrate the entire performance management process or how the organization changed from being an MFI to a bank.

The researcher will utilize a quantitative statistical analysis method to respond to the study questions, and the target audiences will primarily be leaders and staff members working in some chosen branch offices of the bank.

1.8. Limitation of the study

In carrying out this study, limitations have been come upon, for example, Difficulties on, as the organization was new in the banking industry the difficulty in acquiring information was caused by lack of related researches. In some brunches of the bank was opened but did not have any staff. Another difficulty was obtaining related recent cultural model definitions.

1.9. Organization of the study

Five chapters made up the organization of this study. The study's aims, significance, limitations, background information, operational definitions of important terminology, and organizational structure were all covered in the first chapter, which also covered the study's background information and problem statement. A review of the literature on the relationship between organizational culture and performance from both financial and non-financial perspectives was covered in chapter two. The study's research methodology was detailed in the third chapter. The fourth chapter discussed the collection of data, its presentation, analysis, and interpretation. Chapter five, which concluded the investigation, included a summary of the findings and recommendations.

1.10. Definition of key terms

Culture: The usual assumption is that culture refers to the company's overall beliefs, values, and attitudes and how these influence employee behavior. In addition to the knowledge, opinions, arts, laws, resolutions, capabilities, and conducts of the people that make up these groupings, it is a phrase that encompasses social behavior, institutions, and norms that are present in human societies. (wikipedia)

Organization: A group of people who cooperate is known as an organization. Examples of such groups include unions, corporations, charities, and neighborhood associations. When referring to a group, business, or the process of creating something, you might use the word "organization". (Brainly web page)

Organizational Culture: Similar to how people each have their own unique characteristics, so do businesses. The culture of an organization is referred to as its uniqueness. Organizational culture has an imperceptible but significant influence on groups of people who work together, influencing how those individuals behave. (iEduNote)

Performance: the performance or achievement of work, acts, achievements, etc. a specific action, deed, or proceeding an action or proceeding of an extraordinary or spectacular nature. (Collins English dictionary)

Values: are characterized as the collective ideas of what is good, desirable, and right or bad, undesired, and improper in a culture by Organizational Behavior. (page)

Vision: A company vision, also known as a vision statement, is a concise written statement that outlines the main long-term objectives of a company. An organization's mission statement needs to be motivating and ambitious. (Team, July 7, 2020)

Mission: is the company's operation, along with its goals and methods for achieving them.

Non-Financial Performance: Non-financial performance places a greater emphasis on a company's long-term success by addressing elements like customer happiness, internal business process efficiency, innovation, employee contentment, etc. that improve organizational and financial performance of businesses. (Dr. Huiqi Gan, march 2020)

Financial Performance: Profitability, liquidity, solvency, dividend growth, sales turnover, asset base, capital utilized, and other metrics can be used to assess a given company's financial performance. (MURRY, 2023)

CHAPTER 2

REVIEW OF RELATED LITERATURE

2.0. Introduction

A review of relevant literature on organizational culture and performance is covered in this chapter. The reviews were contributed by authors of books, journals, books, academic papers, websites, and publications, among other sources. In this context, the fundamentals of organizational culture and its application, organizational performance and its components, are explored with reference to the banking sector. The theoretical models created by earlier researchers are also shown. The researcher's conceptual model is then introduced.

2.1. Meaning and nature/characteristics of organizational culture

2.1.1. What is Culture?

The concept of culture is wide and encompasses many important facets of human existence. Since there are many components that make up every culture and the word "culture" has a variety of meanings, it is challenging to provide an acceptable description of cultural traits. It makes sense to believe that culture is a collection of people, places, and traditions. While some cultures are founded on terrestrial and indigenous ties, other cultures or subcultures may be based on a shared religion, customs, or interests. (Causadias, 2020)

The development of an effective, strong business culture is greatly influenced by those in leadership positions within the organization. Along with the company's leaders creating the culture, the leader is also influenced by the company's culture on its own. Great leaders are flexible enough to adapt and change the culture of their workplaces as necessary. They are also well aware of the need of fostering an environment where employees may grow and prosper.

Throughout history, cultures may change, with some disappearing and others emerging. The shared beliefs, actions, possessions, and values of a group of people are typically considered to be the primary aspects of culture. (Saigo, 2022)

2.1.2. What is organizational culture?

An organization's expectations, experiences, philosophy, and values are all part of its organizational culture that control member's comportment, and is articulated in members' self-perception, inner workings, communications by the exterior world, and upcoming opportunities. Collective attitudes, ideas, habits, and written and unwritten laws that have evolved over time and

are regarded as useful constitute the foundation of culture.(Cancialosi, <https://gothamculture.com>, 2017). The organization's mission, objectives, standards, practices, symbols, language, presumptions, beliefs, and routines are all a component of its culture. (Needle, 2004) "The way things are done around here" is the simplest definition of organizational culture. (Deal, 1982,2000)

Other definitions of culture focus on the behavioral elements of employees and how corporate culture directly influences employees' conduct inside a company, while the aforementioned definitions of culture describe how the notion presents itself at work. This set of standards states that organizational culture is a collection of commonly held beliefs that specify acceptable behavior in various situations and govern activities within organizations (Ravasi & Schultz, 2006). The organizational culture affects how people and groups interact with one another, customers, and stakeholders. Corporate culture may also have an impact on how much employees identify with their business. (Schrodt, 2002)

Organizational culture, according to Robbins (2015), is a scheme of collective beliefs detained by affiliates that sets the organization apart from other companies. A company's culture can be best described by its a focus on detail, an emphasis on results, individuals alignment, crew positioning, hostility, and steadiness, which are the seven major traits that he also lists. (Hasan METIN1 & Ali COŞKUN2, may,2016)

2.1.3. Nature and Characteristics of Organizational culture

Seven elements that range in importance from high to low make up organizational culture. Each of these qualities has a unique importance for every firm. Organizational members assess the importance that their organization places on these traits, and they subsequently modify their conduct to reflect this deemed set of values.



Source: The information in has been modified (O'Reilly, C. A., III, Chatman, J. A., & Caldwell, D. F. , 1991).

Figure 1 Characteristics of Organizational Culture Profile

✓ Innovation (Risk Orientation)

When performing their duties, individuals are encouraged to experiment and take chances by organizations with highly valued innovation cultures. Employers in organizations that value innovation little expect their staff to accomplish their duties in the same manner as they were taught, without trying to find ways to do so.

✓ Attention to Detail (Precision Orientation)

Employees are expected to do their work with accuracy in a culture that values attention to detail highly, but not in one that does not.

✓ Emphasis on Outcome (Achievement Orientation)

This characteristic of organizational culture is highlighted by businesses that place an emphasis on results rather than on how those accomplishments are attained. A corporation with a culture that places a high value on the emphasis on outcome characteristics would not tell its sales team to stop at nothing to secure sales orders.

✓ Emphasis on People (Fairness Orientation)

Businesses that place a high priority on this organizational culture trait give consideration to how decisions will impact the people who make up their organizations. It is crucial for these businesses to treat their staff with respect and decency.

✓ Teamwork (Collaboration Orientation)

Businesses that center work activities on teams rather than individuals place a high priority on this organizational culture characteristic. Those who work for these companies usually get along well with both their managers and coworkers.

✓ Aggressiveness (Competitive Orientation)

Group members are either expected to be forceful or laid back while working with companies that compete with them in the marketplace based on this component of corporate culture.

Organizations with an aggressive culture place a high importance on competition and go above and beyond to outperform their rivals.

✓ Stability (Rule Orientation)

The culture of a corporation is typically rule-oriented, predictable, and bureaucratic, and stability is highly prized in this environment. These businesses often produce at consistent and predictable rates, and they thrive in contexts with stable markets.

Characteristics of a successful organizational culture

Every organization has a unique culture; therefore it's critical to keep what makes your business special. But certain traits that you should try to foster are regularly reflected in the cultures of high-performing firms. (Management & Organizational Behavior(MAN 2150) sinclair Community college)

- ✓ An organization needs trust to function. Team members may be themselves and believe that others will support them when they try something new in an environment where there is trust.
- ✓ A public compliment, a thank-you card, or a promotion are just a few ways to show someone you appreciate them. A team environment where all members routinely acknowledge and appreciate others for their accomplishments is known as an appreciation culture.
- ✓ When a company's goals and its employees' motivations are in line with one another, alignment results. The constant synchronization of their organization's vision, mission, and goals is an aim of exceptional organizations.
- ✓ Since all teams depend on one another to make decisions, evaluate findings, and build relationships, integrity, like trust, is essential to their success. Integral parts of this facet of culture are transparency and honesty.

- ✓ Psychological support is provided to workers so they may take risks and provide honest feedback. Since psychological safety begins at the team level, not the individual level, managers must take the initiative to establish a safe workplace where everyone feels comfortable contributing. Now that you are aware of what a great business culture looks like, let's discuss how to develop one in your organization.
- ✓ Through innovation, businesses are able to maximize the potential of their markets, resources, and technological advancements. In an innovative environment, all facets of your company, including your own cultural efforts, are approached with original thought.

2.1.4. The concept of performance

The achievement of quantifiable goals would be the simplest definition of performance. Performance, though, is not only about what individuals do; it's also about how they do it. Excellent performance results are produced through appropriate behavior and effective application of the essential knowledge, skills, and competences.

Job performance is the assumed conception or needs of a role at every workplace. Contextual and task-based work performances are the two different categories.

Cognitive capacity determines task performance, while personality determines contextual performance. Roles in behavior that are acknowledged in job descriptions and compensation structures are related to task performance. While contextual performances are value-based and add extra behavioral roles that are not acknowledged in job descriptions and covered by remuneration, these extra roles are extra duties that are indirectly tied to organizational performance. They are not covered by compensation. Similar to contextual performance, citizenship performance is related to a collection of personal efforts or contributions (basically, organizational behavior) that uphold organizational culture.

2.1.5. Relationship between culture and performance

The basic thesis of a focus on cultural change, according to Don Hellriegel, is that there may be a connection between an organization's performance or effectiveness and the kind of culture it controls (Norman K Maleka, 2015). As a result, businesses with strong cultures have better performance and effectiveness, whereas those with weaker cultures may experience lower performance and effectiveness inside their own organizations.

Such an approach, as used by Geiger, G. (1998), is essential because it takes into account the special relationships between various cultural factors and performance genres. If there is a correlation, knowing it could help or hurt a company's ability to achieve its strategic objectives. The corporate culture of a corporation has a major impact on its long-term financial performance, according to Steers (1977). Companies that valued their customers, shareholders, and employees, as well as having leadership from managers at all levels, outperformed those who didn't. South African researchers looked into the relationship between business culture and monetary achievement. The results imply a connection between the organizational culture of the company and its financial performance.

Additionally, it is discovered that the kind of organizational culture affects implied knowledge partaking behavior and that these impacts might be either beneficial or undesirable depending on the culture category. (Suppiah, 2011)

2.1.6. Kosfeld and von Siemens (2011) model of organizational culture

Although employee teamwork and cooperation can be of great value to a company, levels of employee cooperation frequently vary amongst different businesses. They demonstrate that if workers have diverse preferences and those preferences include personal information, these disparities may be the outcome of labor market competition. There are two categories of employees in the model: self-centered ones who only respond to financial incentives and conditionally cooperative ones who might offer teamwork voluntarily if their coworkers do the same. They demonstrate that there is no pooling in equilibrium and those employees self-select into firms with varying incentives and levels of teamwork as a result. The concept can explain why businesses with symmetric ex-ante environments adopt various corporate cultures. Furthermore, the findings support the idea that, in contrast to popular belief, labor market competition might actually promote collaboration within firms. (Kosfeld, Michael and von Siemens, Ferdinand, July 2007)

Modern organizations frequently have team production. When coupled with team incentives, team production can result in externalities among employees because their utility after signing a contract depends on the success of their team and, consequently, on the productivity of their coworkers.

If workers have access to private information about their productivity, they research the effects of such externalities in a market for labor that is competitive. They discover that any competitive equilibrium requires a Pareto-efficient division of labor based on productivity. Additionally, they discover that externalities make it easier for equilibrium to exist, and that under certain circumstances on workers' indifference curves, even arbitrary little externalities can guarantee equilibrium. (von Siemens, Ferdinand and Kosfeld, Michael, February 20,2014)

2.1.7. The concept of organizational performance

An organization is a group of people who work together on common goals on a regular basis. It is a consciously coordinated social unit. The term "entities" can refer to a variety of organizations, such as local, provincial, and federal governments as well as institutions including schools, hospitals, churches, manufacturing and service firms, retail stores, and police and military divisions. One must be knowledgeable about organizational theories and conceptions of organizational performance to have a thorough understanding of an organization's nature.

There are now several meanings associated with the idea of organizational performance because it is a subjective one. Because the term "organizational performance" is construed subjectively, there isn't a consensus in the literature regarding the standards to be applied in measuring organizational performance. (Bolman, L. G., & Deal, 2003; DeClerk, 2008; Scott, W. R., & Davis, 2015). The phrase "organizational performance" has as many possible meanings as there are studies that have used it.

According to Luo et al.'s (2012) meta-analysis of organizational performance, it ought to be gauged in terms of operations and finances. (Tahir, 12-09-2020)Economic success is measured by commercial and market products, including profits, sales, return on equity, and other financial measurements. The concern with operational success, however, is with visible indicators like customer satisfaction and loyalty, the company's social capital, and competitive advantage derived from resources and competencies.

The effectiveness of an organization is measured at evaluations that can be done for an individual, a group, or the entire organization, and there are various degrees of hierarchy involved.

2.1.8. What are the many ways to assess organizational performance?

We assess a company's efficiency so that, in light of the findings, we may make improvements. Professionals are constantly looking for methods to improve on what was done before, regardless of the purpose of the assessment in organizational performance or the meaning of the chosen terminology. Several interventions are recognized as being advantageous when the various performance assessment levels are taken into account. 12.09.2020 Dr. Sumbul Tahir

✓ Individual level performance

A substantial study of remedial, psychosomatic and management revisions generated the following primary components at the distinct level: task performance, contextual performance, adaptive performance, and counterproductive work behavior

(Koopmans, August 2011)

- Task performance: the successful achievement of goals set forth, the quantity and caliber of work, the recitalist's skills and knowledge, and the manager's capacity for planning, resolving issues, keeping an eye on things, and making decisions all serve as general indicators of task performance.
- Contextual performance: includes any actions that go above the requirements of the given work and may be seen in social, organizational, or psychological settings. A number of factors, including initiative, extra labor put in, resourcefulness, passion, motivation, inventiveness, devotion, and interpersonal relationships, are related to this performance.
- Adaptive performance, which is unhurried by origination, adjusting to varying conditions, suppleness and open-mindedness, and ongoing erudition, symbolizes the responsiveness at work.
- The last indicators of unproductive work practices are absenteeism, theft, tardiness, and disrespect for safety regulations, substance abuse, and any other off-task behaviors that impair performance.

✓ Team level performance

Additionally, task completion is a critical sign of a team's organizational performance (DeChurch and Mesmer-Magnus, 2010). Task competence is a further indicator of high performance since team members who do well on teams are more likely to be experts in the tasks they have been given.

There are many different models for assessing team performance, according to (Dana L. Kendall, 2004). Input-process-output, which sees team processes as systems, and viewing team tasks as events where performance measurement tools like the behaviorally anchored rating and Observation scale (BARS) and self-report measures are used, are just a few examples. These metrics should assess the team's adaptability, cohesion, leadership, and back-up actions in order to gauge its success.

✓ **Organizational level performance**

To fully monitor and assess each component of the organization in order to assess its efficacy, a set of metrics must be used as a whole. In actual fact, an intentional effort is being made to move toward a wide-ranging characterization of organizational performance, one that takes sustainability of work processes and outcomes into account (Hubbard, March, 2014).

Another critical element is including a formal evaluation of strategic planning into the assessment of organizational success (Bert George, RM Walker, and JG Monster, 2019). It has been discovered that when businesses analyze their strategic planning using internal and external assessments with a cascading system of goals, strategies, and plans, the efficiency of accomplishing these goals is boosted.

Professionals must have a convincing reason for both their definition of performance and the metrics they will employ to evaluate it, according to (al, 2009). When defining what is meant by performance, managers should take into account all stakeholders, the degree of environment heterogeneity, resources, and strategic decisions, as well as the time frame.

2.1.9. Benefits of performance measurements

Having performance metrics is advantageous. It provides timely feedback that can be taken action on so that everyone may modify as needed to meet their metrics. Here are some additional advantages of performance evaluations. (brandongallie, oct-7-2016)

- a. It can increase productivity on both the individual and team levels

Clarified objectives make it simpler for individuals and teams to work toward them. This is done so that success can be measured against established standards and criteria.

- b. It has the ability to identify underperforming individuals and groups

Underperforming people and teams can be quickly identified when a performance measurement system is in place since their output can be directly compared to others' utilizing the same chart.

c. It might enhance communication

When trustworthy performance measuring metrics are in place, there are less chances for miscommunication between managers/supervisors and their direct reports. Due to the fact that each metric is properly stated and comes with detailed instructions that can help people succeed, there is no doubt as to what each individual should do.

d. It gives the opportunity to recognize outstanding performers

Many strong performers go unappreciated because their output is averaged into the team's overall success. It is simpler to recognize and honor a team's best achievers when personalized measurements are used. Consequently, a company has more chances to keep its best employees. The chain of command is made apparent.

e. The chain of command is made apparent

In a situation involving performance evaluation, each person has a certain role to play. Each of them is in charge of a different task. This eliminates any miscommunication that could occasionally arise among team members when some feel entitled to authority and assume leadership roles. Everybody has an allocated space, including teams.

2.1.10. The Relationship between Organizational Culture and Performance

An organization's success or failure will be determined through the philosophy that the mainstream of its personnel adopt. (Fellows R., 2013) Insist that behavior is influenced by culture, and vice versa, and that this encourages learning among organization members and the creation of novel solutions to the firm's performance-oriented problems. The positivist paradigm is used in the current study to define culture as the complex web of core values, beliefs, and artifacts that comprise an organization's identity. The prevalent leadership styles and internal communications within a business give insight into its culture, organizational processes, structures of the organization, systems practiced by the organization, and the exclusive designation of achievement in the views of certain organizations. Structures and systems that are developed inside an organization, as well as how individuals interact with one another are

determined by values and beliefs. Structures and systems, on the other hand, have an impact on how organizational members behave.

2.1.11. Performance measurement in banks

The business objective of a bank is to maximize shareholder value as a unique sort of firm. What behavior do the financial indicators exhibit during operation? How to make money? Whether or not there is a moderate risk? These inquiries are all connected to the performance of the bank. Therefore, In order to make the required modifications for risk management and long-term profitability, banks must evaluate their performance.

Rengasamy (2012) defines "performance" as the execution or achievement, or the performance of particular actions, or the satisfaction of commitments. As a result, "bank performance" can be described as the way a bank uses resources to accomplish its objectives.

The performance of the bank also implies the use of a number of indicators to reflect the bank's state and in a way to reflect the bank's capacity to meet its goals.

The effectiveness of the banking industry is crucial since it serves a crucial function in the modern economy. We must conduct a thorough evaluation and study of the banks to guarantee whether or not the financial system is stable and the effectiveness of the economy (Rengasamy 2012).

Additionally, banks' value added, which is determined by their labor expenses and earnings, assesses both the output and the expense of banking. As indicators of bank efficiency, many analysts examine accounting data on bank margins, costs, and profits. However, significant structural and accounting discrepancies between nations, between individual banks, and over time significantly reduce the value of such data.

Various performance factors that are economically significant cannot be directly noticed while evaluating the performance of financial institutions. Customer Perspective: Jacob A. Bikker Goal Measure Financial Viewpoint Measurement of Goals Perspective on Innovation and Learning Goal Metric Internal View of the Business Goal Measurement hypothesized in his study that customers are primarily interested in the efficiency of financial organizations, the standard of their goods, and their dependability in terms of their ability to remain solvent and whether or not clients can be assured of receiving their money back. They must be measured indirectly because they cannot be immediately observed.

2.1.12. Non-financial measurements in banking

- ✓ What are non-financial performance measures?

Non-financial performance measurements are becoming more and more commonplace among enterprises. They are regarded as more accurate predictors of the business's upcoming financial performance. Executive teams are using non-financial performance criteria to affect executive behavior. Market share, employee engagement, product quality, and innovation quotient are just a few examples of the non-financial performance measures that are increasingly used to determine executive compensation.

In their study "Coming Up Short on Nonfinancial Performance Measurement," published in 2014, Wharton accounting professors Ittner and Larcker found that businesses that measure a non-financial factor after determining whether it has a genuine impact on financial performance saw a 1.5 times higher return on equity than those that did not. (Zoheir Haider, 2014) The most straightforward method of defining non-financial performance indicators is to describe what they aren't. Since they don't use monetary values to describe their values, non-financial KPIs aren't directly connected to dollar signs. While financial KPIs are casing measurements, they frequently focus on new areas of the business and are foremost indicators.

Non-financial KPIs can nevertheless be arithmetical even when they aren't unswervingly allied to money. They come in together measurable and qualitative forms. Employers frequently see "soft skills" as making the major contributions to non-financial performance, which can be assessed in a number of techniques.

- ✓ The significance of non-financial performance measures?

Non-financial KPIs are important for a number of reasons, primarily two. They initially assist in contextualizing and elaborating on financial KPIs. Financial measurements are frequently trailing indicators, which are backward-looking and hence relatively easy to collect and evaluate. Lagging measurements offer data on prior occurrences like money earned or requests fulfilled within a certain time window.

Secondly, it is less complicated to link particular non-financial KPIs to sections of your broader plan. More specifically, most organizations don't have a clear financial foundation for their mission and vision statements. Customer satisfaction numbers are a better indicator of your dedication to providing the best customer service in the industry than revenue data are.

Why should companies track non-financial performance measures?

There is no doubting the importance of tracking financial KPIs, which for certain organizations may even rank as the top priority. However, this does not mean that you should neglect other KPIs in favor of keeping performance management simple. Non-financial performance metrics are key for businesses to regulate since they help identify strengths and weaknesses. If you are excellent at providing customer service but customers must hold off on speaking for a while with a person, which will be seen in a non-financial KPI like a consummation survey. In addition to revealing your core competencies, these measurements can reveal other weaknesses that you were unaware existed.

Impact a company's performance. Before it has an impact on your bottom line, you can find the main reason of over- or underperformance using non-financial performance measurements. We can see, for example, how the high employee turnover rate and expensive hiring costs (in terms of time and resources) led to a sharp increase in the HR recruiting budget.

Enhance the feedback from employees on how to achieve strategic goals. When created properly, non-financial KPIs are specific, quantifiable, and ladder up to the organization's overarching objective. Team members are able to understand what they need to do to accomplish their goals, as well as why they must pull the same report each month and how their attendance affects productivity. Daily tasks and strategic direction are clearly related, and the latter are more adept at compensating for outward stimuli. In the long run, your strategy should succeed if you continue to receive great scores for your business culture and customer happiness when a trade war is ongoing.

Every firm is vulnerable to dangers from the outside world that is beyond its control and may negatively impact key performance indicators like sales and expenses. Unexpected and inescapable events include wars, recessions, and paranormal occurrences. If you were solely concentrating on financial KPIs in this situation, it would seem as though your company's performance was hopeless. However, non-financial performance measurements are mostly within your control and can provide an additional, more thorough perspective. (Jackson, April 14,2023)

2.2. Empirical Review

2.2.1 Empirical Review on Culture

In their study, (Jol Stoffers, 2015) established the existence of a comparable link and discovered that the type of culture determines how performance is affected by adaptive culture. The need of connecting management strategies to underlying assumptions and attitudes is emphasized when analyzing organizational culture and performance. To make that happen, he proposed three conditions: first, the Culture must remain alive; second, it necessity be uncommon and have characteristics; and third, it should be faultily imitable.

Culture is generally regarded to be the total collection of customary practices that have been developed by humanity and passed down through consecutive generations. The different definitions of culture that are now in use all seem to agree on the premise that culture is learnt, unique to groups of people, and that its substance includes a wide range of phenomena, including norms, values, language, common meanings, and predictable ways of behavior. (al B. e., 2013)(et al., 2013).Therefore, culture is something that a guy builds in a community rather than entirely on his own.

According to Ravasi and Schultz (2006), organizational culture consists of a group of widely held beliefs that have an effect on behavior. In addition, new organizational members are trained how to perceive, even think, and feel in accordance with the pattern of these common actions and beliefs. The relationship between various organizational culture types (Clan, informal organization, structure, economy, and innovation) and performance systems (internal mechanisms, permeable systems, reason, and interpersonal relationships) is empirically supported by (María Luisa Saavedra García, January 2018).

Organizational culture is examined by Kosfeld and von Siemens (2011) from the outlook of cooperation and fellowship. Workgroups comprising individuals having overlapping talents can accomplish what each of them cannot do on their own (teamwork in the workplace), working in a team and collaborative way enables workers to complete as many tasks within less time than required individually, and allotment pertinent improved manufacturing efficiency results from worker communication. These are at least some of the ways that teamwork and collaboration are advantageous to the organization.

2.2.2 Empirical review on performance

The number of ways that the phrase "organizational performance" can be understood is probably equal to the number of research that has employed the notion. Organizational success, according to Luo et al.'s meta-analysis on the subject from 2012, should be gauged in terms of its operational and financial viability.

Richard claims that three particular elements of business results are included in organizational performance:

1. Sales and market share data for a product;
2. Financial performance (incomes, assets' return on investment, and return on assets); and
3. Shareholder profit, which includes total bondholder return and economic value created.

Strategic planners, operations managers, financial directors, legal counsel, and business owners (the company's owners) are just a few of the experts who are concerned with the success of an organization. (Rechard)

According to Knies, Jacobsen, and Tummers (2016), Performance inside an organization can be assessed for individuals, teams, or the whole thing at various levels of hierarchy. (Eva Knies, January 2016) A thorough evaluation of the literature that included 213 studies that was either performance-based or distributed in reliable publications

In the end, the researchers chose a multi-dimensional architecture of organizational success with shareholder return, product market performance, and financial performance as its three primary components.

Individual level performance

A wide-ranging study of medical, psychological, and management studies generated the following primary components at the separate level: task performance, contextual performance, adaptive recital, and counterproductive work behavior (Koopmans et al., 2011).

- General indications of task performance include the accomplishment of assigned tasks, the amount and quality of work, the performer's skills and knowledge, and the manager's capacity for problem-solving, planning, organizing, monitoring, and decision-making..
- Contextual performance is the umbrella term for any actions that extend beyond the parameters of the assigned work duties and may be seen in social, organizational, or psychological contexts. There is a correlation between this performance and traits like

initiative, extra effort, resourcefulness, zeal, motivation, inventiveness, commitment, and interpersonal relationships.

- Adaptive performance refers to the capacity for responsiveness at work and is gauged by creativity, flexibility and open-mindedness, as well as ongoing learning.
- Finally, the absences from work, theft, tardiness, disobedience of rules for safety, substance misuse, and any other actions taken off-task that impair performance are signs of counterproductive work behaviors.

2.3 Conceptual Framework of the Study

The outline for this study was derived from Kosfeld and von Siemens (2011), who elucidate how organizational culture affects output. The model is capable of explaining a variety of empirical results. First, businesses frequently establish astonishingly diverse corporate cultures, even within the same industry. These cultures are distinguished, among other things, by variations in the degree of collaboration and teamwork inside businesses. Southwest Airlines, for instance, is currently the standard-bearer for a strong cooperative corporate culture in the airline business, where teamwork and positive connections across various work divisions are valued highly (Gittell 2000,)

The majority of other U.S. airlines, in contrast to Southwest, has been unable to attain comparable levels of employee cooperation and is frequently distinguished by a culture of conflict as opposed to cooperation (Michael Kosfeld, July 2007). The model suggests that firms with high levels of teamwork are typically more productive than those with low or no levels of teamwork.

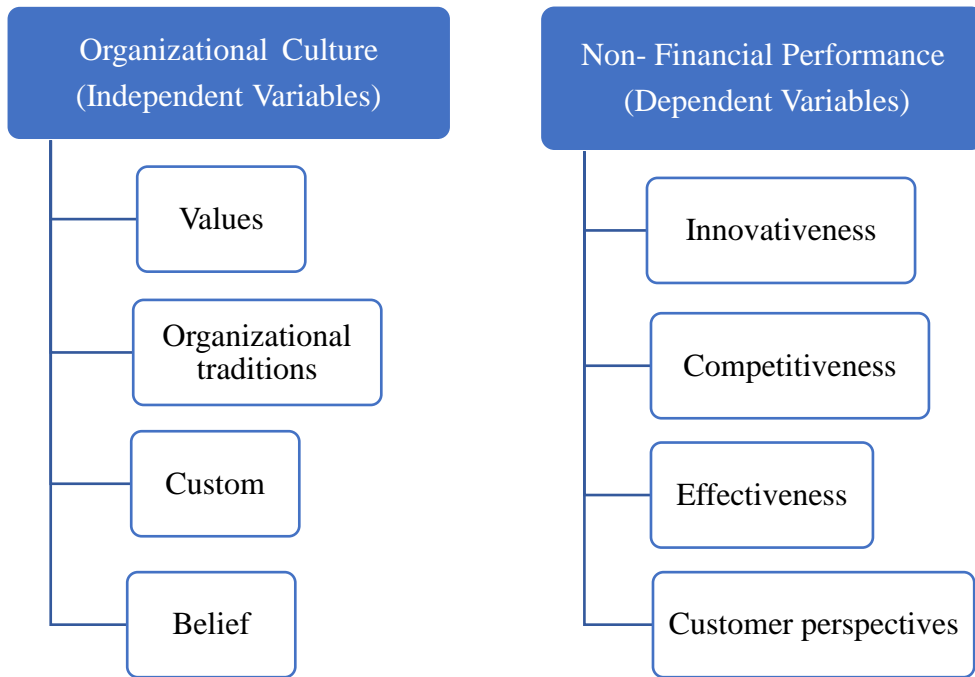


Figure 2 Conceptual Model of the Study

CHAPTER 3

RESEARCH METHODOLOGIES

3.0. Introduction

The entire approach employed to conduct the study and meet the study's goals is presented in this chapter. It contains the target population, study area, study area description, study design, and research approach. Additionally, the specifics of sample size and sampling methodology are covered. Additionally, information about data sources, types, gathering techniques, and analysis is provided. Finally, techniques employed to guarantee the validity and reliability of the study is reviewed.

3.1. Research design

The plan for the collection, measurement, and analysis of data is called the research design. It describes the overall strategy you select to integrate the various study components in a logical and cogent manner, ensuring you will successfully address the research problem.

In order to effectively establish the cause-and-effect link between the two variables, the study utilized an "explanatory/causal" approach. In order to acquire pertinent data for understanding how organizational cultures (independent factors) relate to organizational performance (dependent variable) in Tsedey bank, the study has adopted a quantitative methodology. Inferential statistics use a number of analytical methods to infer data about the population from samples.

Regression analysis premised to describe the findings. The planned questionnaire were created to evaluate both factors (dependent & independent) and employed as the primary research tool for the investigation.

The research timeline falls in to cross sectional type of study in order to be in help of collecting data from a population at a specific point in time. It allows for the comparison of many population groups all at once.

The study structure was of case study (with survey tools) type. Utilizing a variety of data sources, the case study permits the analysis of a real topic within a specified framework. (Baxter et al, 2008).The surveying tool were with the aid of a formal questionnaire for the workers and managers functioning in the bank.

3.2. Description of study variables

Organizational performance served as the study's dependent variable (the dependent variable is the impact), while organizational culture served as the study's independent variable (the independent variable is the cause). The variables values, beliefs, conventions, and organizational traditions can all be attributed to this dimension. Indicators allow for the decomposition of each variable. (oct-1/2017) *Journal of Defense Resources Management* > October 1, 2017

Values - are irrational beliefs that shape how people act. They serve as a guide for appropriate behavior. People generally have a propensity to adopt the values that their parents taught them. People also tend to believe that these values are the "right" values because they are those of their particular culture.

Organizational traditions the structure of an organization, including its ideals, sociology, and psychology, is referred to as its definition. These include companies and nonprofits, for instance. Philosophy, beliefs, expectations, and experiences are some instances of organizational culture.

Custom - is a term used in culture to describe a constant pattern of behavior that is believed to characterize daily life in a certain social system.

Belief - is something that you accept as true or believe to be true. Even though you might not have firsthand experience with anything, you are confident that it is the way it is when you believe it. Your worldview might not always be truthful or correct.

The dependent variables innovativeness, competitiveness, effectiveness, and profitability will be related with each other at the organizational level.

Innovativeness - is characterized as having "the ability and imagination to produce new things. In the Merriam-Webster dictionary, highlighting the dual nature of the quality but only scratching the surface of its significance for corporate growth and sustainability. Sep 11, 2019

Competitiveness - -the capacity to compete of a firm, a nation, or an individual: The agreement should increase the firm's capacity to compete both domestically and internationally. To the performance enhancements required for competitiveness, critical modifications may make a significant contribution.

Effectiveness - is either the capability to create looked-for results or the capacity to provide desired output. If something is effective, it means that it produces the desired or anticipated outcome or leaves a powerful, long-lasting impact.

Customer Perspectives - Customer perspective measures consider the organization's performance through the eyes of its customers so that the organization retains a careful focus on customer needs and satisfaction.”

3.3. Description of study area and target population

Tsedey Bank's Addis Ababa headquarters and a few of its Addis Ababa branch offices will serve as the study's subject matter. The study's target audience consists of Tsedey Bank personnel who have managerial and strategic exposure, as well as work experience in customer service, in the banking industry, and who have completed at least a first-degree program. This degree of education was chosen because the majority of people who work in banking environments must possess it; as a result, the researcher would get information from the aforementioned workers when gathering data.

3.4. Target population

12 of Addis Ababa's 30 branches that predominately operate just in Addis Ababa, Ethiopia, were the ones the researcher focused on selectively. In the above-mentioned areas, the researcher only takes into account respondents who hold senior leadership and employee positions in a variety of crucial functional areas, primarily customer service, administrative and strategic exposure in the banking industry, commercial, innovation, and human resource, with an estimated 70 people in the total population for the 12 branch's. The survey had been made simple to fill out and understand.

3.5. Sampling technique/methods and sample size

The sample for this study was chosen using probability sampling, which is a sampling approach in which a researcher first evaluates a few measures before selecting members of a population at random. Due to the requirements the researcher set out, this technique was chosen since, during the data collection phase of the study, it only includes employees with educational levels of first degree and above.

The size of the population and the amount of error the researcher willing to tolerate is what determines the size of the sample. The table that follows was developed for situations where the researcher wants to come within 5 percentage points (with 95 percent certainty) of what the results would have been if the entire population had been surveyed.

Table for Determining the Needed Size of a Randomly Chosen Sample from a Given Finite Population

Population	Sample	Population	Sample	Population	Sample
10	10	80	66	220	140
15	14	85	70	230	144
20	19	90	73	240	148
25	24	95	76	250	152
30	28	100	80	260	155
35	32	110	86	270	159
40	36	120	92	280	162
45	40	130	97	290	165
50	44	140	103	300	169
55	48	150	108	320	175
60	52	160	113	340	181
65	56	170	118	360	186
70	59	180	123	380	191

Source: Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610.

Depending on the above information some general demographic data regarding the study's population, including the total number and educational background of Tsedey bank workers, was gathered from the case bank in order to establish the proper sample size. Once the procedure was established, the sample size for the study was determined by the researcher with the suitable sample size using Krejcie, R. V., & Morgan, D. W. (1970) form, the working sample was guided.

Therefore, a total number of 59 copies of the questionnaires were distributed to collect relevant information regarding the study area. The researcher went to 12 actively working branches of the bank including the HO to take an average number of five employees from each.

3.6. Data collection

3.6.1. Types and sources of data

All the essential statistics were congregated from the primary and secondary source. Information that the researcher has directly obtained is referred to as primary data. Secondary data are those that have already been compiled by another entity. Surveys, exams, inquiries, one-on-one interviews, etc. publications, websites, books, journal articles, internal documents, etc. produced by the government.

3.6.2. Primary Source

The primary data were gathered using a structured questionnaire from Tsedey Bank employees who had managerial or strategic exposure in the banking industry, as well as work experience in customer service and had at least a first-degree certification in their educational background.

3.6.3. Secondary Source

Annual reports, books, journals, and websites were among the secondary sources used in the literature study on organizational culture and performance.

3.7. Data analysis

Statistical Package for Social Sciences (SPSS) 23 was used by the researcher to examine and interpret the facts. Descriptive and inferential statistics were used to analyze the data in order to describe the relationship between the independent variable (organizational culture) and the dependent variable (non-financial performance), as well as to bounce certain recommendations grounded on the results of the study. Correlation and regression analysis were used to evaluate and interpret this cross-sectional data and single point in time responses in order to ascertain the link and impact of the two variables. A statistical method called correlation analysis is deployed to quantify the degree to which two variables are linearly related to one another. Spearman's rank correlation coefficient and Pearson's product moment correlation coefficient are two well-known correlation coefficients that are used to examine the relationship between two variables. The Pearson correlation coefficient test compares means between matched pairs of observations by

adding the standard scores for each pair's mean value. Once completed, it generates a numeral that can be in the variety of -1 to +1. Positive numbers show a link between the two variables that is positively correlated, whilst negative numbers show a relationship that is negatively correlated. In addition, the value of r indicates how strong the association is. A Pearson's r that is close to 1 suggests that the two variables have a stronger association.

The following numbers can be used as a general guide to estimate the relationship's strength:

- There is a weak correlation between the two variables by which it is indicated by a Pearson correlation coefficient of 0 to 0.3 (or 0 to -.03).
- A moderate strength association within the two variables is indicated by a Pearson correlation coefficient of 0.4 and 0.6 (or -.04 and -.06).
- A high link between the two variables is indicated by a Pearson correlation coefficient of between 0.7 and 1 (or -.07 and 1). (Tub rney, may 13,2022)

Another statistical method for determining how closely two variables are related is *regression analysis*. A dependent variable's behavior is caused by an independent variable, which is defined as one that is not dependent on another. To identify the regression line that best fits the data, the Least Squares approach was utilized. The coefficient of determination (Kothari, 2004) (C.R. Kothari, 2e, 2004) can be used to assess how strongly two variables are related. The analysis's results were then used to interpret the study's key conclusions. Since the study is descriptive and all data were analyzed using SPSS, the mean, standard deviation, besides correlation matrix were used to describe the statistics.

3.8. Reliability and Validity

Reliability is defined as a measure's consistency (or whether the results can be reproduced under the same conditions). Validity is the degree to which a measurement is accurate—that is, whether the results accurately reflect the phenomenon being measured.

3.8.1. Reliability

Reliability is the extent to which the results of a particular study can be verified or verified again under same conditions. Every time a study is conducted, one with high dependability receives consistent results. Furthermore, reliability is a characteristic that could influence our decision regarding whether or not to accept the study's conclusions. A study that yields contradictory results, or results that change depending on when the study is completed, is unreliable and of

limited value. Kelly Carroll 02/2022. A research study may be reliable in a number of different contexts. A study is considered reliable over time if its results are consistent when it is repeated by the same researcher at a different time.

For α , the Cronbach's Alpha value. Greater internal consistency is indicated by a value nearer to 1, and the findings are often interpreted using the following general guideline: Everything below 0.5 is unsatisfactory, everything between 0.5 and 0.6 is satisfactory, everything between 0.7 and 0.8 is acceptable, and everything over 0.8 is excellent or great. (Bland)

Table 1 Reliability Statistics

Organization Cultural Indicators	No. of Items	Cronbach's Alpha Values
Organizational values	4	0.766
Organizational traditions	4	0.698
Custom	3	0.649
Belief	3	0.687
Aggregate Average Coefficient Value		0.701

3.8.2. Validity

The same as dependability, validity is a criterion for assessing the caliber of a research investigation. Validity is a term used to describe how well the results actually reflect the subject matter they are meant to evaluate. Validity refers to the accuracy of a study. Does a study that seeks to measure the anxiety of a particular group of people actually gauge that group's anxiety?
Carroll Kelly 02/2022

3.9. Ethical Consideration

When participants are being told that taking part in the study is completely optional and that their lack of participation will not result in any negative consequences, the researcher ensures that they are treated with respect and pride. The participants also received a thorough confidentiality agreement. The names, job titles, and positions of every participant were not included in the study's documentation. Instead of participant names, identifying codes were assigned to the surveys.

All respondents established the research purpose, objectives, and ensure that individuals were completely aware of the expectations of their cooperation, research questions were posed before the data gathering process began. Only the goals of the study were used to make use of the information gathered from respondents, and no additional conclusions were to be drawn from it.

CHAPTER FOUR

DATA ANALYSIS, RESULTS, AND DISCUSSION

4.0. Introduction

With the aim of achieving the study's goal, this chapter summarizes the findings' outcomes and offers an analysis and discussion of them. As a result, analysis and explanation of the information collected after the respondents in accordance with the study methodology are provided. Sub-sections are used to present the variables under inquiry.

4.1. Response rate of the respondents

Table 2 Response Rate

S/N	Description	Measure
1	Total number of questionnaire forms distributed	59
2	Returned filled out questionnaire forms	59
3	Non returned questionnaire forms	0
4	Percentage of respondent's rate of return	100%

Tsedey bank staffs were given 59 questionnaires, and all of them were gathered with a 100% response rate.

4.2. Demographic Characteristics of Respondents

The demographic backgrounds of the plaintiffs are displayed in these chapters' sections. The following information about respondents' gender, ages, job histories, professions' contributions, and educational backgrounds is provided.

Table 3 Summary of Respondents Demography

S/N	Description	Frequency of Observation	Percentage Distribution	Cumulative Percentage Distribution	
1	Age	Between 25 to 30	41	70%	70%
		Between 31 to 40	15	25%	95 %
		Between 41 to 50	3	5%	100%
2	Gender	Male	34	58.3%	58.3%
		Female	25	41.7%	100%
3	Educational Qualification	BA/BSC	43	73.3%	73.3%
		MA/MSC	14	23.3%	96.7%
		Others	2	3.3%	100%
4	Work Experience in ACSI & Tsedey bank	Below 2 year	19	31.7%	31.7%
		Between 2 - 6 years	24	41.7%	73.3%
		Between 7-11 years	14	23.3%	96.7%
		Above 11 years	2	3.3%	100%
5	Role of Profession	Customer service officer	45	76.7%	76.7%
		Branch Manager/Deputy	12	20%	96.7%
		Others	2	3.3%	100%

According to the above table, 58.3% of the respondents that made up the target audience were men, with the remaining 41.7% being women. As a result, the gender distribution of the respondents was close to balanced. As a result, neither gender of the workforce has a gender gap that is particularly pronounced. In terms of age, 25% of respondents were found to be between the ages of 31 and 40, while 5% of respondents were discovered to be in the 25 to 30 year age range. The remaining 70% of respondents were found to be between the ages of 25 and 30, 31 to 40, and 5% were discovered to be between those two ranges. The age data revealed that the majority of employees are in their most productive age range, which will aid in higher performance. Additionally, 73.3% of the target population holds BA/BSC degrees, 23.3% of the population holds MA/MSC degrees, and the remaining 3.3% of the population was discovered to

be in the "others" group based on the educational qualification profiles of the respondents. When it comes to educational qualifications, the majority of employees are not on the path to raising their educational level, which may prevent them from receiving any type of promotions or advancement. Investigating the respondents' experience levels under ACSI and Tsedey bank, we found that 31.7% of them had experience of less than two years, 41.7% had experience of between two and six years, 23.3% had experience of between seven and eleven years, and 3.3% had experience of more than eleven years. Therefore, the majority of respondents have job experience ranging from two to six years, which was within the range given and also aided in the validity of the research findings. Final observation: In the branch offices chosen for this study, 76.7% of the target population worked as customer service officers, 20% as branch managers or deputy managers, and the other 3.3% performed a variety of other jobs. It was challenging to locate enough employees for the top positions.

4.3. Descriptive analysis of organizational performance

When given statements pertaining to the four dimensions, Employees at the Tsedey bank were surveyed on their agreement. Through the use of descriptive statistics that include minimum point, maximum point, mean, and standard deviations, the respondents' ratings on the Likert scale are examined. The respondent's perspectives on the four organizational culture aspects and their impact on company success are examined and provided in the section below.

4.3.1. Descriptive Analysis on Values cultural feature

For the goal of comprehending respondents' perceptions, this cultural feature of values was combined with four subsections, primarily consistency of value, guiding ethical norms, clarity on value statement, and mission.

Table 4 Descriptive Analysis on Values Cultural feature.

Descriptive Statistics					
1. Values	N	Minimum	Maximum	Mean	SD
1.1 The manner Tsedey Bank does business is guided by a constant set of ideals.	59	2	5	4.416	0.618
1.2 Employee behavior is governed by an ethical code that outlines what is proper and wrong.	59	3	5	4.35	0.633
1.3 Employees has clarity on the company value statement	59	3	5	4.216	0.555
1.4 The mission of our organization represent the views and values of top managers in our organization	59	1	5	4.316	0.999
Value	59			4.325	0.404

Source: own Survey, 2023

The value cultural elements had an average mean value of 4.325 and a corresponding SD value of 0.404, indicating that the majority of respondents felt those value subcultural aspects to be relevant and applicable. Specific cultural behaviors ranged from the maximum mean value of 4.416 and its corresponding SD of 0.618, which implied a greater level of consistency on the set of values governing on those working in those chosen branches of the bank, which may be a greater help to a better performance. The firms' value declarations with employees were not sufficiently understood, according to the minimal mean value of 4.216 and its associated SD value of 0.555. This thus causes miscommunication and staff actions that are contrary to the work culture at the bank.

4.3.2. Descriptive Analysis on organizational traditions cultural feature

For the goal of analyzing respondents' perceptions, this organizational tradition's cultural feature was combined with four subcategories, primarily collaboration, innovation, opportunity, and settling disagreements.

Table 5 Descriptive Analysis on Organizational traditions Cultural feature

Descriptive Statistics					
2. Organizational Traditions	N	Minimum	Maximum	Mean	SD
2.1 The company promotes collaboration, partnering and teamwork.	59	3	5	4.483	0.65
2.2 Company rewards creativity, encourage risk taking and creating a learning environment.	59	1	5	3.65	1.299
2.3 Failure is seen by us as a chance for growth and learning.	59	2	5	3.78	0.783
2.4 When differences arise, we make a strong effort to find solutions that are advantageous to both sides.	59	1	5	3.916	1.279
Organizational Traditions	59			3.958	0.717

Source: own Survey, 2023

An average mean value of 3.9 and a specific SD value of 0.717 for the value of cultural aspects suggested that the majority of respondents valued certain organizational tradition subcultural elements. The maximum mean value of 4.483 and the corresponding SD of 0.65, which indicated a higher level of collaboration and teamwork from individuals working in those particular bank branches, respectively, were the cultural elements that ranged in terms of specificity. Due to the fact that the bank places a higher emphasis on teamwork and collaboration while carrying out its duties, as stated by Kosfeld and von Siemens (2011), it is advantageous to the organization to achieve what it has not been possible for each employee to do individually (teamwork in the work place), and sharing pertinent facts among employees to increase production competence. With an SD value of 1.299 and a minimal mean value of 3.65, this showed that taking risks and displaying inventiveness were not sufficiently rewarded. As a result, workers are becoming reluctant to try new things and take risks. It so has a demotivating effect on employees' performance.

4.3.3. Descriptive Analysis on customs cultural feature

For the objective of assessing respondents' perceptions of teamwork, the adoption of better methods, and best practices for working with others, this cultural element of customs was merged with three subcategories.

Table 6. Descriptive Analysis on customs Cultural feature

Descriptive Statistics					
3. Customs	N	Minimum	Maximum	Mean	SD
3.1 Teamwork is employed to complete tasks rather than maintaining the Hierarchy.	59	1	5	4.4	0.717
3.2 Better methods of doing work are constantly implemented.	59	1	5	3.95	1.345
3.3 Company aggressively looking for best practices & facilitate continuous learning's.	59	1	5	3.85	1.363
Custom	59			4.066	0.901

Source: own Survey, 2023

The custom cultural elements had an average mean score of 4.0667 and an associated SD of 0.901, indicating that the majority of respondents felt these custom subcultural elements to be meaningful. The largest mean value of 4.4 and the corresponding standard deviation of 0.717, which indicated a higher level of teamwork rather than the maintenance of the Hierarchy on those employees who are working in those particular bank branches, were the cultural qualities that varied from the most extreme. Again, in this instance, the bank has a strong emphasis on cooperation, and as a result, it is directly tied to the bank's growth and departure from the microfinance sector. The lowest mean value was 3.85, and the SD value was 1.363, indicating there had been little practice in enabling continuous learning. This needs to be taken into account because it directly affects how well employees perform.

4.3.4. Descriptive Analysis on belief cultural feature

This cultural quality of belief was combined with four subcategories in order to better comprehend respondents' perceptions, particularly with regard to their perceptions of the strength of organizational culture and cooperation between various bank divisions.

Table 7 Descriptive Analysis on Belief Cultural feature.

Descriptive Statistics					
4. Beliefs	N	Minimum	Maximum	Mean	SD
4.1 I believe the bank has a solid organizational culture.	59	1	5	4.383	0.903
4.2 Working successfully together, the banks various divisions and departments can accomplish shared objectives.	59	1	5	4.150	1.022
4.3 In Tsedey Bank, where I work, I believe there is a culture of cooperation.	59	1	5	4.016	1.185
Belief	59			4.183	0.772

Source: own Survey, 2023

The belief cultural elements had an average mean value of 4.183 also an SD of 0.772, which suggested that the majority of respondents felt the believe subcultural elements to be relevant. In more precise terms, the cultural features varied from the maximum mean value of 4.383 to its corresponding standard deviation of 0.903, indicating a stronger organizational culture. As a result, the expansion of the bank has been directly influenced by the strong organizational culture of the bank. To the minimum mean value of 4.016 with its specific SD value of 1.185, this in turn reflected having less experience with employee collaboration while carrying out their jobs, the cooperation skills of the workforce must be improved.

4.3.5. Descriptive Analysis on Organizational Performance

This section contains the non-financial performance indicators that Norton and Kaplan (1992) created are used to evaluate organizational success. The four sub-dimensions of organizational non-financial performance customer viewpoint, competitiveness perspective, innovation perspective, and effectiveness perspective each with its own set of questions are taken into consideration when evaluating an organization's non-financial performance, according to this paper. Following employee ratings using a five-scale agreement, the analysis's findings are provided as follows in table 4.6 shown below. (Kaplan & Norton, 1992)

Table 8 The organizational performance at Tsedey Bank

Descriptive Statistics					
Organizational Performance	N	Minimum	Maximum	Mean	SD
My coworkers are equipped with the necessary skills to contribute to the success of the Bank.	59	2	5	4.133	0.724
A significant source of competitive advantage is considered to be the skills of the workforce.	59	3	5	4.266	0.634
The company has a great focus on innovation of varieties and working systems.	59	1	5	3.583	1.305
Changes are frequently made in this business as a result of customer feedback and suggestions.	59	1	5	4.183	1.127
This company is always implementing new and better methods of working.	59	1	5	3.816	1.157
Tsedey bank reacts well to the actions of competitors and other changes in the commercial environment.	59	1	5	3.416	1.369
Tsedey Bank is constantly implementing new and better ways to do tasks	59	1	5	3.733	1.448
Decisions are made at involving all critical stakeholders of the bank	59	1	5	3.716	1.276
In several areas, the company is always improving in comparison to its rivals.	59	1	5	3.666	1.216
Customers are pleased with the Banks' level of customer service.	59	1	5	3.766	1.357
The company has an incremental market share trend	59	1	5	3.716	1.090
We monitor our development in relation to our stated objectives continually..	59	1	5	3.80	1.176
Compared to rival banks, the bank enjoys a positive relationship with its customers.	59	1	5	4.133	1.185
The bank is well-known among its customers and enjoys a good reputation.	59	1	5	3.766	1.094
Customer feedbacks directly influence the company decisions at different level.	59	1	5	3.883	1.341
				3.838	

Source: Own SPSS survey on 2023

The bank retorts well to rivals' activities and additionally alterations to the business environment, which has the lowest mean agreement of 3.416 and the greatest mean agreement of 4.266, respectively, while employee capabilities are seen as a key source of competitive advantages, which has the highest mean agreement of 4.266. This shows that the bank's culture of

communication concerning rivals' actions and changes in the financial environment is lacking. Missed chances and opportunities that could aid in the expansion of the bank may result from this. On the other hand, we can see from the analysis that employee competencies, which are regarded as a significant source of competitive advantages and which have a direct impact on the banks performance because it will motivate employees to work diligently and with a high sense of purpose as they are acknowledged in every performance, will have an impact on growth of the organization's performance. In general, the sampled employees' perceptions of the non-financial performance level of Tsedey Bank were calculated to the equal $M=3.838$, which represents a realistic performance standard. This suggests that, to the extent that $M=3.838$, culture has an impact on ascetical performance.

4.4. Organizational Culture and Non-financial Performance

4.4.1. Pearson Correlation Coefficient Analysis

To ascertain the relationship between the dependent variables, primarily value, tradition, custom, and belief toward the performance of Tsedey Bank and its result stated on the below table, the researcher utilized a Pearson correlation coefficient. Connecting the dependent and independent variables was determined using a Pearson correlation coefficient, whose value ranged from -1 to 1. A value of 1 denoted the presence of a solid and constructive connection, a value of -1 the presence of a a potent and harmful relationship, and a value of zero the absence of any relationship.

Table 9 Correlation Analysis Matrix

		Correlations				
		Organizational Performance	Organizational Values	Organizational Tradition	Organizational Custom	Organizational Belief
Organizational Performance	Pearson Correlation	1	.303*	.617**	.724**	.748**
	Sig. (2-tailed)		.019	.000	.000	.000
	N	60	60	60	60	60
Organizational Values	Pearson Correlation	.303*	1	.310*	.156	.339**
	Sig. (2-tailed)	.019		.016	.233	.008
	N	60	60	60	60	60
Organizational Tradition	Pearson Correlation	.617**	.310*	1	.683**	.518**
	Sig. (2-tailed)	.000	.016		.000	.000
	N	60	60	60	60	60
Organizational Custom	Pearson Correlation	.724**	.156	.683**	1	.615**
	Sig. (2-tailed)	.000	.233	.000		.000
	N	60	60	60	60	60
Organizational Belief	Pearson Correlation	.748**	.339**	.518**	.615**	1
	Sig. (2-tailed)	.000	.008	.000	.000	
	N	60	60	60	60	60

*. Correlation is significant at the 0.05 level (2-tailed).

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

Source: Own SPSS survey on 2023

The values, traditions, customs, and beliefs reported in table 4.8 of the aforementioned correlation study show that here is a substantial constructive association between these cultural characteristics and organizational performance. With $r=0.748$, the believe aspect is the dimension with the strongest correlation to performance, and $r=0.724$, the custom aspect. The facet having the strongest links to performance, as revealed by $r=0.617$, is the tradition aspect. Value dimension and performance have a rational relationship ($r=0.303$). These significant positive associations show that Tsedey Bank's corporate culture is being applied at an appropriate level, which has improved performance. So, the employees' assessment of the organization's culture practice affected the modest level of performance at Tsedey Bank, $M=3.833$.

Compared to the other cultural characteristics, organizational belief generally exhibited a more positive and significant link with organizational performance. Organizational custom exhibited a significant and favorable association with performance and also tradition has an excellent rapport with performance. However, compared to other cultural variables, value had a somewhat weaker

positive association with performance. This indicates that the performance of the bank will improve as such cultures are strengthened or as they become more prevalent.

4.4.2. Multiple Regression Analysis for the Effect of Organizational Culture on performance

The association between organizational culture factors (Value, tradition, custom, and belief) and performance was investigated in this study using multiple regression analysis. (Cancialosi, Conversational Leadership, 2017, 17). The proportion of a dependent variable's value that the independent factors can explain is measured by the coefficient of regression, which is denoted by R^2 . The squared multiple correlation coefficients (R^2), which indicate the amount of variance in the dependent variable (Non-financial Performance of Tsedey Bank), is shown here.

✓ Diagnosis Test

The data sets were checked for the conventions of the traditional linear regression model before running the regression models. Several diagnostic tests were run in this study to make sure the data complied with the fundamental tenets of the traditional linear regression model. The following is a presentation of the test results for each data assumption:

✓ Normality Test

According to Hair et al. (2006), (F.Hair, august ,2011) the standard for statistical approaches, normality is the "shape of the data distribution or a particular metric variable and its correspondence to the normal distribution." The diagnosis of normality can be made visually or graphically using tools like the histogram and normal probability plot, which associate the pragmatic detail values with a distribution that closely resembles the standard circulation. The distribution is regarded as normal if it generally follows the diagonal line in the observed data (Hair et al., 2006).

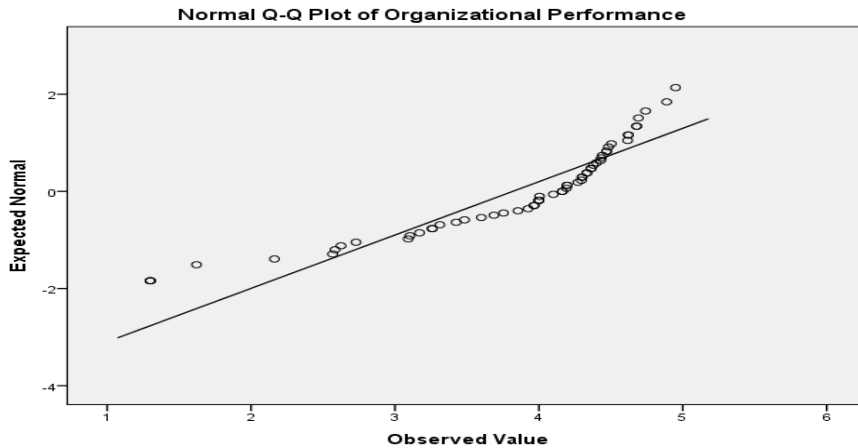


Figure 3 P-P plot for the model

Points scarcely hit the line at all in the study data, suggesting that assumption might not be true. However, the results are likely still valid because only major departures from normality at the extremes are likely to have an effect on the findings.

✓ **MultiCollinearity Test**

The second premise examines if there are strong connections between the dimensions of the four independent variables. Examining the correlation coefficients and the variance inflation factor (VIF) is the most used method for assessing multicollinearity. According to Fritz and Morris (2012), tolerance scores should be over 0.2 and a small correlation should be less than 10. (Morris, 2012) This assumption has been proven true by collinearity statistics analysis, since all VIF results remained less than 10 and all tolerance ratings were more than 0.2. Table 4.10: Autocorrelation test using the VIF

Table 10 VIF: test of autocorrelation

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1.029	.767		-1.342	.185		
	Organizational Values	.130	.187	.058	.697	.489	.828	1.208
	Organizational Tradition	.160	.138	.126	1.161	.250	.487	2.054
	Organizational Custom	.360	.117	.357	3.067	.003	.424	2.360
	Organizational Belief	.523	.120	.443	4.370	.000	.557	1.797

a. Dependent Variable: Organizational Performance

✓ **Multiple Linear regression analysis**

Multiple regression analysis was used in this research to determine the predictive value of the constructs taken into consideration. The findings of the multiple regressions conducted employing the four constructs of organizational values organizational Tradition, Customs, and Belief are summarized in the table below.

✓ **Model Summary**

Table 11 Model Summary of Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.828 ^a	.685	.662	.52937

a. Predictors: (Constant), Organizational Belief, Organizational Values , Organizational Tradition, Organizational Custom

Source: Own SPSS survey on 2023

Results from several regressions are shown in table 4.9. The corrected R Square coefficient of determination, or 0.662, is calculated to be 66.2% in the example above. Thus, it can be concluded that the independent variables Value, Tradition, Custom, and Belief can accurately predict 66.2% of the difference in performance. That is, the Tsedey Bank's non-financial performance is influenced by its organizational culture to the tune of 66.2%. As a result, paying the factors of organizational culture mentioned above a lot of attention will improve the performance of the organization. The dominant variables need to be focused on because the remainder % is in a lesser stage by half. Other variables can account for the remaining 33.8% of the difference in performance.

✓ **ANOVA Table**

Table 12 ANOVA

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.516	4	8.379	29.901	.000 ^b
	Residual	15.413	55	.280		
	Total	48.929	59			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Organizational Belief, Organizational Values , Organizational Tradition, Organizational Custom

Source: Own SPSS survey on 2023

The aforementioned ANOVA table demonstrates that There had been a significant connection between using non-financial performance measures and accepting at least one of Tsedey Bank's organizational cultures (value, tradition, custom, and belief), with the p-value for F-Statistics (0.000) being less significant than the threshold 0.05.

✓ **Regression Coefficient Analysis**

Table 13 Regression Coefficient Analysis Table

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-1.029	.767		-1.342	.185		
	Organizational Values	.130	.187	.058	.697	.489	.828	1.208
	Organizational Tradition	.160	.138	.126	1.161	.250	.487	2.054
	Organizational Custom	.360	.117	.357	3.067	.003	.424	2.360
	Organizational Belief	.523	.120	.443	4.370	.000	.557	1.797

a. Dependent Variable: Organizational Performance

Depending up on the above table, belief cultural feature has a constructive effect on organizational performance, but it is not statistically substantial ($\beta = 0.523$, $t = 4.370$, $p > .05$), custom cultural attribute has a encouraging impact on organizational performance but not statistically significant ($\beta = 0.360$, $t = 3.067$, $p > .05$), tradition cultural feature has a helpful contribution on organizational performance but not statistically significant ($\beta = 0.160$, $t = 1.161$, $p > .05$), and value cultural attribute has a progressive impact on organizational performance but not statistically significant ($\beta = 0.130$, $t = 0.697$, $p > .05$).

Source: Own SPSS survey on 2023

Value: Under Tsedey Bank, there is a strong correlation between cultural values and organizational success.

Tradition: Under Tsedey Bank, organizational performance is positively correlated with traditional cultural attributes.

Custom: The organizational performance of Tsedey Bank is positively correlated with custom cultural characteristics.

Belief: Under Tsedey Bank, organizational success is positively correlated with cultural attributes of belief.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0. Introduction

In this chapter, the study's findings and results are discussed, and conclusions are drawn with the appropriate researcher advice based on the major findings and results. As a result, the researcher summarized the findings and provided recommendations based on the data gathered and processed. Potential interventions are suggested in order to fully comprehend the crucial cultural components that have a substantial impact on non-financial performances.

5.1. Summary of Major Findings

The summary of the study's major conclusions is provided by the researcher in this part and is as follows.

- The research discovered a full-scale response rate from its intended audience with a zero level of non-responsiveness rate, which aided in a reliable examination of the data. A total of 59 valid responses, or 100% of the total, were used for the analysis.
- In the study, it was discovered that male employees made up 58.3% of the respondents, while female employees made up the remaining 41.7%.
- According to the demographic information provided by the respondents, 3 (5%) of the respondents) are within the ages of 41 and 50, 15 (25%) are between the ages of 31 and 40, and the remaining 42 (70%) are between the ages of 25 and 30. The researcher deduced from this that the majority of the workforce is in its young and productive stages.
- The survey discovered that the respondents from each study-related career group are confused. 46 (76.7%) of the workforce are customer service officers. Twenty branch managers (or deputy branch managers) make up the remaining 3.3% of the workforce. The researcher found that the proportion of women in senior leadership positions is at its lowest level as a result.
- Those responders who work as branch managers or deputy managers at the bank's chosen branches have an MSC or MA. It was clear from this that respondents are attempting to raise their level of education.

- The value cultural characteristic's mean score was 4.325, indicating that most of the responses were in agreement with the significance of this cultural trait within their organization. The majority of respondents (with a mean value of 4.416) strongly agreed that their bank has a set of values that are distinct and unified, whereas the respondents (with a mean value of 4.216) were less in agreement with the employees' understanding of the company's values.
- The organizational tradition cultural feature had a mean score of 3.958, which showed that most people who responded concurred on the importance of this cultural trait within their firm. Generally speaking, most respondents strongly agreed that the bank encourages collaboration, partnering, and teamwork (with a mean value of 4.483), while fewer respondents strongly agreed that the bank rewards creativity, encourages risk-taking, and fosters an environment conducive to creative learning (with a mean value of 3.650).
- The custom cultural feature had a mean value of 4.066, which showed that the majority of respondents agreed through the cultural trait's importance in their organization. With a mean value of 4.40, the majority of respondents relatively strongly agreed that teamwork is used to complete tasks rather than maintaining a hierarchy, and the respondents had less agreement with the statement that the bank actively seeks out best practices and promotes continuous learning (mean value of 3.85).
- The belief cultural feature had a mean value of 183, which showed that the majority of respondents agreed with the cultural trait's importance in their organization. With a mean value of 4.383, the majority of plaintiffs relatively strongly agreed they believe the bank has a solid organizational culture and the respondents had less agreement with the statement that the bank has a culture of cooperation (mean value of 4.016). Statements about the agreement sub-dimension's core values agreement, coordination, and integration are found in relation to consistency culture. It is determined that it has been practiced moderately to the level $M=3.26$ after the agreement is rated to the level $M=3.26$ and the sub-dimension is appraised using employees' levels of agreement. The non-financial performance was assessed with fifteen performance indicator statements. The range of average agreement to these claims is from the lowest (3.416) to the highest (4.266).

According to the computations for all of these assertions, Tsedey Bank's non-financial performance level is $M=3.838$, which is a modest degree of performance.

- The correlation analysis matrix reveals that each of four aspects of organizational culture. It has been discovered that values, tradition, custom, and belief positively correlate with non-financial performance. With a correlation coefficient of 0.748, the belief dimension is most highly correlated with performance, followed by the custom dimension, the tradition dimension, the value dimension, and the custom dimension.
- According to the outcomes of the multiple regression analysis, the adjusted R Square, which represents the coefficient of determination, has been determined to have a value of 0.662 (66.2%). It follows that Value, tradition, custom, and belief, as independent factors, can account for 66.2% of the variation in performance. Other factors that remained not taken into account in the context of this study can account for the remaining 33.8% of the difference in performance..
- The unstandardized beta coefficient, which informs us of the particular influence made by all item to the model, was shown by the ANOVA analysis. A substantial statistical contribution to the model has been made by the predictor variable if it has a high beta value and a low p value (0.05). Since the F-Statistics p-value (0.000) is less than the significance level 0, it is essential.
- Based up on the regression analysis conducted on coefficients, all Value, tradition, custom and belief trait has a positive influence on organizational performance, with a beta & t-values of ($\beta = 0.523$, $t = 4.370$, $p > .05$), ($\beta = 0.360$, $t = 3.067$, $p > .05$), ($\beta = 0.160$, $t = 1.161$, $p > .05$) and ($\beta = 0.130$, $t = 0.697$, $p > .05$) respectively.

5.2. Conclusion

The conclusion for each cultural element and how it affects an organization's performance is provided in the next section, which is based on the findings discussed above. The research findings suggest that organizational culture has a beneficial influence on organizational performance. According to the above-referenced data, clearly, the vast majority of responses believed that all four organizational cultural features, particularly value, tradition, custom, and belief, were relevant in the context of their bank and had a weighted average mean value of 4.133. The Bank has concentrated on client coverage by dispersing its branches across the nation, adjusting its operation hours, and focusing on technology, efficiency, and customer service, all of which helped the organization make its transformation.

According to the results of the correlation analysis matrix, all four organizational cultural attributes, particularly Value, Tradition, Custom, and Belief, are positively correlated with organizational success inside their bank. These are the outcomes of the multiple regression analysis showing that the independent variables value, tradition, custom, and belief can account for 66.2% of the variation in organizational performance. The outstanding 33.8% of the variation in performance is explicable by additional factors that were outside the purview of this study. This may have occurred as a result of a suitable distribution and collection of the data from all the samples stated above. The Value, Tradition, Custom, and Belief cultural traits all have a favorable impact on organizational performance conferring to the regression analysis, although none of them are statistically significant.

The organizational value, cultural trait has the strongest link in fostering organizational performance. This indicate that Tsedey Bank does its business with the guidance of a constant set of ideal, the employee behavior is governed by an ethical code that outlines what is proper and wrong, the employees have clarity on the company value statement, the mission of the organization represent the views and values of top managers in the organization.

The study also comes to the conclusion that organizational tradition cultural attribute has the weakest link in development of organizational performance. This demonstrates that the business does not encourage cooperation, partnership, and teamwork, or to promote creativity or foster a learning atmosphere. The business should encourage a defined set of behaviors in teamwork and collaboration while recognizing creativity. This will help to develop highly committed employees.

5.3. Recommendation

In accordance with the study's overall findings, Tsedey Bank's organizational culture is deemed to be admirable based on employee reports and evaluations of the four culture aspects (values, tradition, custom, and belief).

The four categories of organizational culture serve as examples of how an organization's culture and performance are related can be seen. However, the research has produced the following advice in order to maintain this zeal and strengthen the corporate culture in the future.

- From all the organizational culture under review value, has much more effect on performance of Tsedey bank. As a result, the bank should prioritize maintaining its value, and also must safeguards the consistency and clarity of those adapted set of values governing the bank. The bank should also make sure that the value is well communicated to the employees of the bank.
- The study's results indicated that belief and its sub dimension had the second-highest weighty impact on Tsedey bank performance. As a result, for improved performance, the bank must uphold and enhance the current belief culture by encouraging employee cooperation while carrying out their jobs and teamwork for the growth of a solid organizational culture and performance within the bank.
- The third major factor affecting the performance of Tsedey bank, according to the review's findings, is custom with its sub dimension. Because of this, the bank should use client feedback as a catalyst for change, pay attention to adopting better work habits, work as a team to complete tasks and support best practices and settings for continuous learning.
- Finally, according to the research's findings, organizational tradition and its subdivision have a fourth significant impact on Tsedey Bank's performance. This demonstrates that the bank's organizational tradition culture is not particularly strong. The bank should therefore carry out more research on how tradition affects performance.
- In light of this, the cumulative impact of the four organizational cultures demonstrates that the influence of culture is profound on the performance of the bank. While still other performance-related aspects have an impact on a performance to the tune of 33.8%. In order to maintain its performance and guarantee its ecological growth, the organization should therefore continue to research those other contributing variables.

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Annex

Addis Ababa University
School of Commerce
Department of Business Leadership
Questionnaire to be filled by employees of Tsedey Bank

Dear Sir/Madam

I am MBL post graduate 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 Tsedey Bank”. The study is conducted for academic purpose that is for partial fulfillment of the requirements of the Master of Business Leadership. Hence, your responses will be kept private. To maintain secrecy, I appeal that you don’t have to write your names on the questionnaire. The accuracy and validity of findings highly depend on your honest and thoughtful responses. Therefore, I kindly request you to fill the questionnaire prudently and return at your earliest convenience.

Thank you in advance for your kind support,

Yours faithfully,

Yeabsira Biruk

Mobile Number: 0910-749261

Email:- Yeabsira1986@gmail.com

Addis Ababa

Part I: General profile (Please put (√) mark in the box that best defines you)

1. Your age

- 25 to 30 31 to 40 41 to 50 Above 50

2. Your gender

- Male Female

3. Your educational Qualification

- BA/BSC MA/MSc PHD Others

4. Your work experience in ACSI and Tsedey bank

- Below 2 years Between 2 to 6 years Between 7 to 11 years Above 11 years

5. Your role of Profession:

- Customer service officer Branch Manager/Deputy Managerial staff at HO
 Professional/support staff Others

Part II: Organizational Culture of Tsedey Bank

Please indicate the grade of your agreement/disagreement with the following statements associated with the four traits of organizational culture: Values, Organizational traditions, Custom, Belief in Tsedey bank with their respective indexes each. Please put (√) on the alternative choice that best describes your view using the five Point Likert Scale shown under.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral or Undecided	Agree	Strongly Agree

A. Questions by organizational culture Dimension

1. Values	1	2	3	4	5
1.1 The manner Tsedey Bank does business is guided by a constant set of ideals.					
1.2 There is an ethical code that guides employees' behavior and tells differentiating right from wrong.					
1.3 Employees has clarity on the company value statement					
1.4 The mission of our organization reflects the values and beliefs of top managers in our organization					
2. Organizational traditions	1	2	3	4	5
2.1 The company promotes collaboration, partnering and teamwork.					
2.2 Company rewards creativity, encourage risk taking and creating a learning environment.					
2.3 We view failure as an opportunity for learning and Improvement.					
2.4 When disagreements occur, we work hard to achieve solutions that benefit both parties in the disagreement					
3. Custom	1	2	3	4	5
3.1 Teamwork is employed to complete tasks rather than maintaining the Hierarchy.					
3.2 Better methods of doing work are constantly implemented.					
3.3 Company aggressively looking for best practices & facilitate continuous learning's.					
4. Belief	1	2	3	4	5
4.1 I believe the bank has a solid organizational culture.					

4.2 Working successfully together, the banks various divisions and departments can accomplish shared objectives.					
4.3 In Tsedey Bank, where I work, I believe there is a culture of cooperation.					

B. Questions by Non-financial performance Dimension

1.Innovativeness	1	2	3	4	5
My coworkers are equipped with the necessary skills to contribute to the success of the Bank.					
A significant source of competitive advantage is considered to be the skills of the workforce.					
The company has a great focus on innovation of varieties and working systems.					
Changes are frequently made in this business as a result of customer feedback and suggestions.					
This company is always implementing new and better methods of working.					
2.Competitiveness	1	2	3	4	5
Tsedey bank reacts well to the actions of competitors and other changes in the commercial environment.					
Tsedey Bank is constantly implementing new and better ways to do tasks					
Decisions are made at involving all critical stakeholders of the bank					
In several areas, the company is always improving in comparison to its rivals.					
3. Effectiveness	1	2	3	4	5
Customers are pleased with the Banks' level of customer service.					

The company has an incremental market share trend					
We monitor our development in relation to our stated objectives continually..					
4. Customer Perspective	1	2	3	4	5
Compared to rival banks, the bank enjoys a positive relationship with its customers.					
The bank is well-known among its customers and enjoys a good reputation.					
Customer feedbacks directly influence the company decisions at different level.					

Thankyou!!