



# **The Effect of Organizational Culture on Employee Commitment;**

## **The Case of Ethiopian Airlines Company**

**A Thesis Submitted to the School of Graduate Studies  
of Addis Ababa University in Partial Fulfillment for the  
Award of Master of Arts in Human Resource  
Management**

**By: Mersen Bizuneh**

May, 2016

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**By- Mersen Bizuneh**

**Approved by Board of Examiner**

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# DECLARATION

I, Mersen Bizuneh, declare that the thesis entitled “**The Effect of Organizational Culture on Employee Commitment; The Case Of Ethiopian Airlines Company**” is my original work. I have carried out the present study independently with the guidance and support of the research advisor, **Dr. Abdurezak Mohammed**. Any other contributors or sources used for the study have been duly acknowledged. Moreover, this study has not been submitted for the award of any Degree or Diploma Program in this or any other Institution.

**Mersen Bizuneh**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Conformation by advisor** \_\_\_\_\_  
**Abdurezak Mohammed (PHD) Signature**

\_\_\_\_\_  
**Date**

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Mersen Bizuneh



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**ANOVA:** Analysis of Variance

# ABSTRACT

*The objective of this study was to investigate the effect of four organizational culture traits namely, involvement, consistency, adaptability and mission on employee commitment in Ethiopian Airlines Company. Based on the work of Denison on organization culture traits and Mowday on employee commitment, a structured questionnaire was developed and self-administered to employees in Ethiopian Airlines Company. A total of 284 employees participated in the study and the data's were analyzed using descriptive and inferential statistics. The results show that the four traits measuring organizational culture were all positively related with employee's commitment within the range of  $r=0.530$  to  $r=0.641$ . Moreover, adaptability is the most contributing organizational culture traits in the prediction of employee commitment with beta value .386. The other three organizational culture traits, in their descending order of standardized coefficients are mission, involvement and consistency. Furthermore, statistically significant of the three organizational culture traits: adaptability, mission, and involvement, indicate that there is significant relationship with employees' commitment. However, consistency doesn't have significant effect on employee commitment as it is explained by significance level  $p>0.05$ . The implications of the findings were discussed and recommendations made.*

**Keywords:** *Organizational culture, involvement, consistency, adaptability, mission, and employee commitment*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

“Culture is invisible power of any organization. When thinking and actions of employees are institutionalized, an organizational culture is deemed to have taken birth” (Kondalrk, 2007:335)

The concept of culture has been defined in a number of ways. According to Dolan and Lingham (2012), culture is set of values and commonly held beliefs that determine which behaviors are acceptable and expected for a given group. And thus countries, religious and ethnic groups, and organizations all have cultures. Similarly Schein, (2004) defined culture as abstraction, yet the forces that are created in social and organizational situations that derive from culture are powerful. Further, Dolan & Lingham (2012) support Schein definition by explaining culture as one of those terms that are difficult to express distinctly, but everyone knows it when they sense it.

Organizational culture is a system of shared meaning held by members that distinguishes the organization from other organizations (Robbins & Judge, 2013). Thus, it is distinct personality of an organization (Dolan & Lingham, 2012). Organizational culture can also be defined as shared values, norms, attitudes and assumptions, which influence the way people act and the way things get done. Furthermore, it ensures that everyone thinks and behaves in a prescribed manner (Armstrong, 2007; Kondalrk, 2007)

Various studies and literatures defined organizational culture traits in different dimension. Robbins and Judge (2013) listed the seven primary characteristics of organizational culture. These are; innovation and risk taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness and stability. Moreover, Dolan and Lingham (2012) explain Charles Handy organizational culture concepts that classify organizational cultures as power, role, task and person culture. The first trait:

power culture concentrates on power among a few with few rules and little bureaucracy. Role culture, second organizational trait, is demonstrated when employees have clearly delegated authorities within a highly defined or bureaucracies structure. The third trait is task culture in which teams are formed to solve particular problems and there will be multiple reporting lines of a matrix. The last culture: person culture exists where all individuals believe themselves superior to the organization.

Similarly, Coffey, Trew and Trigunarsyah (2012) explained the four organizational cultures (Involvement, consistency, adaptability and mission) depicted on Denison organizational culture model. The researcher further explains these traits as follows: involvement, the first organizational trait, ensures the participation of employees in decision making. And consistency trait emphasizes on maintenance of the status quo by being well coordinated and well integrated. The third trait, adaptability, depicts the ability of the organization in translating the demands of the business environment into action. The last trait is mission whereby organizations devise meaningful long-term strategic direction and vision of the company.

Hakim (2015) defines organizational commitment as the desire and the willingness of employees to remain in the organization and devote themselves to the success of the organization. Similarly, Jaros (2007) has explained the organizational commitment model of Allen and Meyer. This model encompasses three types of commitments: normative commitment is the first organizational commitment type which can be defined as perceived obligation towards the organization. Affective and continuance are the second and third organizational commitments types that can be explained as emotional ties the employee develops with the organization and perceived costs (economic cost or social cost) of leaving the organization respectively.

Moreover, Nongo and Ikyanyon (2012) summarized the three defined characteristics of organizational commitment which was devised by Mowday. The first character is strong belief in and acceptance of the organization's goals and values. Willingness to exert considerable effort on behalf of the organization is the second traits of organizational

commitment and the last character is a strong desire to maintain membership in the organization.

Kondalrk (2007), Robbins and Judge (2013) have explained that agreement of employee on organizational culture builds organizational commitment. Besides, these authors noted that the more members accept the core values, the greater their commitment and the greater its influence on their behavior. Similarly, various researchers found out positive and significant relationship between overall organizational culture and organizational commitment. (Asghar, Mojtaba & Sadeghi (2015); Hakim (2015); Ghader & Afkhami (2014); Habib, Aslam, Hussain, Yasmeen & Ibrahim (2014); Messner (2013); Azadi, Bagheri , Eslami & Aroufzad (2013), Sabir, Razzaq & Yameen (2012)

Keep in view of understanding the concept of culture and organizational commitment, and the positive relationship between organizational culture and organizational commitment asserted by different researchers, this study is conducted with the objective of identifying which organizational culture traits has significantly correlate with organizational commitment in Ethiopian Airlines.

### **Background of the company**

December 2015 report (Fact Sheet) of the company stated that, Ethiopian Airlines Company was established on December 21, 1945 and its starting date of operation was on April 08, 1946. Addis Ababa, Lome and Malawi are three hubs that the company operates to serve 91 International and 20 Domestic destinations. As of December 2015 the company has 9,305 permanent employees and its vision, mission and value statement are described below;

### **Vision 2025**

Ethiopian Airlines Company will be the most competitive and leading aviation group in Africa by providing safe, market driven and customer focused services by 2025

### **Mission Statement**

- To become the leading Aviation Group in Africa by providing safe and reliable services.
- To ensure being an airline of choice to its customers, employer of choice to its employees and an investment of choice to its owner.
- To contribute positively to the socio-economic development of Ethiopia.

### **Core Value Statement**

- Ethiopian Airlines Company is a high performance and learning organization.
- As an airline, safety is first priority.
- Ethiopian Airlines Company is an equal opportunity employer.

## **1.2 Problem Statement**

As depicted on the background of the study different authors and researchers asserted that there is positive and significant relationship between overall organizational culture and organizational commitment. Furthermore, a study by Nongo and Ikyanyon (2012) proved that corporate culture is important in improving the level of employee commitment to the organization but not all corporate cultural measures have effect on employee commitment. Accordingly, these researchers conclude that, consistency & Mission; two of the corporate culture traits on Denison Model, are not significantly correlated with organizational commitment. To the contrary, Asghar, Mojtabaand Sadeghi (2015); Ghader and Afkhami (2014); Azadi, Bagheri , Eslami and Aroufzad (2013) research finding depict that there is significant relationship. So there is further need to research which organizational culture trait has effect on organizational commitment.

Hence, examining effect each organizational culture traits enables organizations to identify a cultural trait which has greater effect on employee commitment. Coming to the specific case company, Ethiopian Airlines has organizational culture which distinguishes it from other companies. This organization's culture encompasses shared values, norms and attitudes which guide the way employees behave. Accordingly, studying the organizational culture and its effect on employee commitment might helps organizations

to enrich its organizational culture practice and adjust its focus on most important organizational culture type that can bring employee commitment.

Therefore, this study is conducted to identify effect of each selected organizational culture (Involvement, consistency, adaptability and mission) on employee commitment. Thus, this study addressed the following research questions;

- ❖ What is the effect of organizational culture traits; involvement, consistency, adaptability, and mission on employee commitment in Ethiopian Airlines Company?
- ❖ Which type of selected organizational culture has significant effect on employee commitment?

### 1.3 Research Objective

The general objective of the study is to identify the effect of organizational culture of the company on employee commitment. Under this broader objective, the study has the following specific objectives:

- ❖ To describe the current organizational culture of the company
- ❖ To find out the effect of **Involvement** on employee commitment
- ❖ To identify the effect of **Consistency** on employee commitment
- ❖ To find out the effect of **Mission** on employee commitment
- ❖ To identify the effect of **Adaptability** on employee commitment

### 1.4 Research Hypothesis

Based on the literature review and the hypothesized connections presented in the conceptual framework the following hypotheses were tested:

- ❖ Ho: There is no significant relationship between employees' **involvement** in decision making and employees' commitment

H1: There is significant relationship between employees' **involvement** in decision making and employees' commitment

- ❖ Ho: There is no significant relationship between **consistency** and employees' commitment

H1: There is significant relationship between **consistency** and employees' commitment

- ❖ Ho: There is no significant relationship between organization **adaptability** and employees' commitment

H1: There is significant relationship between organization **adaptability** and employees' commitment

- ❖ Ho: There is no significant relationship between employees' identification with organizational **mission** and employees' commitment

H1: There is significant relationship between employees' identification with organizational **mission** and employees' commitment

## 1.5 Significance of the Study

Ethiopian Airlines is currently implementing a 15-year strategic plan called Vision 2025 that will see it become the leading airline group in Africa with seven strategic business units (Ethiopian Airlines, 2015). Organizational culture is one of the critical factors that enhance the attainment of organizational goals and objectives (Nongo & Ikyanyon, 2012). Thus, it seems highly essential that ensuring to have highly committed employees might help Ethiopian Airlines to meet the strategic objectives and goals outlined in Vision 2025. Furthermore, this study will have the following significance:

- ❖ The study could benefit the case organization by determining which type of organizational culture has highest effect on employee's commitment. This could also lead to improvements in workplaces to help employees become more committed to their jobs.



- ❖ Effect of organizational culture on Ethiopian Airlines employee's commitment is not evidently known. Therefore, this study can help Ethiopian Airlines to enrich its organizational culture practice and adjust its focus on most important organizational culture type that can bring employee commitment.
- ❖ The company might use the study finding as an input to amend its policy and procedure on organizational culture and other related human capital management strategies.
- ❖ The study might contribute to the existing literature through identifying the significance relationship between the selected organizational culture and employee commitment. Moreover, empirically identifying the contribution of organizational culture traits to employee commitment in Ethiopian context is an important addition for the literature as well.
- ❖ Lastly, similar stake holders might use it as an input for further study and to investigate more in the area: in a broader and wider scope.

## **1.6 Scope of the Study**

The research has geographic, time and conceptual delimitation. On the geographic delimitation, the case company operates in Addis Ababa, domestic and outstations. The research is conducted on Addis Ababa (Head quarter) only because of the following reasons:

- First of all, executives at Addis Ababa formulate and ensure the implementation of procedures of the airline including procedure on organizational culture. On the other hand, domestic and outstation are operational area, whose nature of work makes difficult to directly implement each organizational culture and also their involvement in formulating procedure is very minimal.
- Second, the majority of the workforce (92%) is found at Addis Ababa (Ethiopian Airlines, 2015) and the researcher believes that a representative sample could be drawn from this target population.

- Thirdly, the financial capacity and time constraint on the researcher inhibit the luxury to cover the geographical distance to domestic and outstations areas.

Furthermore, Ethiopian Airlines has been providing air transport service for the past 70 years. To the contrary, this study addressed the effect of the current organizational culture practice of Ethiopian Airlines Company on employee commitment.

Apart from the geographical and time delimitation, the research has the following points in the conceptual scope:

- The study encompasses four selected organizational culture traits which are; involvement, consistency, adaptability and mission. These organizational cultures, which are adapted from Denison model of organizational culture, are selected for the following reason. First, these traits are expressed in terms of a set of managerial practices and are implemented in the case company. Moreover, the selected traits are designed and created within the business environment and also uses business language. Thus, showing the effect of each organizational trait to employee commitment in Ethiopia context is another area addressed by the study.
- As the issue under investigation, effect on Involvement, consistency, adaptability, and mission on employee commitment is administrative and strategic matter, the research participants are professional employees who have administrative or strategic exposure in the business and possess a minimum of Diploma in their educational qualification. Moreover, their work experience is greater than one year so as to ensure that they have experienced Ethiopian Airlines organization culture.
- Lastly, the study addressed the effect organizational culture, only one factor, on employee commitment. Thus, it didn't emphasize on the effect of other variables on employee commitment such as job - related characteristics, personal characteristics, work experiences etc.

## **1.7 Operational Definition**

**Professional Employee:** refer to employees who have administrative or strategic exposure in the business and possess a minimum of Diploma in their educational qualification. (Developed by the researcher for this study)

**Semi/Non-Professional employee:** refers to those employees engaged in low level tasks with limited/no exposure to strategic and administrative decisions in the business, also their educational level is certificate or lower. (Developed by the researcher for this study)

## **1.8 Organization of the Research Report**

The first chapter is an introductory part of the paper. It includes the background of the study, statement of problem, research questions and objective, significance and scope of the study. The components of this chapter explain the purpose of the study and what the study is all about. Literature review and research methodology address the review of related literature and the research design of the study, sampling techniques and data collection instruments. The fourth chapter describes the interpretation and discussion of the findings. Finally, in the last chapter, conclusion and recommendation are included.

## **CHAPTER 2**

### **REVIEW OF RELATED LITERATURE**

This chapter provides an insight to readers about the theoretical view of the topics under study. In line with the objectives of the study, the chapter covers topics related to the theories and concepts of organizational commitment and organizational culture. In addition, the present chapter includes research findings on effect of organizational culture on employee commitment. Furthermore, the conceptual framework of the study is presented at the end of this chapter.

#### **2.1 The Concept of Organizational Commitment**

Organizational commitment has been the subject of several critical reviews in 1980s and 1990s. Which marked increased in the interest by social scientists in the concept of organizational commitment. Furthermore, their interest has been expressed in both theoretical efforts to explain the construct and empirical efforts to determine the antecedents of commitment. (Meyer & Allen (1991), Mowday (1979)

In addition, Organizational commitment has been studied from various theoretical perspectives. According to Amernic and Aranya (1983) two major theoretical approaches have been employed in the literature on organizational commitment: the exchange approach and the investment approach. These researchers have summarized previous researchers' explanation regarding these two approaches as follows;

Firstly, the exchange theory refers that individual's organizational commitment depends on his or her perceived balance of reward utilities over input utilities. This approach emphasizes the exchange relation between individuals and organizations. Thus, the more favorable exchange from the participant's viewpoint, the greater his or her commitment to the organization.

Secondly, the investment approach focuses on the time element; the longer a person has been with an organization, the more that person wants to stay. This encompasses tenure

and pension benefits or social involvements, which is the interaction and identification with other members of the organization.

Furthermore, three variables can be taken as to measure individual perceptions of the amount of their investment in the organization: age, length of service, perceived balance of reward utilities over input utilities, and the likelihood of finding a suitable position in some other organization. In addition, Meyer & Allen (1991) describe the second approach as side-bet theory of organizational commitment where by commitment increases when perceived economic and social cost of leaving increases that includes increase with the accumulation of side bet or investments in the organization.

All the above discussed theories define organizational commitment in terms of attitude (attitudinal commitment), that exists when the identity of the person is linked to organization. These include perceived balance of reward utilities over input utilities, investment in the organization tenure, pension benefits or social involvements etc. Hence, membership will be maintained when goals of employee's and organization become increasingly integrated (Mowday, (1979) and same perspective of commitment, attitudinal commitment, is considered in this study.

The following paragraphs shows definition of organizational commitment given by several researchers. Hakim (2015) defines organizational commitment as the desire and the willingness of employees to remain in the organization and devote themselves to the success of an organization.

Similarly, Nongo and Ikyanyon (2012) summarized the three defined characteristics of Organizational commitment which was devised by Mowday. These are a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization and a strong desire to maintain membership in the organization. Moreover, Mowday, Steers, and Porter (1979) stress that commitment represents something beyond mere passive loyalty to an organization. It involves an active relationship with the organization such that individuals are willing to give something of themselves in order to contribute to the organization well being.

According to O'Reilly (1989) organizational commitment is typically individual's psychological bond to the organization, including a sense of job involvement, loyalty, and a belief in the values of the organization. In addition, O'Reilly explained the three processes or stages of commitment: compliance, identification, and internalization. In the first stage, compliance, a person accepts the influence of others mainly to obtain something from others, such as pay. The second stage is identification in which the individual accepts influence in order to maintain a satisfying, self-defining relationship. People feel pride in belonging to the firm. The final stage of commitment is internalization in which the individual finds the values of the organization to be intrinsically rewarding and congruent with personal values.

In addition, Jaros (2007) has explained the organizational commitment model of Allen and Meyer. This model encompasses three types of commitments; a normative commitment is perceived obligation towards the organization and affective commitment deals about emotional ties that the employee develops with the organization. Lastly, continuance commitment is perceived costs: economic and social costs of leaving the organization.

Meyer and Allen (1991) further explain commitment as a psychological state that has at least three separable components Affective commitment, continuance commitment and normative commitment to maintain employment in an organization. The first component Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organization. Continuance commitment is the second component refers to an awareness of the costs associated with leaving the organization. Finally, normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organization.

Antecedents of each types of commitment could be summarized as follows; affective commitment its antecedents fall generally into four categories: personal characteristics, structural characteristics, job-related characteristics, and work experiences. Continuance commitment anything that increases perceived costs can be considered an antecedent.

The most frequently studied antecedents have been side bets, or investments and the availability of alternatives. Normative commitment may result from the internalization of normative pressures exerted on an individual prior to or following entry into the organization. Normative commitment may also develop, however, when an organization provides the employee with "rewards in advance" such as paying college tuition or incurs significant costs in providing employment that includes, costs associated with job training). (Meyer & Allen, 1991)

Generally, the above definitions given by different researcher tend to contain certain common arguments on defining organization commitment. Accordingly, commitment is the desire, willingness or perceived obligation of employees to remain in the organization and also emotional ties the employee can be resulted from perceived costs (economic and social) of leaving the organization.

## **2.2 The Concept of Organizational Culture**

Linnenluecke and Griffiths (2010) have reviewed different work of scholars and noted that the concept of organizational culture first emerged in the 1970s and 1980s and then on 1995 it became one of the most influential but also most controversial concepts in management research and practice. Furthermore, as per Linnenluecke and Griffiths (2010) explanation, culture theorists have suggested a variety of definitions, ranging from notions of accepted behavioral rules / norms to shared values, ideologies, beliefs and shared patterns of meaning.

Smircich (1983) has summarized organizational culture theories devised by different scholars. Comparative management scholars, Cognitive organization theorists, Symbolic organization theorists and Organization theorists are some of the scholars who have tried to link culture with organization and develop organizational culture theories.

- Cognitive organization theorists consider organizations as systems of thought. Their interest is in charting the understandings or rules by which organization members achieve coordinated action in order to diagnose and intervene in organized settings.

- Comparative management scholars seek to chart patterns of beliefs and attitudes, as well as managerial practices across countries. Those who research dimensions of corporate culture seek to delineate the ways these dimensions are interrelated and how they influence critical organizational processes and outcomes.
- Symbolic organization theorists are concerned with interpreting the patterns of symbolic action that create and maintain a sense of organization. They recognize that symbolic modes, such as language, facilitate shared realities, yet these realities are open to reinterpretation and renegotiation.
- Organization theorists influenced by structural anthropology or psychodynamics seek to understand the ways in which organization forms and practices manifest unconscious processes. Their aim is to penetrate the surface level of appearance to uncover the workings of unconscious mind.

As depicted above, the four groups of scholars provide their own explanation towards the link between culture and organizational. These groups consider culture as shared beliefs, attitude, and rules among members of the organization. Furthermore, each group considers different organizational theory such as cognitive organization theory, classical management theory, symbolic organization theory, transformational organization theory. Unlike the three groups, Comparative management scholars consider management practice to interpret the link between the two concepts; this perspective also has some commonality with the model adapted for this study.

To better understand organizational culture, it is important to examine meaning of culture and organization culture provided by different authors. Culture is an abstraction, yet the forces that are created in social and organizational situations that derive from culture are powerful. In other words, culture is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it. (Schein, 2004; Dolan & Lingham, 2012)

According to Dolan and Lingham (2012), culture is set of values and commonly held beliefs that determine which behaviors are acceptable and expected for a given group. Countries, religious and ethnic groups, and organizations all have cultures. Robbins and



Judge (2013) support Dolan and Lingham definition by explaining culture as a system of shared meaning held by members that distinguishes the organization from other organizations.

Similarly, Schein (2004:17) defined culture as a “pattern of shared basic assumptions that was learned by a group as it solved its problems that has worked well enough to be considered valid and taught to new members as the correct way to perceive, think, and feel in relation to those problems”

Particularly, organizational culture can be looked as a system (Input, process and output). Thus, inputs include feedback from society, professions, laws, stories, heroes, values on competition or service. And process is based on organization’s assumptions, values and norms such as values on money, time, facilities, space and people. And outputs or effects of culture includes organizational behaviors, technologies, strategies, image, products, services, appearance, etc. (Dolan & Lingham, 2012)

Moreover, organizational culture is a system of shared meaning held by members that distinguishes the organization from other organizations (Robbins & Judge, 2013). Thus, it is distinct personality of an organization (Dolan & Lingham, 2012). Organizational culture can also be defined as shared values, norms, attitudes and assumptions, which influence the way people act and the way things get done. Furthermore, it ensures that everyone thinks and behaves in a prescribed manner (Armstrong, 2007; Kondalrk, 2007)

According to Denison and Neale (2011) Organizational culture refers to the underlying value, beliefs and principles that serve as a foundation for an organization management system, as well as the set of management practices and behavior that reinforce those basic principles. Furthermore these authors explain the visible and invisible aspect of organizational cultures. The visible aspect includes working hard, proper attire, acting friendly to customer etc. To the contrary, invisible assumptions, value and core beliefs which are harder to observe includes honesty, integrity, being ethical, going beyond expectations to satisfy customers.

The above definitions have something in common which explains what organizational culture is. Organizational culture is a system which incorporates shared values, norms, attitudes and assumptions that are held by members of the organization. Not only this but also organizational culture encompasses a set of management practices behavior that reinforce organization's basic principles. Ultimately, it will be foundation for an organization management system, organizational behaviors, technologies, strategies, image, products, services, appearance etc

Kondalrk, (2007) has stated that organizational culture is not inborn; it has to be invented over a period of time and nurtured by all members of the organization. Organizational culture is required to be passed on to new members as correct way of thinking, perceiving and behaving. And hence, organizational culture originates from the founders of the organization based on value system held by them. As supported by Schein (2004) the individual founder will have certain personal visions, goals, beliefs, values, and assumptions about how things should be. Thus, the founder will initially impose these on the group and/or select members on the basis of their similarity of thoughts and values.

Similarly, Robbins and Judge (2013), has identified the three ways that culture can be created. First, founders hire and keep only employees who think and feel the same way they do. Second, they indoctrinate and socialize these employees to their way of thinking and feeling. And finally, the founders' own behavior encourages employees to identify with them and internalize their beliefs, values and assumptions. Moreover, Kondalrk, (2007) Robbins and Judge (2013) incorporate topics on how organization sustain and transmit organizational culture. Thus, selection practices, the actions of top management and socialization methods are the three forces that play important part in sustaining a culture. The authors also states that many organizations use stories, rituals, material symbols and language as means to transmit culture to employees.

## **2.3 Functions of Organizational Culture**

Organizational culture has many benefits to both organization and employees, as Robbins and Judge, (2013) assert, Culture has a boundary-defining role: it creates distinctions between one organization and others. And it conveys a sense of identity for organization members. In addition, culture facilitates commitment to something larger than individual self-interest. It also enhances the stability of the social system by being social glue that helps hold the organization together by providing standards for what employees should say and do.

Furthermore, Kondalrk (2007) tried to outline what culture does to both employees and organization. First, it gives members an organizational identity: Sharing norms, values and perceptions gives people a sense of togetherness that helps promote a feeling of common purpose. Then, it facilitates collective commitment. The common purpose that grows out of shared culture tends to elicit strong commitment from all those who accept the culture as their own. Third, it promotes systems stability. By encouraging a shared sense of identity and commitment, culture encourages lasting integration and cooperation among the members of an organization. Fourth, it shapes behavior by helping members make sense of their surroundings. An organization culture serves as a source of shared meaning that explains why things occur the way they do. Finally, it helps organizational members stick to conformity and expected mode of behavior. So, Culture ensures that everyone thinks and behaves in a prescribed manner.

The two preceding paragraphs explain how culture benefits organization as well as employees mainly, it is a sense-making and control mechanism that guides and shapes employees' attitudes/ behavior and brings strong commitment from all those who accept the expected mode of behavior.

## **2.4 Models of Organizational Culture**

Different researchers develop models on organizational culture which incorporate different traits or behaviors driven by beliefs and assumptions that create an organizational culture. Dolan and Lingham (2012) have summarized some of the

principal organizational culture models as Deal and Kennedy Model, Charles Handy Concept and Edgar Schein Model. In addition to the three models, a detail on Denison model of organization culture is also part of this section. Common to all model of culture and the linkages to organizational success assert that values of employees need to be aligned with vision and mission of the company.

### **Deal and Kennedy Model**

Dolan and Lingham (2012) tried to summarize the model as follows. The model measured organization in respect of feedback or instant response accordingly four classification of organizational culture were developed. These are Tough-Guy Macho Culture, Work Hard / Play Hard Culture, Bet your Company Culture & Process Culture.

The first Tough-Guy Macho Culture where by feedback is quick and the rewards are high. This often applies to fast moving financial activities such as brokerage and it is very stressful culture in which to operate. Secondly, The Work Hard / Play Hard Culture is characterized by few risks being taken, all with rapid feedback. This is typical in large organizations, which strive for high quality customer service. Thirdly, Bet your Company Culture in which big stakes decisions are taken, but it may be years before the results are known. Typically, these might involve development or exploration projects, which take years to come to completion, such as oil prospecting or military aviation. Fourthly, Process Culture which occurs in organizations where there is little or no feedback. People become suspicious with how things are done not with what is to be achieved. This is often associated with bureaucracies.

#### **2.4.1 Charles Handy Concept**

The second model that Dolan and Lingham (2012) discussed in detail is Charles Handy Model. Organizational structure is the base for this model to classify organizational culture in to four: Power Culture, Role Culture, Task Culture and Person Culture.

- A Power Culture in which power concentrates among a few and control radiate from the center like a web. Power Cultures have few rules and little bureaucracy

- A Role Culture characterized by people has clearly delegated authorities within a highly defined structure. Typically, these organizations form hierarchical bureaucracies thus, power derives from a person's position and little scope exists for expert power.
- A Task Culture in which teams are formed to solve particular problems. Power derives from expertise as long as a team requires expertise. These cultures often feature the multiple reporting lines of a matrix structure.
- A Person Culture exists where all individuals believe themselves superior to the organization. Survival can become difficult for such organizations, since the concept of an organization suggests that a group of like-minded individuals pursue the organizational goals.

#### **2.4.2 Edgar Schein Model**

The last organizational culture model that Dolan and Lingham (2012) tried to summarize is Edgar Schein Model. This organizational culture model is described by three cognitive levels of organizational culture. At the first and most cursory level of Schein's model is organizational attributes that can be seen, felt and heard by the uninitiated observer. These includes facilities, offices, furnishings, visible awards and recognition, the way that its members dress, and how each person visibly interacts with each other and with organizational outsiders.

The next level deals with the perceived culture of an organization's members. At this level, company slogans, mission statements and other operational belief are often expressed, and local and personal values are widely expressed within the organization. Finally, the third and deepest level depicts the organization's tacit assumptions. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Many of these „unspoken rules' exist without the conscious knowledge of the membership.

The above three models encompasses organizational culture traits from psychological or personality perspective and mainly the third is designed and created within the academic environment which uses non-business language. To the contrary, Denison organizational culture model, which is discussed in the subsequent paragraphs, is behaviorally based that are designed and created within the business environment. And it is applicable to all levels of the organization in which business language is used to examine business results.

### **2.4.3 Denison Model**

Denison and Neale (2011) identifies four cultural traits Involvement, Consistency, Adaptability and Mission. These underlying traits are expressed in terms of a set of managerial practices and measured using the twelve indices that make up the model. (Denison & Neale, 2011). The below succeeding paragraphs briefly discuss each of the four organizational culture traits and their respective indices.

#### **Involvement**

Involvement is the first organizational trait which ensures the participation of employees in decision making; it also relies on team effort to get work done and continual investment in the development of employee's skills.

In other words, involvement is building human capability, ownership, and responsibility. Thus, organizational cultures characterized as "highly involved" strongly encourage employee involvement, and create a sense of ownership and responsibility. They rely on informal, voluntary, and implied control systems, rather than formal, explicit, bureaucratic control systems.

The indices of the involvement trait are: empowerment, team orientation, and capability development. First empowerment deals with individuals' authority, initiative and ability to manage their own work. Team Orientation stress on working cooperatively toward common goals for which all employees feels mutually accountable. Lastly, capability development explains the organization continually invests in the development of

employees' skills in order to stay competitive and meet ongoing business needs. In line with the objective of the study, the below hypothesis were be tested;

Ho: There is no significant relationship between employees' **involvement** in decision making and employees' commitment

H1: There is significant relationship between employees' **involvement** in decision making and employees' commitment

### **Consistency**

Consistency is the second trait which emphasizes on maintenance of the status quo by being well coordinated and well integrated also the organization devises clear agreement about the right way and the wrong way to do things.

Furthermore, consistency deals with defining the values and systems that are the basis of a strong culture. It also provides a central source of integration, coordination and control. Consistent organizations develop a mindset and a set of organizational systems that create an internal system of governance based on consensual support also has clear set of do's and don'ts.

Coordination and integration, agreement and core values are indices of the consistency trait. Accordingly, coordination and integration clarify ability of different functions and units of the organization to work together well to achieve common goals. Organizational boundaries do not interfere with getting work done. The second indices is agreement in which is underlying level of agreement and the ability to reconcile differences when they occur. The last one core values stress in which members of the organization share a set of values that create a sense of identity and a clear set of expectations. In line with the objective of this study, the below hypothesis were be tested;

Ho: There is no significant relationship between **consistency** and employees' commitment

H1: There is significant relationship between **consistency** and employees' commitment

## **Adaptability**

The third trait, adaptability, depicts the ability of the organization in translating the demands of the business environment into action through creating change, customer focus and organizational learning environment.

Adaptability deals with translating the demands of the business environment into action. Organizations hold a system of norms and beliefs that support the organization's capacity to receive, interpret, and translate signals from its environment into internal behavioral changes that increase its chances for survival, growth and development.

The indices of the adaptability trait are: creating change, customer focus and organizational learning. Creating change deals with the ability of organization to create adaptive ways to meet changing needs. So organization will be able to read the business environment, quickly react to current trends, and anticipate future changes. Customer focus is the second indices which focus on the organization understanding and reaction to its customer and anticipation to future needs. Lastly, organizational learning reflected when on organization receives, translates, and interprets signals from the environment into opportunities for encouraging innovation, gaining knowledge and developing capabilities. In line with the objective of this study, the below hypothesis were be tested;

❖ Ho: There is no significant relationship between organization **adaptability** and employees' commitment

H1: There is significant relationship between organization **adaptability** and employees' commitment

## **Mission**

The last trait is mission whereby organizations devise meaningful long-term direction and organization with this trait clearly defines Strategic direction, Vision, Goals and Objectives of the company.



Mission involves defining a meaningful long-term direction for the organization. A mission provides purpose and meaning by defining a social role and external goals for the organization. It provides a clear direction and goals that serve to define an appropriate course of action for the organization and its members. A sense of mission allows an organization to shape current behavior by envisioning a desired future state.

Strategic direction, vision and intent, goals and objectives are the indices of the mission trait. Thus, strategic direction and intent deals with clear strategic intentions convey the organization's purpose and make it clear how everyone can contribute. The second indices, goals and objectives, stress on a clear set of goals and objectives can be linked to the mission, vision, and strategy, and provide everyone with a clear direction in their work. Finally, vision ensures that organization has a shared view of a desired future state. It embodies core values and captures the hearts and minds of the organization's people, while providing guidance and direction. In line with the objective of this study, the below hypothesis were be tested;

Ho: There is no significant relationship between employees' identification with organizational **mission** and employees' commitment

H1: There is significant relationship between employees' identification with organizational **mission** and employees' commitment

## **2.5 Research findings on effect of Organizational Culture on Organizational Commitment**

Organizational culture and organizational commitment are the most extensively researched about concepts in management studies, yet the two concepts still remain elusive as ever (Shoaib, Zainab, Maqsood & Sana, (2013). Not only that, as depicted on the problem statement of this study , the effect of different organizational culture traits on organizational commitment investigated and conclude by different researcher is inconsistent.

In line with the specific objective of the study, the upcoming paragraphs shows research finding of different scholars who tried to investigate the effect organizational culture (Involvement, consistency, adaptability and mission) on employee commitment.

### **2.5.1 Involvement and Employee Commitment**

A study conducted by Nongo and Ikyanyon (2012) found a significant and positive relationship between involvement and commitment. This means that employees are committed to their organizations when they are involved in decision making. The key success factors for organizations today are employee empowerment, teamwork, and employee development. These enable managers and employees more committed to work and feel that they own a piece of the organization. People at all levels feel that they have at least some inputs into decisions that will affect their work and that their work is directly connected to the goals of the organization.

Similarly, Singh and Verghese (2015) investigate the impact of employee empowerment; a process in which power is transferred from the managers to their subordinates, on organizational commitment .The researcher found out that there is a significant positive relationship between employee empowerment and organizational commitment. Seeking suggestion from employees, listening to their grievances and by involving them in the decision making process of the organization to a certain extent can ensure employee's continuous involvement thus employees feel to be participative in the organization.

Furthermore, Asghar, Mojtaba and Sadeghi (2015) Involvement is one of the most important dimensions of organizational culture and it has great role in fulfillment of organizational commitment of teachers. This shows that people participation in work helps their intention to stay in work space. The employees' Involvement means using them in decision making and this leads to the stability of their commitment.

### **2.5.2 Consistency and Employee Commitment**

Nongo and Ikyanyon (2012) found out that there was no significant relationship between consistency and commitment. As much as organizations try to maintain a strong culture by being highly consistent, well coordinated, and well integrated, this does not impact significantly on the level of employee commitment. In other words, employees prefer to be given the freedom to do the job rather than being compelled to do it in a rigid manner. Hence, the researcher concludes that the key success factor for organizations today is flexibility rather than consistency.

To the contrary, research finding by Asghar, Mojtaba and Sadeghi (2015), Ghader and Afkhami (2014) revealed that there is positive relationship between consistency and organizational commitment in which coordination and integration, agreement and fundamental values as a component of consistency increase employee commitment to provide efficient and effective work. Similar, Hakim (2015) asserted that an indicator of the most powerful in shaping the organizational culture variable is stability (consistency). It means that, cultural values that received the most attention in the activities of the organization, which emphasizes the maintenance of the status quo as a contrast to the growth will have positive effect on organizational commitment.

### **2.5.3 Adaptability and Employee Commitment**

Adaptability predicts employee commitment more than any other corporate cultural variables. Employees are more committed to organizations that adapt to changing circumstances. Companies should encourage innovation and teamwork among employees. This will enable employees adapt in an environment of change, thereby improving their level of commitment. (Nongo & Ikyanyon ,2012)

Similarly, employees exhibited the highest organizational commitment when they perceived higher learning culture (adaptability traits) which includes culture of creating, acquiring, and transferring knowledge and also quickly react to current trends, and anticipate future changes. (Ghader & Afkhami (2014), Azadi, Bagheri , Eslami and Aroufzad (2013)

#### **2.5.4 Mission and Employee Commitment**

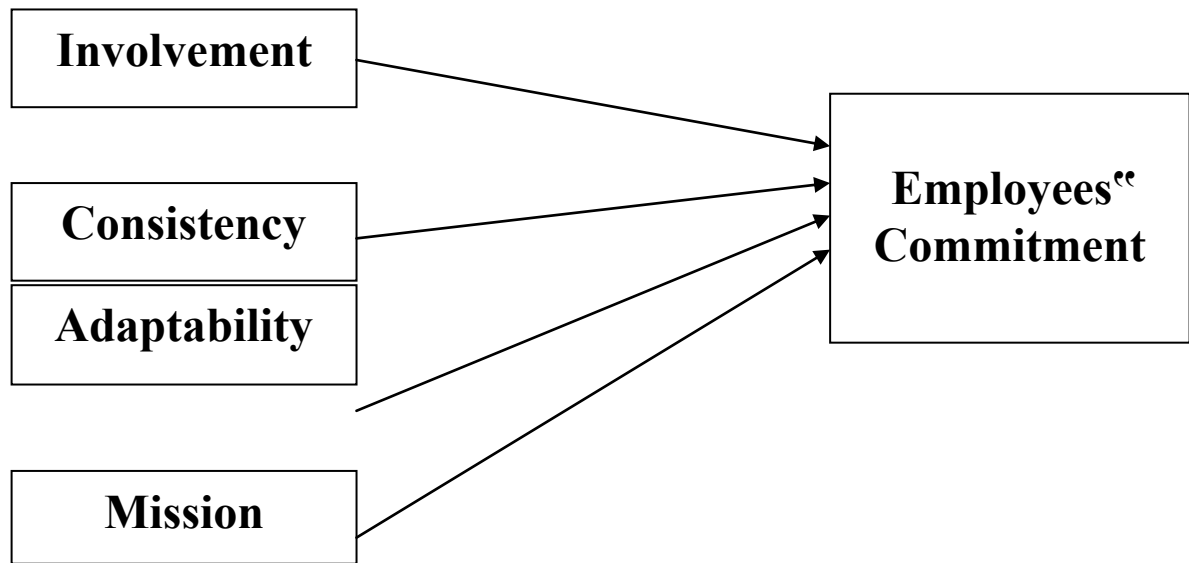
According to Denison and Neale (2011) mission provides purpose and meaning by defining a social role and external goals for the organization. And also mission provides clear direction and goals that serves to define an appropriate course of action for the origination and its members which result the increase in level of employee commitment to the organization.

To the contrary, Nongo and Ikyanyon (2012) found no significant relationship between mission and commitment. This means that employees' identification with the purpose, mission, and goals of the organization does not bring commitment to the organization. But companies should define the mission of their organization clearly and communicate same to employees at all times.

### **2.6 Conceptual Framework**

Denison (2011), has developed a model which highlights four key organizational culture traits and the unique future of these model is that it is behaviorally based, designed and created within the business environment and it also uses business language to explore business-level issues . Moreover, the model depicts the correlation between cultural traits and organizational effectiveness measures which includes employee's satisfaction, return on investment, product development etc. Accordingly, he found that nearly all of the underlying organizational traits showed significant and positive correlation with organizational effectiveness.

Therefore, Denison model of organizational culture is a base to select the four cultural traits emphasized under this study and has been modified to see the effect of the four cultural traits on employee commitment .The modified framework is shown below:



**Fig. 2.1 Conceptual Framework**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter presents a detail discussion about the type of research design employed in the study. Moreover, topics related to the sample size, sampling techniques, method of data collection, data analysis and interpretation tools are included. Explanation about validity, ethicality and reliability of study are also part of this chapter.

#### **3.1. General Research Design**

In order to achieve the study objectives, the researcher used correlational research design in determining relationship between the different types of organizational culture and employee commitment. Different literatures and empirical studies were reviewed to gain insights and background information about the effect of different types of organizational culture on employee commitment. The information from this step helped in designing questionnaire and to better understand the problem of the study.

Accordingly, case study research technique with quantitative research design, where by close ended questions with pre-determined scale for response was collected from Ethiopian Airlines employees. This cross sectional data / single point in time responses were analyzed and interpreted mainly using SPSS version V20.

#### **3.2. Target Population**

As the issue under investigation is an administrative and strategic matter, the participants should have an exposure to such issue in the case organization. Accordingly, the researcher used her preliminary observation to identify the right respondents who had pertinent knowledge, experience, and ability to provide response for the research questions. Thus, the researcher has grouped Ethiopian Airlines Employees in to Professional or Semi/Non-professional employees.

Professional employees refer to employees who have supervisory, administrative or strategic exposure in the business and possess at least Diploma in educational qualification. On the

contrary, those employees having limited / no exposure to strategic and administrative decisions in the business are labeled as semi /non-professional employees.

Moreover, Semi / non-professional employees are those who are engaged in low level tasks which have very less administrative and no strategic decision exposure. These groups of employees are Filing Clerk, Ground Support Equipment Operator/ Driver, Baggage/Cargo Handler, Laundry Attendant, Administrative Assistant, Catering Helper, Documentation Controller, Mason, Printer, Cook, Loader, Tailor, Service Handler, Carpenters, Cleaners, Data Entry Clerk, Gardener, Help Desk Operator. Incumbents of these positions are not part of the study due to the fact that they have no exposure to strategic issues with very limited involvement in administrative decisions and majority of them have Certificate or lower.

On the other hand, professional employees comprise such as Attorney, Auditors, Accountant, Financial Analyst, Programmer, Network Technician, Instructors, Air Craft Technician, Crew Scheduler, Strategic Planner, Customer Services Agent, Marketing Officer, Compliant Resolution Officers, Human Resource Generalists. Ethics Officer, Safety Officer, Sales Representatives, Mechanic, Network Technician, Electrician, Public Relation Officers, System Administrator, Developer, Engineer, Operational Planner, Supervisor / Team Leaders, Manager and Directors.

Therefore, professional employees whose work experience is greater than one year make up the target population of the study as they have experienced Ethiopian Airlines organization culture and also have supervisory, administrative or strategic exposure in the business. Thus, response from such diverse professionals on the relation between the dependent (organizational commitment) and independent variables (organizational culture) enables to avoid common respondent bias and also to have more reliable data.

### **3.3. Sample Size and Sampling Techniques**

As of December 31, 2015, Ethiopian Airlines Company had a total of 9,305 permanent employees. These employees are situated in different locations in which the company operates hence 8,580 of the employees work in Addis Ababa and the rest 725 are located in domestic Ethiopian and outstation offices. And the study doesn't include employees at

domestic Ethiopia and outstation offices because of the reasons stated in the scope of the study.

Furthermore, out of the total employees located in Addis Ababa (8,580) 3,853 are professional employees whose work experience is greater than one year and the remaining 4,727 encompass Semi / non professionals (1,782), Employees who served Ethiopian Airlines for less than 1 year (761), Pilot and Cabin Crew (2,184) whose nature of work takes them out of Addis Ababa. As specified earlier, target population of this study is professional employees with one year of service and has administrative or strategic exposure in the business (3,853 employees)

The researcher tried to draw representative sample using “Sample Size Calculator For Prevalence Studies” which was developed by Naing, Winn & Nordin (2006). Accordingly, the researcher used confidence interval of 95%, which is the level of certainty whether the response for each question is the true answer or not. 5% margin of error which is the amount of error from difference in the responses the researcher can tolerate when drawing a conclusion from the data. Hence, 350 is accepted as a representative sample size of the target population.

$$n = \frac{N Z^2 P(1-P)}{d^2(N-1) + Z^2 P(1-P)} = 350$$

Where: n=Sample size with finite population correlation

N=Population Size (3,853 Employees)

Z=The statistic for a level of confidence (95%)

p= Expected proportion / probability of response distribution (0.5)

d=Precession / margin of error (5% or 0.05)

Finally, stratified sampling is used to distribute the survey questionnaires to acquire employee perception towards Ethiopian Airlines organizational culture and their commitment. Stratified sampling was considered in order ensure the sample includes



representative study units from each strata or division. The below table shows proportionate sampling, which is used to distribute the representative sample size (350) to each division.

**Table 3.1** Sample size distribution

| <b>Division</b>                               | <b>Percentage from total employee</b> | <b>Sample size distribution</b> |
|---|---------------------------------------|---------------------------------|
| Maintenance, Repair & Overhaul (MRO) Division | 33%                                   | 116                             |
| Customer Service Division                     | 13%                                   | 45                              |
| Commercial Services Division                  | 10%                                   | 36                              |
| Flight Operations Division                    | 9%                                    | 30                              |
| Human Resource Management Division            | 7%                                    | 25                              |
| Cargo Service Division                        | 5%                                    | 18                              |
| Finance Division                              | 3%                                    | 9                               |
| In-Flight Catering Division                   | 2%                                    | 6                               |
| Ethiopian Aviation Academy Division           | 2%                                    | 6                               |
| Other Corporate Divisions                     | 17%                                   | 60                              |
| <b>Total</b>                                  | <b>100%</b>                           | <b>350</b>                      |

*Source; HR Report for the month of December 2015*

### **3.4. Data Collection Instrument**

The data for this study were obtained from two sources, primary and secondary. The primary data was collected from the research participants through structured self-administered questionnaire. Secondary data was extracted from books, journals, articles, company website, internal brochures and publications.

The primary instrument for data collection in this research which is structured questionnaire has three parts. The main parts of the questionnaire (part 2 and 3) measure the organizational cultures of the case company and commitment of its employees respectively. Thus, organizational culture was measured using some items adapted from the Denison organizational culture survey (Denison, 2011).The instrument has four sub

scales, measuring the four main cultural traits namely: involvement, consistency, adaptability and mission. So, using a 5 - point Likert scale, on which label given for respondent to express their level of agreement for each item among the scales and then the average score on each traits was used during data analysis and interpretation. In addition, organizational commitment was measured by using Mowday (1979) organizational commitment questionnaire (OCQ).The instrument contains 8 items that measure the employees' level of identification with their organizations on a 5-point Likert type scale ranging from 1-strongly disagree to 5-strongly agree. Finally, the sum of the total score was divided by 8 to arrive at a summary indicator of employee commitment.

### **3.5 Data Analysis Tools and Interpretation**

The data analysis was made by using both descriptive and statistical regression. Descriptive statistics such as frequencies, percentages, means and standard deviations were used to summarize and present the data. Also, tables were used to increase understanding and facilitate easy comparison of the data collected from the survey. With regard to statistical regression (particularly multiple regression) was used to examine the significance contribution of each independent variable to the dependent variable; organizational commitment. Lastly major findings were interpreted based on the result.

### **3.6 Validity, Ethicality and Reliability of the Study**

In order to ensure the quality of the research design, content and construct validity of the study was checked. The content validity was verified by the advisor of this research, who looked into the appropriateness of questions and the scales of measurement. Peer discussions were also another way of checking the appropriateness of questions. Moreover, pilot test was conducted prior to the actual data collection that could help to get valuable comments. Furthermore, in order to test the construct validity, correlation coefficient for the independent and dependent variables was calculated to ensure that independent variables are positively related with the dependent variables, thus the independent variables can be considered as a good measure of employee commitment. In

addition, all reference materials are acknowledged with proper citation and confidentiality of data is maintained throughout the process.

Furthermore, one of the most commonly used indicator of internal consistency is Cronbach's coefficient alpha and ideally this coefficient should be above .7 (Pallant, 2005). Thus, reliability of the measures ensure that they are free from error and yield consistent results. As indicated on below table the coefficient for all independent and dependent variables were acceptable or  $>.7$ .

**Table 3.2** Reliability Analysis of Variance

| <b>Variables</b>    | <b>Cronbach's Alpha Coefficient</b> | <b>Number of Items</b> |
|---------------------|-------------------------------------|------------------------|
| Involvement         | 0.848                               | 9                      |
| Consistency         | 0.821                               | 9                      |
| Adaptability        | 0.811                               | 9                      |
| Mission             | 0.853                               | 9                      |
| Employee Commitment | 0.915                               | 8                      |

*Source; Survey data (2016)*

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION**

This chapter presents the data analysis and discussion of the research findings obtained from data collected from the survey questionnaire. Responses for the measures on the questionnaire are summarized and presented using tables to facilitate easy understanding.

The demographic profiles of the study sample have been described using descriptive statistics and also different inferential statistics were employed in order to analyze data obtained from the survey. Accordingly, standard multiple regressions were used to test hypothesis and achieve the study objective that focuses on identifying an organizational culture trait with higher contribution to the dependent variable. Furthermore, Pearson correlation coefficient and Cronbach's Alpha coefficient were used to test goodness and internal consistency of the measure.

Of the 350 questionnaires distributed, 289 filled questionnaires were collected. Of which, three overrated responses (5 on all measure) and two underrated response paper (rating of 1 & 2 for all measure) were identified. Therefore, the researcher has excluded these responses and lowering the number of filled questionnaire to 284 which gives a response rate of 81%.

#### **4.1 Descriptive Analysis**

##### **4.1.1 Demographic Profile of Respondents**

This section summarizes the demographic characteristics of the sample, which includes age of the respondent, gender, education level, work experience, employment group and marital status. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the proportion of males and females in the sample, range of age, education level, marital status and employment group, so that the analysis could be more meaningful for readers.

**Table 4.1:** Demographic Profile of Respondents

| <b>Age (In years)</b>                 |                    | Frequency | Percent |
|---------------------------------------|--------------------|-----------|---------|
| 1                                     | 18-27              | 121       | 42.6    |
|                                       | 28-37              | 83        | 29.2    |
|                                       | 38-47              | 61        | 21.5    |
|                                       | 48 and above       | 19        | 6.7     |
| <b>Gender</b>                         |                    | Frequency | Percent |
| 2                                     | Female             | 113       | 39.8    |
|                                       | Male               | 171       | 60.2    |
| <b>Education Level</b>                |                    | Frequency | Percent |
| 3                                     | Diploma / Level IV | 37        | 13      |
|                                       | First Degree       | 215       | 75.7    |
|                                       | Masters and above  | 32        | 11.3    |
| <b>Work experience in the company</b> |                    | Frequency | Percent |
| 4                                     | 1-5 Years          | 137       | 48.2    |
|                                       | 6-10 Years         | 74        | 26.1    |
|                                       | 11 Years and above | 73        | 25.7    |
| <b>Employment Group</b>               |                    | Frequency | Percent |
| 5                                     | Management         | 75        | 26.4    |
|                                       | Non-Management     | 209       | 73.6    |
| <b>Marital Status</b>                 |                    | Frequency | Percent |
| 6                                     | Single             | 146       | 51.4    |
|                                       | Married            | 126       | 44.4    |
|                                       | Divorce            | 9         | 3.2     |
|                                       | Widow              | 3         | 1.1     |

*Source; Survey data (2016)*

Table 4.1 visualizes the demographic profile of 284 respondents. In terms of gender, respondents were roughly proportionate between male and female, even though the numbers of male respondents are a bit higher (female 39.8%, male 60.2%). Regarding the age of respondents, the sample population is largely dominated by the age group of 18-27 (42.6%) followed by the group comprise age of 28-37 (29.2%). This indicates that most of the sample populations are youngsters. The reaming groups respondents consists, 19 employees (6.7%) with the age of 48 and above and 61 employees (21.5%) in between the age of 36 and 44.

In terms of education, the distribution is not very equally distributed. 13 % of respondents have received Diploma / level IV education, while 11.3% of the respondents are postgraduate degree or above holders. Moreover, the largest group; 75.5% of the

population comprises first degree holders. In the same token, demographic profile of respondents shows half of respondents or 51.4% are single which followed married employee is 44.4%.

When looking at the tenure of respondents in the company, 48.2% of the respondents have 1-5 years of experience in the company and these takes the majority. 26.1 % and 25.7 % of the respondents have 6-10 years and 11 years and above experience respectively. Furthermore, majority of the respondents 209 (73.6%) are in non-management group and the remaining 75 (26.4%) respondents are management position holders these includes team leaders, managers and directors.

#### **4.1.2 Descriptive Analysis On Selected Organizational Culture Measures**

In order to see the general perception of the respondents regarding the selected organizational culture in the subject organization, the researcher has summarized the measures with the respective means and standard deviations. Thus, the mean indicates to what extent the sample group averagely agrees or does not agree with the different statements. The lower the mean, the more the respondents disagree with the statements. The higher the mean, the more the respondents agree with the statement. On the other hand, standard deviation shows the variability of an observed response from a single sample Marczyk, Dematteo and Festinger (2005). The mean values are presented in table 4.2, together with standard deviation values for each variable.

**Table 4.2:** Descriptive analysis on organizational culture measures

| Variables   | Mean        | Std. Deviation |
|---|-------------|----------------|
| Decisions are made at the levels where right information is available                           | 3.32        | .983           |
| Employees believes that they can have a positive impact   | 3.50        | .930           |
| Information is widely shared so that employees can get the information they need                | 3.68        | .873           |
| Cooperation across different parts of the organization is encouraged                            | 3.82        | .785           |
| Teamwork is used to get work done, rather than hierarchy  | 3.73        | 1.006          |
| Employees work like they are part of a team   | 3.63        | .973           |
| There is a continuous investment to develop the skills of employees                             | 3.23        | 1.109          |
| The capabilities of employees are viewed as an important source of competitive advantage        | 3.32        | 1.096          |
| Authority is delegated so that employees can act on their own                                   | 3.25        | .998           |
| <b>Involvement</b>  | <b>3.50</b> | <b>.656</b>    |
| Managers "practice what they preach"  | 3.10        | .929           |
| There is a consistent set of values that govern the way Ethiopian Airlines does business        | 3.71        | .766           |
| There is an ethical code that guides employees' behavior and tells right from wrong             | 3.92        | .771           |
| When disagreements occur, employee work hard to achieve a "win-win" solutions                   | 3.22        | .914           |
| There is a clear agreement regarding the right way and the wrong way to do things               | 3.56        | .902           |
| It is easy to reach consensus, even on conflicting issues                                       | 3.10        | .951           |
| Employees from different parts of the organization share a common perspective                   | 3.36        | .888           |
| It is easy to coordinate projects across different parts of the organization                    | 3.32        | .920           |
| The approach to doing business is very consistent   | 3.40        | .940           |
| <b>Consistency</b>  | <b>3.41</b> | <b>.570</b>    |
| Improved ways to do work are continually adapted  | 3.80        | .743           |
| Different parts of the organization cooperate to create change                                  | 3.67        | .786           |
| Ethiopian Airlines respond to competitors actions and other changes in the business Environment | 3.89        | .823           |
| Customers comment leads to changes and influences decision making                               | 3.88        | .847           |
| Employees understand customers wants and needs  | 3.99        | .701           |
| Customers inputs directly influences company's decisions  | 3.79        | .957           |
| Innovations are encouraged  | 3.85        | .892           |
| Learning is an important objective in a day-to-day work of the company                          | 3.93        | .857           |
| Ethiopian Airlines view failures as an opportunity for learning and improvement                 | 3.30        | 1.101          |
| <b>Adaptability</b>   | <b>3.79</b> | <b>.545</b>    |
| There is a clear mission that gives meaning and direction                                       | 4.05        | .792           |
| Ethiopian Airlines strategic direction is clear to me   | 4.00        | .791           |
| There is a long-term purpose and direction of the company                                       | 4.17        | .716           |
| Leaders set goals that are ambitious, but realistic   | 3.62        | .818           |
| Ethiopian Airlines continuously track its progress against the stated goals                     | 3.95        | .743           |
| There is widespread agreement about the goals of the company                                    | 3.90        | .714           |
| Employees have a shared vision of what the organization will look like in the future            | 3.72        | .869           |
| Leaders have a long-term viewpoint  | 3.66        | .873           |
| Ethiopian Airlines vision creates excitement and motivation for employees                       | 3.53        | 1.048          |
| <b>Mission</b>  | <b>3.84</b> | <b>.558</b>    |

Source; Survey data (2016)

The mean score for mission was relatively high (3.84). This indicates that employees give more value and agree with the measure of mission statements. Although, existence of a long-term purpose and direction scores a higher mean, the other items that measure mission also contributes significantly to the grand mean. This implies the majority of the respondents agree that the company has clear mission and vision whose implementation status is checked periodically.

Next to mission, the mean score of adaptability is higher (3.79). Furthermore, all of the nine items that measures adaptability contributes almost equally to the overall mean. This result indicates the majority of the respondents perceived that the company is translating the demand of business environment and also the demand of internal customer in effect there will be positive effect on level of employee commitment to the organization.

The other variable that scores higher mean (3.50) is involvement. This implies that most respondents agree on employees' involvement in practice. Specifically, the company encouraged cooperation across different department/sections which asserted by its highest mean score (3.82). The item with the lowest mean score (3.23) refers to the continuous investment to develop the skills of employees.

Consistency scores a mean of 3.41. This indicates that the majority of respondents have slight agreement on the measures of consistency. Though employee agree on the existence of ethical code that guides employees' behavior, majority of the respondents select neither agree or disagree on the two measures of consistency these are; "Managers practice what they preach" and "It is easy to reach consensus, even on conflicting issues". This doesn't have a positive implication that the employees perceived some members of management team don't walk the talk and also the level of enforcement throughout departments/section is not consistence.

### **4.1.3 Descriptive Analysis On Employees Commitment Measures**

Eight items were included on the survey questionnaire to measure employees' commitment. As depicted on the below table, mean score of 3.7 implies that the responses are mostly incline to agree on commitment measures. Specifically, mean score



of 4.15 was obtained from statement which inquires the level of employees willing to put in a great deal of effort beyond the normal expected, in order to help the organization to be successful.

**Table 4.3;** Descriptive analysis on employees’ commitment measures

| Variables  | Mean       | Std. Deviation |
|--|------------|----------------|
| *I am willing to put in a great deal of effort beyond the normal expected, in order to help this organization to be successful | 4.15       | 0.856          |
| *I talk about this organization to my friends as a great organization to work for  | 3.71       | 1.023          |
| *I would accept any type of job assignment in order to keep working for this organization                                      | 3.65       | 1.109          |
| *I find that my values and the organization’s values are very similar  | 3.51       | 1.045          |
| *I am proud to tell others that I am part of this organization   | 3.76       | 1.086          |
| *This organization really inspires the very best in me in the way of the job performance                                       | 3.63       | 1.067          |
| *I am glad that I have chosen this organization to work for over others  | 3.74       | 1.011          |
| *For me, this is the best of all possible organizations for which to work  | 3.43       | 1.252          |
| <b>Commitment</b>  | <b>3.7</b> | <b>0.841</b>   |

*Source; Survey data (2016)*

## 4.2 Analysis of Inferential Statistics Results

One of the major objectives of the study is to assess the relationship that the selected organizational cultures have with employees’ commitment. For this purpose, inferential statistics of correlation and regression analysis have been used and the results are presented in the below sections.

### 4.2.1 Correlation Analysis

Pearson correlation coefficients reveal magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (–1.0 to +1.0). Correlations are

perhaps the most basic and most useful measure of association between two or more variables (Marczyk, Dematteo & Festinger, 2005).

As per Marczyk, Dematteo and Festinger, (2005) correlations of .01 to .30 are considered small, correlations of .30 to .70 are considered moderate, correlations of .70 to .90 are considered large, and correlations of .90 to 1.00 are considered very large. Accordingly, the below Pearson correlation coefficients shows that the four factors measuring organizational culture were all positively related with employees commitment within the range of 0.530 to 0.641, all were significant at  $p < 0.01$  level. All the independent variables i.e. adaptability, mission, involvement and consistency show a moderate level of positive relation with the dependent variable (employees commitment)

**Table 4.4.:** Correlation Analysis

| Pearson Correlations | Adaptability | Mission | Involvement | Consistency | Commitment |
|----------------------|--------------|---------|-------------|-------------|------------|
| Adaptability         | 1            | .668**  | .606**      | .669**      | .641**     |
| Mission              |              | 1       | .624**      | .624**      | .589**     |
| Involvement          |              |         | 1           | .726**      | .534**     |
| Consistency          |              |         |             | 1           | .530**     |
| Commitment           |              |         |             |             | 1          |

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

*Source; Survey data (2016)*

Regarding the relationship among the independent variables, table 4.4 clearly shows that the variables are significantly correlated with each other (sig. level  $p < 0.01$ ). Furthermore, the results indicate that involvement has significantly high correlation with consistency ( $r = .726$ ). In the same token; adaptability and mission show positive moderate level of correlation with all variables.

#### **4.2.2 Regression Analysis**

In order to see contribution each organizational culture traits on employee commitment, standard multiple regression analysis was employed. The regression model presents how

much of the variance in employee commitment is explained by the selected organizational traits: involvement, consistency, adaptability and mission. As shown on the table below, 47% variation in employee commitment is explained by organizational culture (where by R square is .470 and adjusted R square is .463).

**Table 4.5:** Multiple Regression result of selected organizational cultures traits and employee commitment

**Model Summary**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Sig. F Change |        |
|-------|-------------------|----------|-------------------|----------------------------|---------------|--------|
|       |                   |          |                   |                            | F Change      | Change |
| 1     | .686 <sup>a</sup> | .470     | .463              | .616                       | 61.881        | .000   |

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

**ANOVA<sup>a</sup>**

| Model        | Sum of Squares | Df  | Mean Square | F      | Sig.              |
|--------------|----------------|-----|-------------|--------|-------------------|
| 1 Regression | 94.04          | 4   | 23.51       | 61.881 | .000 <sup>b</sup> |
| Residual     | 105.998        | 279 | 0.38        |        |                   |
| Total        | 200.038        | 283 |             |        |                   |

a. Dependent Variable: Commitment

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

**Coefficients**

| Model        | Unstandardized Coefficients |            | Standardized Coefficients | Sig.  | Collinearity Statistics |       |
|--------------|-----------------------------|------------|---------------------------|-------|-------------------------|-------|
|              | B                           | Std. Error | Beta                      |       | Tolerance               | VIF   |
| 1 (Constant) | -0.635                      | 0.282      |                           | 0.025 |                         |       |
| Adaptability | 0.596                       | 0.101      | 0.386                     | .000  | 0.443                   | 2.257 |
| Mission      | 0.341                       | 0.096      | 0.227                     | .000  | 0.467                   | 2.142 |
| Involvement  | 0.176                       | 0.086      | 0.137                     | 0.042 | 0.42                    | 2.381 |
| Consistency  | 0.045                       | 0.104      | 0.03                      | 0.669 | 0.381                   | 2.625 |

a. Dependent Variable: Commitment

Source; Survey data (2016)

Furthermore, the ANOVA table shows the overall significance / acceptability of the model from a statistical perspective. As the significance value of F statistics shows a value .000, which is less than  $p < 0.05$ , implies the model is significant. This indicates that the variation explained by the model is not due to chance.

As it is stated earlier in first chapter, this study aims to identify the most contributing independent variables in the prediction of the dependent variable. Thus, the strength of each predictor (independent) variable influence on the criterion (dependent) variable can be investigated via standardized Beta coefficient. Hence, the regression coefficient explain the average amount of change in dependent variable that caused by a unit of change in the independent variable.

Therefore, adaptability is the most contributing organizational culture traits in the prediction of employee commitment with beta value 0.386. The other three organizational culture traits, in their descending order of standardized coefficients, are mission ( $B = .227$ ), involvement ( $B = .137$ ) and consistency ( $B = .030$ ) that the variables are making significant to the prediction of employee commitment. In addition, table 4.5 depict that significance levels of adaptability, mission, involvement as .000, .000 and .042 respectively, which are less than 0.05. This indicates that there is statistically significant relationship between them and the dependent variable (employee commitment) and hence, alternative hypotheses related to adaptability, mission, and involvement were accepted. To the contrary, alternative hypotheses which is related with consistency was rejected as significance level is .669 ( $p > 0.05$ ).

**Table 4.6:** Summary of overall outcome of the research hypothesis

| <b>Hypothesis</b>  | <b>Result</b>                |
|--|------------------------------|
| <b>Ho:</b> There is no significant relationship between employees' <b>involvement</b> in decision making and employees' commitment             | B = .137<br>p < 0.05         |
| <b>H1:</b> There is significant relationship between employees' <b>involvement</b> in decision making and employees' commitment                | Ho: Rejected<br>H1: Accepted |
| <b>Ho:</b> There is no significant relationship between organization <b>adaptability</b> and employees' commitment                             | B = .386<br>p < 0.05         |
| <b>H1:</b> There is significant relationship between organization <b>adaptability</b> and employees' commitment                                | Ho: Rejected<br>H1: Accepted |
| <b>Ho:</b> There is no significant relationship between <b>consistency</b> and employees' commitment   | B = .030<br>p > 0.05         |
| <b>H1:</b> There is significant relationship between <b>consistency</b> and employees' commitment  | H1: Rejected                 |
| <b>Ho:</b> There is no significant relationship between employees' identification with organizational <b>mission</b> and employees' commitment | B = .227<br>p < 0.05         |
| <b>H1:</b> There is significant relationship between employees' identification with organizational <b>mission</b> and employees' commitment    | Ho: Rejected<br>H1: Accepted |

According to Pallant (2005), tolerance is the indicator of how much of the variability of independent variable is not explained by another independent variable. Thus, if the value is less than 0.1 or VIF: the inverse of tolerance value is above 10, it implies possibility of multicollinearity. As the multiple regression result on table 4.5 shows all tolerance values are greater than 0.1 and VIF is less than 10, there is no possibility of multicollinearity among the variables.

In general, among the four predictors, multiple linear regressions (Beta coefficients) analysis revealed that, adaptability is the first most significant variable for employee commitment followed by mission. And, involvement of employees takes the third place and availability of consistency is regarded as the fourth important predictor of employee commitment. On the other hand, unlike the other three organizational culture trait,

consistency doesn't have significant effect on employee commitment as it is explained by significance level  $p > 0.05$ . This indicates that, as much as the company tries to maintain a strong culture by being highly consistent, well coordinated and well integrated, this doesn't significantly contribute to level of employee commitment.

## **Summary and Discussion on Major Findings**

This section summarized the core points and major findings which were obtained from data analysis of survey questionnaire

- The numbers of male respondents in the sample population are a bit higher (female 39.8%, male 60.2%) and it is largely dominated by the age group of 18-27 (42.6%).
- The largest group of the population comprises first-degree holders, which is 75.7% of the total respondents. Furthermore, 48.2% of the respondents have 1-5 years of experience in the company and these take the majority.
- The mean score for the measures of mission was relatively high (3.84), followed by adaptability (3.79) and involvement (3.50). However, consistency scores a mean of 3.41. This indicates that, the majority of respondents have slight agreement on the measures of consistency.
- Mean score of employee commitment (3.7) implies that the responses are mostly inclining to agree on commitment measures. Specifically, mean score of 4.15 was obtained from statement which inquires the level of employees willing to put in a great deal of effort beyond the normal expected.
- Pearson coefficients implies that the four factors measuring organizational culture were all positively related with employees commitment within the range of 0.530 to 0.641, all were significant at  $p < 0.01$  level.
- Findings from the multiple regression analysis depict, 47% variation in employee commitment is explained by organizational culture (where by R square is .47 and

adjusted R square is .463%). Furthermore, the significance value of F statistics shows a value .000, which is less than  $p < 0.05$ , implies the model is significant.

- Adaptability is the most contributing organizational culture traits in the prediction of employee commitment with beta value .386. The other three organizational culture traits, in their descending order of standardized coefficients, are mission ( $B = .227$ ), involvement ( $B = .137$ ) and consistency ( $B = .030$ ).
- There is no possibility of multicollinearity among the variables which was asserted by tolerance values greater than 0.1 and VIF value less than 10.
- Statistically significant of the four organizational culture shows there is relationship between them and the dependent variable (employee commitment) in which  $p < 0.05$ . Accordingly, alternative hypotheses related to adaptability, mission, and involvement were accepted. To the contrary, alternative hypotheses which is related with consistency was rejected as significance level is .669 ( $p < 0.05$ ), it also implies that consistency does not have significant effect on the level of employee commitment.

### **Alignment of Findings of this Research with Previous Studies**

This study find out that the four factors measuring organizational culture score within the range of 0.530 to 0.641 correlation coefficients with employees' commitment. Thus, all the independent variables adaptability, mission, involvement and consistency show a moderate level of positive relation with the dependent variable. This finding is consistent with the findings of other researchers.

Asghar, Mojtaba & Sadeghi (2015) undertook Pearson correlation test and concluded that there is moderate level of correlation between employee commitment and involvements ( $r = 0.44$ ). In addition these researchers found out that correlation coefficient score ( $r = 0.35$ ) which indicates there is moderate level of positive relation between consistency and employee commitment. Furthermore, other researchers also found that there is high correlation between the two organizational culture traits, namely involvement and

consistency, with the dependent variable and the correlation coefficient was  $r=0.83$  and  $r=0.76$  respectively.(Azadi, Bagheri , Eslami and Aroufzad (2013)

In addition, this study found out that there is positive correlation between the other two organizational culture traits: adaptability and mission with employee commitment, which is consistent with Azadi, Bagheri , Eslami & Aroufzad (2013) finding. These researchers noted that correlation coefficients of adaptability ( $r=0.85$ ) and mission (  $r=0.81$ ) are indicators for the existence of high correlation between the two organizational culture traits and the dependent variable.

The result of multiple regression analysis of this study shows adaptability is the most contributing organizational culture traits in the prediction of employee commitment with beta value .386. Similarly, study conducted by Nongo and Ikyanyon (2012) proved that adaptability predict commitment more than any other corporate cultural variable ( $\beta = .305$ ). And hence, employees are more committed to organizations that adapt to changing circumstances. In the same token, these researcher asserted that mission and involvement are the next organizational culture traits which contributes to the prediction of employee commitment. This finding is aligned with the finding of this research which depicts that the two organizational cultures have high contribution next to adaptability with beta value .227 (involvement) and .137 (mission).

Unlike the finding of past studies (Ghader and Afkhami (2014); Azadi, Bagheri , Eslami and Aroufzad (2013) ; Asghar, Mojtabaand Sadeghi (2015) ; Hakim (2015) whose research finding shows that consistency has significant relationship with organizational commitment, this study found a contrary result. As per the findings of the study consistency doesn't have significant effect on employee commitment as it is explained by significance level  $p>0.05$ .This indicates that, as much as the company tries to maintain a strong culture by being highly consistent, well coordinated and well integrated, this doesn't significantly contribute to level of employee commitment. Moreover, this finding is similar with Nongo and Ikyanyon (2012) findings who have indicated that employee prefer to be given the freedom to do the job rather than being compelled to do it in a rigid manner thereby consistency has no significant effect to employee commitment.



## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATION**

This chapter aims to align the research findings with regard to the objectives of the study and illustrate the conclusions that have been reached. Recommendation that focuses on how the problem identified could be addressed is included in the present chapter. Lastly, limitation faced while conducting the study and suggestion for future researches is included.

#### **5.1. Conclusion**

This study was initiated to investigate the effect of the selected organizational culture traits on employee commitment in Ethiopian Airlines Company. The study found that adaptability is the most contributing organizational culture traits in the prediction of employee commitment. The other three organizational culture traits; mission, involvement and consistency are ranked depending on their contribution from most to the least.

Therefore, it can be concluded that the more the organization adapts to changing circumstances the more employees are committed to organization. Thus, employees believe that the organization's ability to respond to internal customers regardless of department/ section has effect on their commitment. Furthermore, organization's capacity to restructure a set of behaviors, ability to perceive and respond to the external environment enhances their commitment.

Mission, one of the other organizational culture traits, is found to be more practiced in the organization. This is asserted by the highest mean score of mission, which indicates employee agreement with the measure of mission. The results of regression analysis indicated that mission is the second highest predictor of employee commitment in which employees' identification with the purpose, mission, and goals of the organization elicit commitment to the organization. Therefore, it can be concluded that being able to internalize and identify with an organizational mission contributes to both short and long term commitment of employees to the organization.

This study finding shows that involvement has moderate level of correlation with employee commitment, which means that employees are committed to their organizations when they are involved in decision making and also sense of ownership result a greater commitment to the organization. Furthermore, teamwork, investment to develop the skills of employees, room to receive inputs from organizational members enhances both implementation process and employee commitment.

On the other hand, among measures of consistency majority of employees agree on that Ethiopian Airlines has an ethical code that guides employees' behavior and tells right from wrong. However, the result from multiple regression analysis indicates consistency doesn't have significant effect on employee commitment. Hence, as much as organizations try to maintain a strong culture by being highly consistent, well coordinated, and well integrated, this does not have significant contribution to the level of employee commitment. This lead to the conclusion that employees prefer to be given the freedom to do the job rather than being compelled to do it in a rigid manner so while organizations need to maintain a strong organizational culture, they need to be flexible.

In general as per the findings of the study, it can be concluded that organizational culture is important in improving the level of employee commitment which is asserted by the positive contribution of adaptability, mission and involvement practice to employee commitment. However, consistency; defining values and systems which creates internal system of governance with a clear set of do's and don'ts, with  $p > 0.05$  has no significant contribution to employee commitment. Ultimately, not all corporate cultural measures have significant effect on employee commitment.

## **5.2 Limitation of the Study and Suggestions for Future Studies**

In the succeeding paragraphs, potential limitations of the study and suggestions for future research are discussed. The first one is the cross sectional /single point data collection using quantitative research design was used to gather response from employees but this is limited to one point in time. Thus, future researchers could use longitudinal design and incorporate qualitative questions to clarify the effect of each organizational culture traits to employee commitment.

Secondly, the research is done on a single organization which makes it indicative but not fully conclusive. Thus, future studies in this area could be done in a broader & wider scope to include other companies and increase conclusiveness of the findings. Thirdly, there is limitation with regard to sample in which the target population contains professional employees who have supervisory, administrative or strategic exposure in the business and possess at least Diploma in educational qualification and whose work experience is greater than one year. However, the finding of the research might be different if other organizational culture model was used so as to include semi/ non-professional employees and employees who have worked for less than one year.

In addition, further studies can be conducted on the effect of organizational culture on employee commitment in the context of other industries and countries. And also future researchers can investigate other factors that influence employee commitment such as job-related characteristics, personal characteristics, work experiences etc.

### **5.3 Recommendations**

Depending on the findings of the study and conclusions made, the researcher came up with some important recommendations which would help the organization to focus on organizational culture that can largely contribute to the improvement on level of employee commitment. The recommendations given are the following:

- Although, organizational culture is important in improving the level of employee commitment, the organization is better-off to emphasize on adaptability, mission and involvement, whose contribution to employee commitment is high. However, maintaining a strong culture by being highly consistent, well coordinated and well integrated does not have significant effect on the level of employee commitment. This indicates employees prefer to be given the freedom to do the job rather than being compelled to do it in a rigid manner. In addition, the research finding shows the organization already has well established ethical code that guides employees' behavior and tells right from wrong, but afterward flexible, implicit control system based on internalized values are more effective means of achieving employee commitment.

- Involvement has the third highest mean score in which most respondents agree on employees' involvement in practice. Specifically, the company encouraged cooperation across different department/sections which asserted by its highest mean score (3.82). However, involvement measure which refer to the existence of continuous investment to develop the skills of employees and the delegation of authority, has lowest mean score (3.23). As involvement has positive and significant predictor of employee commitment, the organization should continue its investment to develop the skills of employees and empower employees so as to increase capacity for autonomy.
- The mean and standard deviation of mission and adaptability are high, which assert that the organization has already identified with these organizational traits. Predominantly, this research found that the contribution of mission and adaptability to organizational commitment is high. So the organization should continue to make improvement in communicating its mission and vision to new employees and ensure employees understand and work toward the attainment of the goals of the organization. In addition, the organization should continue to encourage innovation and teamwork among employees so as to enable them adapt in an environment of change, thereby increased their level of commitment.
- On the measure of employee commitment, majority of respondents agree that they are willing to put in a great deal of effort beyond the normal expected, in order to help this organization to be successful. On the other hand, employees' response on one of the measure of organizational commitment shows respondents don't perceive that the company is the best of all possible organizations for which to work. Therefore, the organization should receive feedback from employees and also conduct market survey so as to know the level of competition.

Finally, implementing the above listed recommendation, the organization would be able to focus on selected organizational culture and also it would be possible to have improvements in workplaces to help employees become more committed to their jobs.

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# **APPENDICES**



**Appendices: - A Survey on the Effect of Organizational Culture  
Traits on Employees' Commitment**

Dear Participant,

I am Mersen Bizuneh, a graduate student at Addis Ababa University, school of commerce. Currently, I am undertaking a research to identify the effect of organizational culture on employee's commitment. The result of the study will assist the case organization (**Ethiopian Airlines**) by determining which type of organizational culture has greater effect on employees' commitment and to adjust its focus on the most important organizational culture type. Your participation in this survey is voluntary. The information you provide will be used only for the purpose of the study and will be kept strictly confidential.

It takes about 15 minutes to fill out questions under General profile, Organizational Culture and Employees' commitment category. Please do not write your name or contact address on the questionnaire.

Thank you in advance for your kind cooperation.

**Part 1: General Profile (Please put „✓“ mark in the box that best describes you)**

1. Age :  18- 27                       28- 37                       38- 47                       48 and above
2. Gender:             Female                       Male
3. Highest educational level obtained:  
 Diploma / Level IV                       First Degree                       Masters and above
4. How long have you been in this organization? \_\_\_\_\_
5. Marital Status;     Single                       Married                       Divorce                       Widow
6. Employment Group: . Management                       Non-Management

## Part 2: Organizational Culture of Ethiopian Airlines

Please indicate the degree of your agreement/disagreement with the following statements associated with the **four** traits of organizational culture; Involvement, Consistency, Adaptability and Mission in **Ethiopian Airlines Company (Circle the Alternative Number That Best Describes Your View)**

| Traits Of Ethiopian Airlines Organizational Culture                                      | Strongly disagree        | Disagree        | Neither Agree nor Disagree        | Agree        | Strongly agree        |
|--|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>I. INVOLVEMENT</b>  |                          |                 |                                   |              |                       |
| <b>Empowerment</b>   |                          |                 |                                   |              |                       |
| Decisions are made at the levels where right information is available                    | 1                        | 2               | 3                                 | 4            | 5                     |
| Employees believes that they can have a positive impact                                  | 1                        | 2               | 3                                 | 4            | 5                     |
| Information is widely shared so that employees can get the information they need         | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Team Orientation</b>  |                          |                 |                                   |              |                       |
| Cooperation across different parts of the organization is encouraged                     | 1                        | 2               | 3                                 | 4            | 5                     |
| Teamwork is used to get work done, rather than hierarchy                                 | 1                        | 2               | 3                                 | 4            | 5                     |
| Employees work like they are part of a team  | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Capability Development</b>  |                          |                 |                                   |              |                       |
| There is a continuous investment to develop the skills of employees                      | 1                        | 2               | 3                                 | 4            | 5                     |
| The capabilities of employees are viewed as an important source of competitive advantage | 1                        | 2               | 3                                 | 4            | 5                     |
| Authority is delegated so that employees can act on their own                            | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>II. CONSISTENCY</b>   | <b>Strongly disagree</b> | <b>Disagree</b> | <b>Neither Agree nor Disagree</b> | <b>Agree</b> | <b>Strongly agree</b> |
| <b>Core Values</b>   |                          |                 |                                   |              |                       |
| Managers "practice what they preach"   | 1                        | 2               | 3                                 | 4            | 5                     |
| There is a consistent set of values that govern the way Ethiopian Airlines does business | 1                        | 2               | 3                                 | 4            | 5                     |
| There is an ethical code that guides employees' behavior and tells right from wrong      | 1                        | 2               | 3                                 | 4            | 5                     |

| <b>Agreement</b>  | <b>Strongly disagree</b> | <b>Disagree</b> | <b>Neither Agree nor Disagree</b> | <b>Agree</b> | <b>Strongly agree</b> |
|---|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| When disagreements occur, employee work hard to achieve a "win-win" solutions                   | 1                        | 2               | 3                                 | 4            | 5                     |
| There is a clear agreement regarding the right way and the wrong way to do things               | 1                        | 2               | 3                                 | 4            | 5                     |
| It is easy to reach consensus, even on conflicting issues                                       | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Coordination and Integration</b>   |                          |                 |                                   |              |                       |
| Employees from different parts of the organization share a common perspective                   | 1                        | 2               | 3                                 | 4            | 5                     |
| It is easy to coordinate projects across different parts of the organization                    | 1                        | 2               | 3                                 | 4            | 5                     |
| The approach to doing business is very consistent   | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>III. ADAPTABILITY</b>  | <b>Strongly disagree</b> | <b>Disagree</b> | <b>Neither Agree nor Disagree</b> | <b>Agree</b> | <b>Strongly agree</b> |
| <b>Creating Change</b>  |                          |                 |                                   |              |                       |
| Improved ways to do work are continually adapted  | 1                        | 2               | 3                                 | 4            | 5                     |
| Different parts of the organization cooperate to create change                                  | 1                        | 2               | 3                                 | 4            | 5                     |
| Ethiopian Airlines respond to competitors actions and other changes in the business Environment | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Customer Focus</b>   |                          |                 |                                   |              |                       |
| Customers comment leads to changes and influences decision making                               | 1                        | 2               | 3                                 | 4            | 5                     |
| Employees understand customers wants and needs  | 1                        | 2               | 3                                 | 4            | 5                     |
| Customers inputs directly influences company's decisions  | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Organizational Learning</b>  |                          |                 |                                   |              |                       |
| Innovations are encouraged  | 1                        | 2               | 3                                 | 4            | 5                     |
| Learning is an important objective in a day-to-day work of the company                          | 1                        | 2               | 3                                 | 4            | 5                     |
| Ethiopian Airlines view failures as an opportunity for learning and improvement                 | 1                        | 2               | 3                                 | 4            | 5                     |

| <b>IV. MISSION</b>   | <b>Strongly disagree</b> | <b>Disagree</b> | <b>Neither Agree nor Disagree</b> | <b>Agree</b> | <b>Strongly agree</b> |
|--|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| <b>Strategic Direction and Intent</b>  |                          |                 |                                   |              |                       |
| There is a clear mission that gives meaning and direction                            | 1                        | 2               | 3                                 | 4            | 5                     |
| Ethiopian Airlines strategic direction is clear to me                                | 1                        | 2               | 3                                 | 4            | 5                     |
| There is a long-term purpose and direction of the company                            | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Goals and Objectives</b>  |                          |                 |                                   |              |                       |
| Leaders set goals that are ambitious, but realistic                                  | 1                        | 2               | 3                                 | 4            | 5                     |
| Ethiopian Airlines continuously track its progress against the stated goals          | 1                        | 2               | 3                                 | 4            | 5                     |
| There is widespread agreement about the goals of the company                         | 1                        | 2               | 3                                 | 4            | 5                     |
| <b>Vision</b>  |                          |                 |                                   |              |                       |
| Employees have a shared vision of what the organization will look like in the future | 1                        | 2               | 3                                 | 4            | 5                     |
| Leaders have a long-term viewpoint   | 1                        | 2               | 3                                 | 4            | 5                     |
| Ethiopian Airlines vision creates excitement and motivation for employees            | 1                        | 2               | 3                                 | 4            | 5                     |

### **Part 3: Employee commitment**

Please indicate the degree of your agreement/disagreement with the following statements associated with the measurement of **employees' commitment**. **(Circle the Alternative Number That Best Describes Your View)**

| <b>Employee Commitment</b>  | <b>Strongly disagree</b> | <b>Disagree</b> | <b>Neither Agree nor Disagree</b> | <b>Agree</b> | <b>Strongly agree</b> |
|---|--------------------------|-----------------|-----------------------------------|--------------|-----------------------|
| I am willing to put in a great deal of effort beyond the normal expected, in order to help this organization to be successful | 1                        | 2               | 3                                 | 4            | 5                     |
| I talk about this organization to my friends as a great organization to work for  | 1                        | 2               | 3                                 | 4            | 5                     |
| I would accept any type of job assignment in order to keep working for this organization                                      | 1                        | 2               | 3                                 | 4            | 5                     |
| I find that my values and the organization's values are very similar  | 1                        | 2               | 3                                 | 4            | 5                     |
| I am proud to tell others that I am part of this organization   | 1                        | 2               | 3                                 | 4            | 5                     |
| This organization really inspires the very best in me in the way of the job performance                                       | 1                        | 2               | 3                                 | 4            | 5                     |
| I am glad that I have chosen this organization to work for over others  | 1                        | 2               | 3                                 | 4            | 5                     |
| For me, this is the best of all possible organizations for which to work  | 1                        | 2               | 3                                 | 4            | 5                     |

