



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**ORGANIZATIONAL CULTURE AND ITS IMPACT ON EMPLOYEE
JOB PERFORMANCE: THE CASE OF ETHIOPIAN
CONSTRUCTION WORKS CORPORATION**

BY: - MESERET ABEBE

JUNE, 2017

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Table of Contents

ACKNOWLEDGMENTS.....	vi
LIST OF ABBREVIATIONS AND ACRONYMS.....	vii
<i>ABSTRACT</i>	viii
CHAPTER ONE.....	1
INTRODUCTION	1
1.1. Background of the Study	1
Organizational Profile	3
1.2. Statement of the Problem.....	4
1.3. Research Questions.....	5
1.4. Hypothesis.....	6
1.5. Objective of the Study	6
1.5.1. General Objective	6
1.5.2. Specific Objectives	6
1.6. Definition of Terms	6
1.7. Significance of the Study	7
1.8. Scope/ Delimitations of the Study	7
1.9. Organization of the research Report	8
CHAPTER TWO	9
REVIEW OF THE RELATED LITERATURE	9
2.1. Theoretical Review of Organizational Culture.....	9
2.1.1 Components of Organizational Culture	9
2.1.2 Dimensions of Organizational Culture	12
2.1.1. Importance of Culture	18
2.1.2. The Concept of Employee Job Performance	18
2.2. Empirical Study.....	19
2.3. Conceptual frame work.....	21

CHAPTER THREE	22
RESEARCH METHODOLOGY.....	22
3.1. Research Design.....	22
3.2. Research Approach.....	22
3.3. Target Population and Sampling Techniques:	22
3.4. Sources, Methods of Data Collection and Measurement.....	24
3.5. Data Analysis Method	25
3.5 Validity and Reliability	26
3.6. Ethical Consideration	27
CHAPTER FOUR.....	28
RESULTS AND DISCUSSIONS.....	28
4.1. Results.....	28
4.1.1. Response Rates of Respondents	28
4.1.2. Demographic Characteristics of Respondents	28
4.1.3. Descriptive Statistical Analysis	30
4.1.4. Correlation Analysis	31
4.1.5. Multiple Regressions Analysis	32
4.2. DISCUSSION	34
CHAPTER FIVE	36
SUMMARY, CONCLUSIONS AND RECOMMENDATION.....	36
5.1 Summary Of Findings	36
5.2. Conclusion	37
5.3. Recommendations	38
5.3 Limitation Of The Study.....	39
REFERENCES	40
APPENDIXES.....	43
DECLARATION.....	50
ENDORSEMENT.....	51

LIST OF TABLES

Table 3.1: Sample Size determination of the Study.....	23
Table 3.2: Measure of Internal Consistency - Cronbach's Alpha.....	27
Table 4.1: Background information.....	29
Table 4.2: Descriptive Statistics of the Study Variables.....	30
Table 4.5: Correlation Analysis.....	31
Table 4.6: Multiple Regression Analysis Model Summaries.....	33
Table 4.8: Regression Coefficient of the Variables.....	33

LIST OF FIGURES

Figure 2.1: Denison Culture Model.....	15
Figure 2.1: Conceptual Frame Work of the study.....	21

LIST OF APPENDICES

Appendix A; Questioner.....	44
Appendix B; Graph and Charts	49

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LIST OF ABBREVIATIONS AND ACRONYMS

ECWC Ethiopian Construction Works Corporation

SPSS Statically Social Science

OC Organizational Culture

EP Employee Performance

SD Standard Deviation

ABSTRACT

Organizational culture has a great deal of effect on the variety of organization processes, employees and their performance. The purpose of this study is to investigate the relationship between organizational culture and employee job performance at Ethiopian construction works corporation. The research employed explanatory deign along with quantitative approach. Data was collected from 125 employees selected through simple random sampling. Organizational culture was measured by using a questionnaire adopted from Daniel Denison (2000). Data were analyzed by using descriptive statistics, correlation and regression analysis. The result indicates that involvement, consistency, adaptability and mission dimensions of organizational culture have significant positive impact on employee performance. So, organizations should endeavor to promote the cultural dimension of involvement and consistency as the dominant one, while the correlation also shows that involvement and consistency cultural dimensions has a high correlation with employee job performance as compared to the other remaining OC dimensions. And also the study recommends that ECWC should provide effective integration & coordination of system among departments, continuous development of their employee's skills and capacity, work teams among employees, improvement in the reward system and improvement of internal communication channels and employees participation in decision making in order produce good performance.

Keywords: *Organizational culture, Employee performance, Ethiopian construction Works Corporation*

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

The concept of organizational culture in particular has been generating a lot of interest in both research and practice in recent times. It has so far attracted significant interest in both the academic and business world because of a tantalizing promise; Dodek, Cahill and Heyland (2010) stated that culture to an organization is what personality is to the individual a hidden, yet unifying theme that provides meaning, direction, and mobilization. According to Chegini (2010), organizational culture is the beliefs, values and practices, which form the characteristics of an organization. Lund (2003) looks at the concept in a broader sense and defining it as a system of shared values and beliefs that interacts with a company's people, organizational structure, and control systems to produce behavioral norms.

Davenport, (1998) stated that corporate culture is seen as the organization DNA, invisible to the naked eyes and still a powerful unstoppable force that shapes what happens in the work place.

The differences in employee performance among companies in the same industry are as a result of the differences in their organizational culture. The influence of organization culture on employee performance is critical and cannot be ignored. It is to this end that Trice and Beyer (1993) based on their research posited that most organizational scholars have recognized in their studies the very powerful and irrefutable effect an organization's culture has on employee performance and productivity. The culture of some organizations perpetuates high employee performance while the culture of the others perpetuates low employee performance.

Trice and Beyer (1993) also noted that a company's culture in the next decade will be the determining factor of the failure and success of employees. This 'Prophecy' is coming to pass today as high performing companies owe their success to a strong overarching employee friendly corporate culture. a positive organizational culture have been linked to

increased organizational effectiveness, increased employees productivity and advanced level of employee commitment (Barney, 1986; 656-665)

The logic of how cultural strength relates to performance involves three ideas, the first of which is goal alignment. In a firm with strong culture, employees tend to a demonstration to the same drummer. That is no small achievement in a world full of specialization and other forms diversity. Strong cultures are also often aid to help business performance because they create an usual level of motivation is employees. Sometimes the assertion is made that shared values and behaviors make people feel good about working for a firm, that feeling of commitment on locality then is said to make people strive harder (John P. Kotter, Jams Heskett, 2003; 16). Occasionally, strong culture are also said to help performance because they provide needed structure and controls without having to rely on stifling formal bureaucracy that can dampen motivation and innovation. (John p. Kotter, Jams Heskett 2003: pp 16)

A number of researchers have argued that organizations can improve performance through adopting cultural values, which create excitement, specify expected behaviors of employees and enhance their productivity (Ouchy, 1981; Pascal and Athos, 1983; Kilmann et al., 1985; Rousseau, 1990). The increased interest in culture has led to the development of different theories/models/frameworks aiming at explaining organizational culture and its impact as well as its relevance to organizations.

On the other hand job performance is a commonly used term to refer to whether a person performs his/her job well or not. Campbell, McCoy, Doppler and Sager (1993) describe job performance as an individual level variable. In other words, performance is something a single person does. Casio (2006), on the other hand, refers to the concept as the degree of accomplishment of the task that makes up an employee's job. Meanwhile, Jones (2003) describes it as the net effect of an employee's effort as modified by abilities and roles or task perceptions.

In view of the above, this study aims to address the need for an improved understanding of the relationship between organizational culture and employee performance in ECWC; this study is rooted in the research that identifies involvement, mission, adaptability and

consistency cultures as the key traits of cultural dimensions that drive performance in public organizations Denison Dr. (2013) with the help of 125 respondents.

Organizational Profile

The Ethiopian Construction Works Corporation (ECWC) is a newly established public enterprise with the authorized capital of Birr 20,313,608,143.90; on December 18/2015 based on council of Ministers Regulation No. 366/2015. Of which Birr 7,743,333,613.80 is paid up in cash and in kind. The corporation is amended by council of Ministers Regulation No. 390/2016, on September 28/2016. ECWC is governed by the Public Enterprises Proclamation No.25/1992. Its supervising authority is The Ministry of Public Enterprises and its policy-making body is the Board of the Corporation whose members are appointed by the government selected from different organizations.

The Head Office of the corporation is located in the city of Addis Ababa, around Gured Shola. It is head by a Chief Executive Officer (CEO) and six deputy Chief Executive Officers and department and project heads. The corporation is a result of the amalgamation of three formerly independent public enterprises, namely the Ethiopian Road Construction Corporation, the Ethiopian Water Works Construction Enterprise and the Ethiopian Prefabricated Building Parts Production Enterprise.

Mission of the Corporation

By using skilled manpower and modern technology, delivering quality construction works both domestically and overseas, assembling construction machinery and equipment, manufacturing spare parts as well as acquiring, owning and administering dams constructed by the government, collecting charges from the beneficiaries of such dams and expanding such development activities.

Vision of the Corporation

“To be a worldwide competent construction company by 2026”.

Values of the Corporation

Quality service,

Team spirit

1.2. Statement of the Problem

As many researches written factors such as the managerial policies, the behavior of the managers toward the employees and their rarely chances and information gap might have major influence on the impact of organizational culture on employee performance according to Oparanma (2010). The organizational culture has great effect on the variety of organizations process, employees and its performance. So when employees are committed and having the same norms and value as per organizations have, could increase the performance to achieving the whole organizational goals as argued by Shahzad, Luqman, Khan, & Shabbir (2012).

A significantly positive relationship between organizational culture and employee's performance, and found that an organizations and its employees were not performing and working together very well because of weak culture as Aluko (2003).

Considering the reality mentioned above currently ECWC has recently merged three public enterprises: to get the following advantages of;

- Common resource utilization,
- Growing number of domestic contractors and competitiveness in the industry
- to fill the market gap in the development of infrastructure
- Growing tremendously both domestically as well as in foreign nations in the industry.

Even though the above advantages are very helpful to achieve corporate goals and objectives, the emerging corporation system however seems to over look to coordinate these different cultures and leadership styles to the best interest of the corporate mission and value." Many workers in the corporation are observed as they appreciate their previous work system and blame the current corporate system. Some comment that lack of adaptability/flexibility in the corporation to respond to a changing environment, the current system of the corporation are not supportive of successful in goal attainment of ECWC. Some are indifferent to comment the case. All such employees' opinions will result undesirable effect on the corporation performance. As evidenced from the corporation 2009 E.C yearly plan The first six months revenue performance decrease nearly by half from the same duration performance of 2008 E.C. In all cases it seems that the emerging

organizational culture lack transparency and failure to communicate what really the corporation aspire to be to the employees with different background.

On the other hand; the hierarchy is not well organized to control and manage employees to the daily routine activities. The responsibility and accountability level of employees are not supervised and monitored in many circumstances like punctuality, work performance, etc. For instance the corporation employees' six month performance evaluation was missed for the reason that the system is not ready to operate. The organization's weak culture may cause lack of involvement, consistency, adaptability, and mission therefore, consistent with these facts the researchers of this study attempts to investigate the impact of organizational culture on employee's performance of ECWC.

In addition, there is lack of adequate study particularly on the subject of organizational culture and impact on employee performance is reveal in Ethiopia. This study was intended to fill this gap by studying the situation of the ECWC and providing more empirical evidence on the effects of corporate culture on employee job performance. The knowledge gap also comes in the sense that little has been done to bring out the joint effect (s) of the four traits in Denison's Model underlying organizational culture on each of the four measures of employee job performance in the ECWC. This study was therefore examining the influence of four traits: Involvement, Consistency, Adaptability and Mission, on the employee job performance in the corporation.

1.3. Research Questions

Many factors influence people in organizations, but not all are considered when trying to understand the behavior of people at work, the most frequently overlooked factor is the influence of organizational culture on employees' performance; hence the study was specifically consider the following key research questions.

- What is the culture of Ethiopian Construction Works Corporation?
- Does any significant relationship exist between organizational culture dimensions i.e. involvement, consistency, adaptability and mission) and employees' job performance in ECWC?
- What is the impact of Organizational Culture dimension which is involvement, consistency, adaptability and mission on employee job performance in ECWC?

1.4. Hypothesis

The following hypotheses are advanced and tested in this study.

1. H1: There is significant relationship exist between organizational culture dimensions (involvement, consistency, adaptability and mission with employee job performance)
2. H2: Cultural traits of involvement, consistency, adaptability, and mission in organizations exert a significantly positive impact on employee job performance.

1.5. Objective of the Study

1.5.1. General Objective

The general objective of the study was to investigate the impact of organizational cultural on employee job performance in Ethiopian Construction Works Corporation.

1.5.2. Specific Objectives

The specific objectives of the study were indicated as follows:

- ✓ To assess the level of organizational culture of ECWC.
- ✓ To ascertain whether there is any relationship between organizational cultural traits of involvement, consistency, adaptability, and mission in ECWC and employees' performance.
- ✓ To examine the impact of organizational cultural traits of involvement, consistency, adaptability, and mission in organizations on employee job performance.

1.6. Definition of Terms

Organizational culture - is the beliefs, values and practices, which form the characteristics of an organization as Chugging (2010).

Employee Job Performance - Ability of an employee to reach the measurable goals and standards, effectively and efficiently as Armstrong, (2012).

1.7. Significance of the Study

This study will provide guidance to the employer of ECWC. Corporate managers and leaders may have information necessary to increase employee job performance and organizational performance by making relationship between Organizational culture and employee job performance. Moreover, numerous of previous studies were studied in organizational culture within related to organizational performance, and there is additional information in related to employee performance. The study concerning organizational culture and employee job performance in ECWC. In Ethiopia context, adding to study will enriched the existing literature hence giving a better understanding of the organizational culture from the ECWC.

1.8. Scope/ Delimitations of the Study

The study was limited to Ethiopian Construction Works Corporation that exists in Addis Ababa since Ethiopia is too large to cover. Due to number of districts and geographical dispersion, the study is delimited only the head office and Transport Infrastructure Sector. The study would be bounded by both area coverage and problem addressed. This study was limited to employees in some selected sectors of ECWC located in Addis Ababa and in particular, this paper was covering an insight to the concept the relationship certain organizational culture and employee job performance and the period of data for this study was be from 2015 to 2017 G.C.

Even though different categories of organizational cultures are developed by different researchers and authors, this paper had tried to depend on the dimensions of organizational culture indicated by Daniel Denison's model (2000). This author has identified four dimensions which can be used to analyze the culture of one particular organization. Four dimensions of organizational culture like Mission, Adaptability, Involvement, and Consistency are used in analyzing organizational culture on impact of employee job performance on each dimension which finally affects the levels of employee performance.

1.9. Organization of the research Report

This study paper is organized in five chapters. The first chapter deals with the general background of the study, statement of the problems, research question, objectives, significance of the study and scope/delimitation of the study. The second chapter addresses the detailed review of theoretical and empirical literatures on organizational culture and employee job performance. The third chapter presents the detail of methodology used in the study such as research design, population and sampling techniques. The fourth chapter dedicated to the detail analysis and interpretation of the data collected for the study. Finally, the summary of finding, the conclusions, the limitation and recommendation discussed in chapter five.

CHAPTER TWO

REVIEW OF THE RELATED LITERATURE

2.1. Theoretical Review of Organizational Culture

Culture is a universal phenomenon as there is no society in history without a culture. But culture varies from one society to another. Studies of formal organizations in both Western and non-Western societies have shown the implications of varying cultures for 'organizational operations and performance'.

2.1.1 Components of Organizational Culture

Many definitions of organizational culture have been proposed. Almost all of them consent that there are different ingredients that constitute as the organization culture. Artifacts, Values, and basic major assumptions are elements.

As Nelson & Quick, (1997; 475) culture involves three levels. These levels are differs each other in terms of their visibility and their ability to be changed. The levels range from visible artifacts and creations to testable values to invisible & even preconscious basic assumptions.

Artifacts and Creations (Level one)

Artifacts are the organizations visible structures and process, they what the observer can see, hear and feel about an organization as Noe, Wright, (1996; 189) This include an organization's physical environment, its technology and products, the way employee dress and be have toward one another and stories they tell about the organization and its leaders. Moreover Nelson & Quick; (1997; 476) define artifacts as symbol of culture in the physical and social work environment they are the most visible and accessible level or culture. They emphasize personal enactment, ceremonies and rites, rituals, stories and symbols as artifacts of culture.

Personal enactment is the behavior of that reflects the organizations culture through the examination of the behavior of organization's members. It is behaviors that reflect the organization's value.

Ceremonies and Rites

Relatively elaborate sets of activities that are enacted time and again on important occasions. These occasions provided opportunities to reward and recognize employees whose behavior consistent with the values of the company. Ceremonies and Rites send a message that individuals who both espouse and exhibit corporate values are heroes to be admired.

Stories:- These are accounts of past events that illustrate and transmit deeper cultural norm (Singh and Chhabra, 2002, 498). Stories give meaning and identify to organizations as they are told and retold, especially for new comer employees. The information they get from stories, guide how they behave in the organization (Nelson and Quick, 1997; 478-479).

Rituals

Is "Actions that are repeated regularly to reinforce cultural norms and values" (Singh and Chhabra 2002, 498). They are usually unwritten, but they send a clear message about how can we do things in the organization. And also used as a formulization technique and means of transmitting culture. Activities, Such as recognition and award ceremonies, training programs, promotions, retirements, and management conference are rituals (Quotee by Robbins, 1987 - 366).

Symbols; is "objects, actions or events that have special meaning and that able organizational members to exchange complex ideas and emotional messages" (Singh and Chhabra, 2002, 498)

According to the definition symbols are used to communicate the culture by unspoken language. The design and physical layout of space and building, furniture; dress styles of employees are material symbols that convey to employees who is important.

Although artifacts are easy to observe it is difficult for an observed to interpreter the meaning of the artifact; (Noe, wright and A Noe, 1997; 189) Annual reports, a newsletter, well dividers between workers, and furnishings are also included.

Values (Level Two)

These are the second level of culture and reflect underlying beliefs in the organization about the things that are important to people. Values are conscious affective desires or wants. “Values are things that the members of an organization collectively see as important and which consequently tend to guide their behaviors” (Sadler 1995: 43)

When we say value there may have a difference between a company’s espoused values (what the members say they value) and its enacted values (values reflected in the way the members actually behave) (Nelson and Quick; 1997, 479).

Every organization has a distinctive set of values; spoken and unspoken, which may guide how people interact in the organization. Although there might not always be a universally accepted set of standards, nevertheless most of the people working in the organization seem to have a pretty good idea of what the culture at large considers important. Many of these value standards stem from the words and deeds of the management in their day to day operations. The formal value system determines the types of behavior to be encouraged and awarded and those to be discouraged and punished. These formal values (rites, rituals, Myths, symbols, etc.) are developed through organization’s founders and members consciously or unconsciously, Singh and Chhabra (2002; 490).

Basic Underlying Assumptions or Norms (Level Three)

There are at the core and deepest level of an organization culture, According to Noe Wright and A. Noe, 1997: 187) basic underlying assumption defined as shared views that are taken for granted and considered as non negotiable. Even if, employees can disagree with other values they wouldn’t violate these assumptions. Usually assumptions are unconscious. The members of the organization may not be aware of their assumptions and may be unwilling or unable to discuss them or change them (Nelson and Quick, 1997; 480).

Ways to speak to persons in authority, styles of dress, patterns of protocol in staff meetings, interaction between men and women, tolerable degree of cooperation or antagonism between department, established methods for disagreeing with the boss, the consideration of arriving & leaving on time, working extra hours without pay are examples of assumptions given by (Singh and Chhabra, 2002;490). Those are assumptions that tell

individuals how to perceive, think about and feel about work performance goals, human relationships, and the performance of colleagues.

2.1.2 Dimensions of Organizational Culture

Organizational culture can be examined by its different dimensions. Accordingly different researchers and authors have identified different types / dimensions of organizational culture based on their studies. Moreover, culture should have distinct characteristics that can be define and measured when we combine and see this dimensions. We found the core of the organization's culture. These dimensions also used for differentiating one organization's from another.

Seven primary characteristics seem to capture the essence of an organization's culture: according to Robbins, 10th ed. 2013, (512-513)

1. Innovation and risk taking.

The degree to which employees are encouraged to be innovative and take risks.

2. Attention to detail.

The degree to which employees are expected to exhibit precision, analysis, and attention to detail.

3. Outcome orientation.

The degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them.

4. People orientation.

The degree to which management decisions take into consideration the effect of outcomes on people within the organization.

5. Team orientation.

The degree to which work activities are organized around teams rather than individuals.

6. Aggressiveness

The degree to which people are aggressive and competitive rather than easygoing.

7. Stability

The degree to which organizational activities emphasize maintaining the status quo in contrast to growth.

According to Denison's asserts that organizational culture can be described by four general dimensions – Mission, Adaptability, Involvement and Consistency. Each of these dimensions is further described by the following three sub-dimensions:

1. **Involvement**- Empowerment, Team Orientation and Capability Development.
2. **Consistency** - Core Values, Agreement, Coordination/Integration.
3. **Mission** - Strategic Direction and Intent, Goals and Objectives and Vision.
4. **Adaptability** - Creating Change, Customer Focus and Organization Learning.

Denison's model also allows cultures to be described broadly as externally or internally focused as well as flexible versus stable. The model has been typically used to diagnose cultural problems in organizations and it is the one we shall adopt in this study as a tool for measuring organizational culture. Each of these dimensions is described as below.

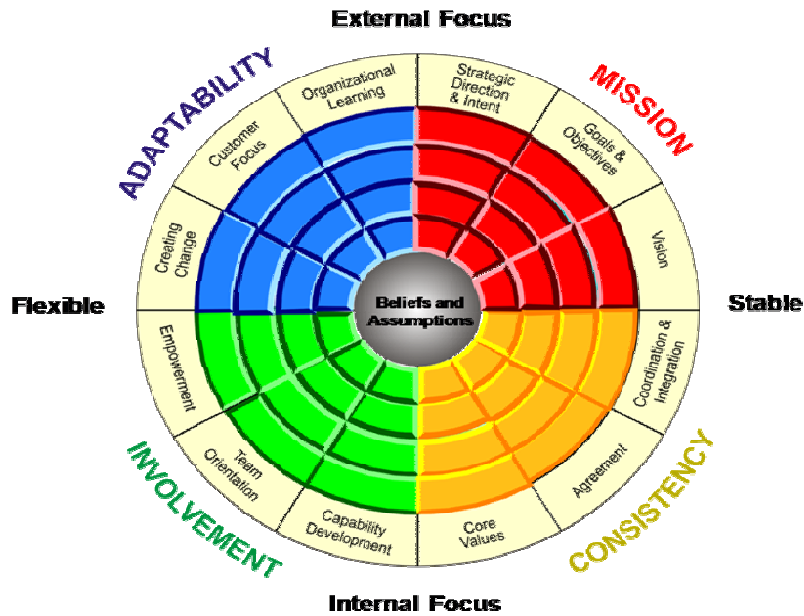
Involvement is the rate of participation and initiative of all the employees in an organization (Macleod and Brady, 2008). Research literature has shown that effective organizations empower and engage their people, build their organization around teams, and develop human capability at all levels (Denison, *et al* 2006). Employees at all levels of the organization feel that they have at least some input into decisions that will affect their work and feel that their work is directly connected to the goals of the organization (Kurstedt and Mallak, 1996). This allows high involvement organizations to rely on informal, voluntary and implicit control systems, rather than formal, explicit, bureaucratic control systems. Denison, *ET al* (2006) *measures* this trait with three indexes: The first is empowerment, where individuals have the authority and ability to manage their own work. This creates a sense of ownership and responsibility towards the organization; the second is team orientation, which places much value on working cooperatively towards common goals for which all employees feel mutually accountable; and the third is capability development, a trait that is evident when the organization continually invests in the development of employees 'skills in order to remain competitive and meet on-going business needs. In the next paragraph we shall look at mission as one of the dimensions of organizational culture according to Denison's model.

An organizational mission is an organization's reason for existence (Sorensen, 2002). Forest and David (2003) assert that successful organizations have a clear sense of purpose and direction that defines organizational goals and strategic objectives and expresses a vision of what the

organization will look like in the future, adding that a sense of mission allows an organization to shape current behavior by envisioning a desired future state. Lee and Yu (2004) believe that being able to internalize and identify with an organization's mission contributes to both short and long-term commitment to the organization. They therefore measured this trait with three indexes as follows: The first index looks at the strategic direction and intent. Here, clear strategic intentions convey the organization's purpose and make it clear on how everyone should contribute towards fulfillment of organization's purpose. The second index analyzes the goals and objectives. Here a clear set of goals and objectives highlight the targets the organization so wants to achieve within a given time period. This is then linked to the mission, vision, and strategy and provides everyone with a clear direction in their work. The third index looks at the vision. Here, the 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. A clear sense of purpose and direction in an organization, which is what defines organization's goals and strategic objectives, can only be attained if there is consistency in the organization's way of doing things. The next paragraph will elaborate on this aspect.

Consistency implies the extent to which the values, beliefs and standards of behavior are acquired and shared among employees in an organization (Denison, 2009). Denison, *et al* (2006) found out that organizations are effective when they assume a predictable style of doing things for a considerable period of time. Consistent organizations, according to Denison, *et al* (2006), develop a mindset and create organizational systems that build internal systems of governance based on consensual support. These implicit control systems can be a more effective means of achieving coordination and integration than external-control systems that rely on explicit rules and regulations. Xenikou and Simosi, (2006) measured this trait with three indexes: The first index is the core values where members of the organization share a set of attributes, which create a sense of identity and a clear set of expectations, the second index is agreement where members of the organization are able to reach consensus on critical issues and the third is coordination and integration where different functions and units of the organization are able to work together well to achieve common goals. Denison's model is illustrated in the diagram below.

Figure 2.1 - Denison Culture Model



Source: D.R. Denison, The role of the Board of Directors in shaping corporate culture

According to Schein (1992), culture is the most difficult organizational attribute to change, outlasting organizational products, services, founders and leadership and all other physical attributes of the organization. His organizational model illuminates culture from the standpoint of the observer, described by three cognitive levels of organizational culture according to Edgar Schein Model.

Artifacts – Artifacts are difficult to measure and they deal with organizational attributes that can be observed, felt and heard as an individual enters a new culture.

Values – This level deals with the espoused goals, ideals, norms, standards, and moral principles and is usually the level that is usually measured through survey questionnaires.

Underlying assumptions – This level deals with phenomena that remain unexplained when insiders are asked about the values of the organizational culture. Information is gathered in this level by observing behavior carefully to gather underlying assumptions because they are sometimes taken for granted and not recognized. According to Schein, the essence of organizational culture lies in this level.

A research by O'Reilly, Chatman & Caldwell (1991) developed a model based on the belief that cultures can be distinguished by values that are reinforced within organizations. Their Organizational Profile Model (OCP) is a self-reporting tool which makes distinctions according seven categories - innovation, stability, and respect for people, outcome orientation, and attention to detail, team orientation, and aggressiveness. The model is not intended to measure how organizational culture effects organizational performance rather it measures associations between the personalities of individuals in the organization and the organization's culture. Employee values are measured against organizational values to predict employee intentions to stay, and predict turnover. This is done through instrument like Organizational Culture Profile (OCP) to measure employee commitment.

As Deal and Kennedy (1982) created a model of culture that is based on 4 different types of organizations. They each focus on how quickly the organization receives feedback, the way members are rewarded, and the level of risks taken. Deal and Kennedy's Four Cultures:

Work-hard, play-hard culture

This has rapid feedback/reward and low risk resulting in: Stress coming from quantity of work rather than uncertainty. High-speed action leading to high-speed recreation. Examples: Restaurants, Hospitals companies.

Tough-guy macho culture

This has rapid feedback/reward and high risk, resulting in the following: Stress coming from high risk and potential loss/gain of reward. Focus on the present rather than the longer-term future. Examples: police, surgeons, sports.

Process culture

This has slow feedback/reward and low risk, resulting in the following: Low stress, plodding work, comfort and security. Stress that comes from internal politics and stupidity of the system, development of bureaucracies and other ways of maintaining the status quo. Focus on security of the past and of the future. Examples: banks, insurance companies.

Bet-the-company culture

This has slow feedback/reward and high risk, resulting in the following: Stress coming from high risk and delay before knowing if actions have paid off. The long view is taken, but then much work is put into making sure things happen as planned. Examples: aircraft manufacturers, oil companies.

The Hierarchy Culture

(Cameron and Quinn 1999:275) states that, until 1960, almost every book on management or organization study made the assumption that Weber. Hierarchy or democracy was the ideal form of organization because it leads to stable, efficient, highly consistent.

The Market Culture

The basic assumption market culture and that the external environment is not benign but hostilely, consumers are choosers and interested in value, the organization is in the business of increasing its competitive position and major task of management is to drive the organization toward productivity and profitability. They are advising all the time defeating the opposition and marching consistently toward the goal. Cameron and Quinn (1999:36).

The Clan Culture

As Cameron and Quinn (1999:273) notes that some basic associations in clan culture are that the environment customer are the best thought as partner, the organization in business of developing a human work environment, and the manager task of management is to empower employee and facilitate their participation, commitment and loyalty. The clan culture, as associated in the typified by friendly place to work where people share a lot of themselves it is extended family commitment is high.

Understanding Your Organizational Culture

According to (Schein 1992:112) one of the secrets to organizational sustainability is self-awareness knowing the culture of personality of your organization and knowing how it is perceived by the community.

Organizational culture includes the symbols, Ceremonies, ritual and traditional of group or organization. Organizational culture is what more in organization unique and it directly reflects on the stockholders within or connected to the group or organization, its reason for being, its history, and its goal and organizational culture can create a common bond. Between stakeholders encourage and inspire people to continue with a group or organization and keep organization vision alive. (Richard, J, 2003:3) (Phegan, B, 1993:2003) although organizational culture may be difficult to plan for an international may an awareness of culture can be very helpful in other kinds of planning. If you want to become more aware of your organization culture you can - Learn the history of - Check and or re-visit your value statement.

2.1.1. Importance of Culture

According to (Angela Sinckas, 2006:9) culture provides consistency for an organization and its people. Culture also determines at the power within the organization. In more traditional culture power rests with management in more nurturing culture power is more widespread, etc. Culture may also impact who can report to whom. Change has been implemented in the past decade, but too often deployment is a problem. Yet changing the culture has not often been an initiative itself, resulting in sense of complacency or discouragement. *Jean C.Vogds, (2001: 9)*.

2.1.2. The Concept of Employee Job Performance

Job performance is a very critical factor in every organization. It is the basis of the success of an organization which, in all aspects, is dependent on individual employee performance. In other words, if an individual performs according to the expected standards, then organization performance will be enhanced and improved (Cheggin 2010) it is, therefore, logical that job performance is an extremely important criterion that relates to organizational outcomes and success. Given the importance of employee job performance, management has to carry out an in-depth analysis of their employees and find out the determinant factors that will increase high employee job performance. Factors used to measure an individual job performance vary from one field of work to another.

This study will focus on only three factors, which are the core elements of job performance. These factors are productivity, teamwork and decision-making. Employee productivity is measured by how much of something an employee has produced. This is quantified by incorporating indicators on evaluations that focus on capturing measurable data. Productivity-related indicators may examine the production outcomes are (DeWitt 2010). In the case of ECWC, The researcher looking at how organization culture influence employee performance.

DeWitt (2010) goes on to affirm that decision-making as an indicator of performance shows how well an employee is able to judge a given work situation and respond to it. Macleod and Brady (2008) on the other hand, refer to the concept as the ability of the employee to manage his time and allocate resources effectively. How to gauge this will differ from one organization to another. Robertson *et al* (2012) assert that some businesses look for quick decision-making, the ability to make snap judgments with limited information, while others prefer employees to think carefully and research before responding to customers or project activities

Another aspect that can be observed as a measurement of employees' job performance is their consistency. According to Runny (2007), employees 'consistency can be gauged by looking at how they demonstrate their ethical business practices, like not stealing the employer's time, and if they are working in the accounts department, how trustworthy they are. Consistency on the side of employees is certainly a positive trait. Here the study are looking at how consistent they are with their values, how much innovation, planning and organizational skills an employee displays plus how much initiative an employee has toward meeting required goals. Once all these are consistent, an employee is rated to be a high performer. Consistency indicators, affirms Runny (2007), help supervisors determine the level of an employee's integrity and credibility.

Teamwork is usually considered as an important factor especially in the workplace. Job performance in terms of teamwork can be gauged on how successfully an employee works with others to achieve desired results. (Macleod and Brandy (2008) This ability, assert Blois, Cook and HunSaker (2007) can be easily assessed on how an employee communicates with his/her coworkers; this can be seen on how one expresses their ideas and information appropriately and with efficiency. A good employee demonstrates great ability in teamwork during scenarios of conflict resolution. Robertson *et al* (2012) concur by saying that, if an employee has what it takes, they should be able to express different points of view in a non-threatening way, having knowledge about when it is appropriate to compromise and when it is important to take a stand. As a committed team member, an employee should maintain a high level of character and a professional attitude with an ability to conform and promote the company's standards of conduct. Lastly, they should be people who are self-motivated and strive to learn to improve and take on responsibilities (Robertson *et al* 2012).

2.2. Empirical Study

Ojo (2009) analyzed and assesses empirically the impact of corporate culture on employee job performance as well as organizational productivity using Nigerian banking industry as the case study. He tries to ascertain if organizational culture affects employee job performance, and to formulate recommendations regarding corporate culture and employee job performance. He comes out with the result that majority of the respondents strongly agrees that corporate culture has effect on employee job performance, and that Majority of the employees respondents agree that corporate culture has effect determines the productivity level of the organization.

Daniel Denison (1984) studied a convenient sample of 34 firms representing 25 different industries. He found that two indices, “organization of work” and “decision making”, were found to be significantly correlated with financial performance. In addition, he found that the strength of the culture was predictive of short-term performance, when performance was defined with broad indicators like return on assets, return on investment and return on sales, etc. on the other hand Julia C. Naranjo, Valencia, Requel Sanz Valle and Daniel Jimenez (2010), they made study on empirically the relationships among organizational culture and product innovation. Findings are recorded as, Organizational culture is considered to be one of the key elements in both enhancing and inhibiting innovation. The findings provide evidence about this proposition.

Angela Sinickas (2006), Argues that Corporate culture can help drive business results, but it takes a cultural audit to differentiate which elements of the culture can lead to superior performance. Angela Sinickas conducts employee engagement surveys that are specifically designed to measure the correlation between employee behaviors and attitudes that define an organization’s culture and its financial results. The questions are developed in two categories: behavior defining outcomes with financial value and behaviors and attitudes describing inputs that could affect those outcomes.

Ouchi and Jaeger (1978) made an evaluative study of the differences between American and Japanese cultures. According to them, the American culture is characterized by short-term employment, individual decision-making, individual responsibility rapid evaluation and promotion, explicit, formalized control, specialized career paths and segmented concern. On the other hand, Japanese culture is characterized by lifetime employment, consensual decision making, collective responsibility, slow evaluation and promotion, implicit formal control, non-specialized career path and holistic concern. This description exhibits a sharp and marked contrast between the two cultures.

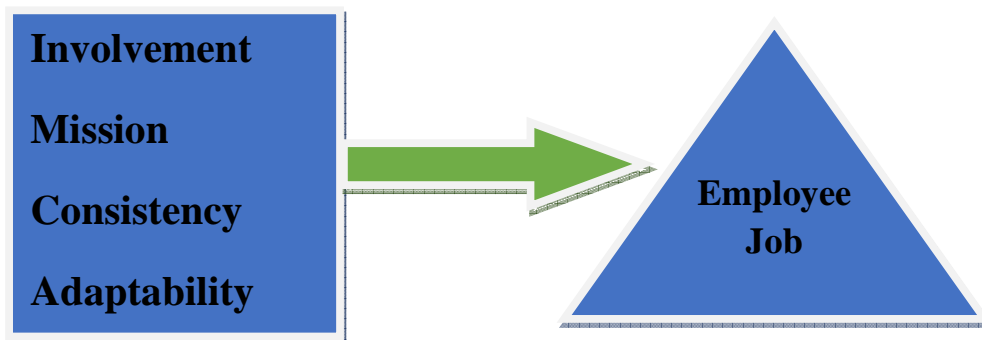
2.3. Conceptual frame work

Based on the overall review of related literatures and the theoretical framework, the following conceptual frame work in which this specific study governed is developed. As explained in the literature, organizational culture has significant relationship influence on employee job performance. Therefore in this study employee job performance will be taken as dependent variable while, Organizational culture is as independent variable. In the independent variables adopted from Daniel Denison model of organizational culture which is four dimensions such as Involvement, Mission, Consistency and Adaptability. The relationship of the variable for this study is proposed to as follows.

Fig 2.2: Conceptual frame work of the relationship between organizational culture and employee's job performance.

Independent variables (OC)

DV(Employees job performance)



Source; developed by researcher, 2017

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Research Design

The research design for this study would be an Explanatory method to assess the relationship between organizational culture and employee's job performance in ECWC. In explanatory method, independent and dependent variables are measured at the same point in time using a single questionnaire (Anal Bhattacharjee, 2012). The purpose of this research is to identify if there is a relation between the predictor variable and the response variable. The predictor variable is organizational culture, and the response variable is employee job performance.

3.2. Research Approach

The research approach which used for this study was Quantitative in Nature. Creswell (2005) asserted, quantitative research is a type of research in which the researcher decides what to study, asks specific narrow questions, collects numeric (numbered) data from participants and analyzes these numbers using statistics, and conducts the inquiry in an unbiased, objective manner (Creswell, 2005). Variables can be defined as attributes or characteristics of individuals, groups, or sub-groups of individuals (Creswell, 2005). Quantitative study involves analysis of data and information that are descriptive in nature and qualified (Sekaran, 2003). Quantitative approach is one in which the investigator primarily uses postpositive claims for developing knowledge, i.e., cause and effect relationship between known variables of interest or it employs strategies of inquiry such as experiments and studies, and collect data on predetermined instruments that yield statistics data (Creswell, 2003).

3.3. Target Population and Sampling Techniques:

Target Population

Target population is said to be a specified group of people or object for which questions can be asked or observed made to develop required data structures and information (Hair et al. 2006). For this study, Employees of ECWC working at Addis Ababa area are selected as a population. It was assumed that the various sectors and districts of ECWC operate in a

similar manner with respect to policies and practices though the sectors are located in different geographical areas.

Sampling Techniques

The sampling frame is source materials from which the sample is selected. In this research, the participants of the study were more of professional employees and management staff of those selected sector of ECWC who are working around Addis Ababa area. The sampling frame from which participants selected was professional staff position level employees and managerial position. ECWC Addis Ababa area sectors are categorized into four (head office, Water Infrastructure, Transport Infrastructure, Building construction Technology). Because of time, financial and data administration problem, for this study the ECWC of head office and Transport Infrastructure construction sector is selected to investigate this study. Head office and Transport Infrastructure sector is under Addis Ababa randomly selected to undertake this study. The participants (respondents) were select from two sector of ECWC under Addis Ababa. The respondents were proportional selected from each. To minimize respondent's selection bias, simple random sampling method was applied to select those individuals who were participate in responding the questionnaire from the selected sector.

Sample Size

The larger sampling size of a research, the more accurate data generated but the sample size will be different due to different situation as stated by Malhortra and Peterson (2006). Due to time and financial limitations and the nature of the population sample determination method developed by Carvalho (1984), was applied to determine a sample size.

Table 3.1: Sample size determination

Population size	Small	Medium	Large
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1200-3200	50	125	200
3021-10000	80	200	315
10,001-35,000	125	315	500
35001-150,000	200	500	800

Source : Carvalho (1984)

Therefore, based on carvalho (1984) sample size determination method, for this study to increase the accuracy of the data, sample medium sizes were selected. Accordingly out of total population (3049) the selected sample size was 125 employees who participated in this particular study.

3.4. Sources, Methods of Data Collection and Measurement

Sources

The study used secondary and primary data sources. The secondary data has been collected via detailed review of related literature i.e. books, Articles, journals, bulletin, and the corporation's available documents. The researcher used primary data that would be collected via questionnaire. As the research is intended to investigate organizational culture on impact of employees' job performance, a set of questionnaire would be distributed to management and employees of the Corporation.

Method of data Collection

The questionnaire used to gather the primary data from the management staff and employees of the ECWC, which would be distributed by the researcher to the respondents. For the purpose of this study close-ended Survey Questions were used to measure dependent and independent variable. The Likert-type scale method used to range of responses: strongly agree, agree, Neutral, disagree, and strongly disagree, with a numeric value of 1-5, respectively. The usage of this particular scaling method ensured that the research study illustrated the ability to assess the responses and measure the responses quantifiably so that a pattern or trend may be produced in order to answer the research questions. As Neuman (2003) explained, it is a process of asking many people the same questions and examining their answers research questions.

Measures

The measuring instrument used in this study has been a close-ended survey questionnaire developed through the adaptation and modification of instruments from previous studies. The level of measurement of the variables in the study constitutes using ordinal scale.

The independent variable of the study which is the organizational culture measured using an instrument consisted of 40 statements developed by Denison and his colleagues (Denison 1984, 1990, 1996; on a five point scale. The organizational culture measured in

terms of four dimensions; adaptability, mission, involvement, and consistency. The dependent variable of the study which is the job performance of employees in ECWC by an instrument consisted of 7 statements developed by (Kottawatta, 2007).

The study were also said to be correlation in design because there is the intent to investigate the relationship between dependent and independent variable of the study. According Reid (1987) Correlation research aims to ascertain if there is a significant association between two variables. Creswell (2005) also explained that the correlation research method is useful for identifying the type of association, explaining complex relationships of multiple factors that explain an outcome, and predicting an outcome from one or more predictors.

In addition to investigating the relationship of the variables, the influence of independent variable (organizational culture) on employee job performance would be undertaken through regression analysis. Creswell (2005) asserted that, regression is used for explaining a relationship among variables interested in determining whether one or more variables might influence another variable.

3.5. Data Analysis Method

Once data is collected, it is necessary to employ statistical techniques to analyze the information, as this study is quantitative in nature. Data would be entered and analyzed using SPSS 20 version. Correlation analysis statistical tools used to align with the objectives of the research, to test relationship between the two variables. Regression analysis was employee to determine the effect of independent variable (organizational culture) on dependent variable (employee job performance). Thus, both the strength of the relationship between variables and the influence of independent on dependent variable was assessed.

The statistical tools used in this study are descriptive and explanatory the details are discussed below:

Summary statistics, which include the frequency and percentage values, are computed for each variable in the study. The descriptive statistical results were presented by tables, mean and standard deviation distributions and percentages to provide a summary picture of the data.

Spearman's Correlation

Spearman's correlation coefficient was used to determine the relationships between Organizational culture in Involvement, Consistency, Adaptability and Mission, with employee job performance in ECWC.

Independent sample T test and One way ANOVA

This method used in order to determine whether there is significant relationship in OC and EJP. Independent sample t test in the case of four groups, whereas ANOVA in the case of more than two group comparison used.

Multiple Regression Analysis

Multiple regression analysis was applied to investigate the effect of cultural relationship of OC and its impact on employee performance in ECWC. The model for this research can be expressed in form $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \dots + \beta_nX_n$ where: Y is the dependent variable " α " is a regression constant; β_1 , β_2 , β_3 and β_n are the beta coefficients; and X_1 , X_2 , X_3 , and X_n are the independent (predicator) variables.

3.5 Validity and Reliability

Validity is the degree to which a measure accurately represents what it is supposed to .It is concerned with how well the concept is defined by the measure(s). Therefore this study tried to addresses validity through the review of literature and adapting instruments used in previous research.

Reliability refers to the extent to which the data collection techniques and procedures will yield consistent findings Easterby smith, et al., (2008). So reliability is when a measure gives the same outcome, under the same circumstances even when it is measured at different points in time. For this paper measure of reliability used was Cronbach alpha. Cronbach alpha is a test of reliability technique that requires only a single test administration to provide a unique estimate of the reliability for a given test. Cronbach alpha reliability coefficient normally ranges between 0 and 1.According to George and Mallery (2003:231) provide the following rule of thumb for the Cronbach's alpha >.9 excellent, >.8 good, >.7 acceptable, >.6 questionable, >.5 poor and <.5 unacceptable.

Accordingly reliability results of the measurements for the variables of Organizational culture and employee job performance are described in the table below.

Table 3.2; Measure of Internal Consistency –Cronbach’s Alpha

Dimensions	Cronbach's Alpha	Internal Consistency	N of Items
Involvement	.769	Acceptable	11
Consistency	.825	Good	5
Adaptability	.762	Good	7
Mission	.719	Good	7
Job Performance	.772	Good	7

Source; Primary data 2017

Table 3.2 shows that, the independent variables (Involvement, consistency, Adaptability and Mission) and the dependent variable (Employee job performance) proved that all variables Cronbach’s Alpha levels are above the cut point of 0.70, so from above all the measures are reliable.

3.6. Ethical Consideration

The questionnaire would be distributed to all staff members who will be willing to fill-up. The purpose of the questionnaire would be clearly indicated in the questionnaire. The names of the respondents were kept confidential. The conclusion reached and recommendation forwarded will not be biased and will be purely based on the evidence.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1. Results

The study examined the organizational culture and its impact on employee job performance at ECWC. This chapter presents and discusses the findings of the study. The chapter also presents the analysis and interpretation of results. The presentations are done according to the specific objectives and questions. The first section presents the response rates. The second section presents the background information of the respondents. The third section presents descriptive analysis of the current organizational culture of ECWC. The fourth section presents correlations matrix analysis and the last one is Regression Analysis statistical results along the three study objectives.

4.1.1. Response Rates of Respondents

The response rate indicates that one hundred twenty five (125) questionnaires were distributed. All of them were returned fully completed, giving a response rate of 100%.

4.1.2. Demographic Characteristics of Respondents

The demographic profile of the respondents was presented in this section. The personal profile of the respondents is analyzed as per their levels of educational achievements, years of service and current position in the organization. Descriptive statistics was performed on the demographic variables as a means of describing the respondents.

Table 4.1 Background Information

Background	Distribution	Frequency	Percent	Valid Percent	Cumulative Percent
Work Experience	0-5	39	31.2	31.2	31.2
	6-10	43	34.4	34.4	65.6
	11 and above	43	34.4	34.4	100.0
	Total	125	100.0	100.0	
Education	Diploma	12	9.6	9.6	9.6
	Degree	85	68.0	68.0	77.6
	Masters	28	22.4	22.4	100.0
	Total	125	100.0	100.0	
Respondent of Profession	Semi – Professional	13	10.4	10.4	10.4
	Professional	81	64.8	64.8	75.2
	Middle level Manager	25	20.0	20.0	95.2
	High level Manager	6	4.8	4.8	100.0
	Total	125	100.0	100.0	

Source; Primary Data 2017.

The findings on table 4.1 present the findings on the duration of time that the ECWC staffs have worked for the organization. The findings reveal that 34.4% of the staff has worked at ECWC or a period of 6-10 years, and also 34.4% have worked for 11-15 years and the remaining 31.2. % has for 0.5 years and above. The findings imply that the respondents targeted for the study had lengthy tenure at the organization with adequate experience in their respective job descriptions and therefore provided accurate information to the researcher.

The results on educational background presents that the highest levels of education attained by ECWC staff, from the findings, a greater proportion of the staff 68.0% had college degree holder, 22.4% had masters degrees while 9.6% of the staff had college diploma and none of the staff has PhD qualifications. The findings imply that the respondents were well informed and therefore could provide insights on organizational culture and employee job performance sharing at ECWC; necessary for the study

Item three of the table is concerning respondent of qualification of staff. Majority of the respondents are professional of 64.8%, while 20% respondents are middle level managers, 4% high level managers and the remaining 10% and semiprofessional respectively. The result shows

that help the majority of the respondent is 6 and above years' experience they know the organizational culture of ECWC.

4.1.3. Descriptive Statistical Analysis

The first objective of this study was identified the organizational culture of ECWC. To achieve this objectives the respondent were asked 30 statements related of organization culture and 7 statements related to employee job performance to know their views or opinions. The results are summarized in table 4.2.

Table 4.2: Descriptive Analysis of ECWC Organizational Culture.

S.N.	Dimensions	Minimum	Maximum	Mean	Standard Deviation
1	Involvement	2	5	3.46	1.04
2	Consistency	1	5	3.19	1.08
3	Adaptability	1	5	3.09	1.08
4	Mission	1	5	2.97	1.2
Total				3.2	1.1

Source; primary data 2017

Table 4.2 shows the overall mean and standard deviation of the 30 items on the four dimensions of organizational culture. Overall the mean is 3.2 that are the majority agree with the organizational culture on employee job performance. 3. 2 overall mean and standard deviation (SD) of 1.1 has moderately good culture.

Based on the collected data, the highest score obtained was Involvement 3.46 with SD 1.04, Consistency 3.19 with SD 1.08, Adaptability 3.09 with SD 1.08 and also Mission 2.97 with SD of 1.2 as depicted in Table 4.2. This revealed that Involvement dimension of ECWC is at relatively higher level than other dimensions and second one is consistency. ECWC should be concerned in employee involvement, consistency, and adaptability. Therefore we can deduce that ECWC have not a Strong Organizational culture with respect to Involvement, Consistency and Adaptability. Among the above four dimensions organizational culture is important to improve employee performance and also the organization.

4.1.4. Correlation Analysis

The spearman's correlation coefficient was computed for the purpose of determining the relationship between the variables. Spearman's correlation coefficient is appropriate method to measure the correlation when the data are measured at ordinal level (Andy, 2006).

Correlations are the measure of the linear relationship between two variables. A correlation coefficient has a value ranging from -1 to 1. Values that are closer to the absolute value of 1 indicate that there is a strong relationship between the variables being correlated whereas value closer to 0 indicates that there is little or no linear relationship (Fikre et al; 2009). As described by Andy (2006,) the correlation is a commonly used measure of the size of a effect value of ± 0.1 represent a small effect , ± 0.3 is a medium effect and ± 0.5 is a large effect.

Table 4.3; Correlations Analysis with Spearman's rho of dimensions of culture and employee job performance

			Invo.	Cons.	Adap.	Mis.	EJP	
Spearman's rho	Involvement	Correlation Coefficient	1.000					
		Sig. (2-tailed)						
	Consistency	Correlation Coefficient	.716**	1.000				
		Sig. (2-tailed)	.000					
	Adaptability	Correlation Coefficient	.760**	.702**	1.000			
		Sig. (2-tailed)	.000	.000				
	Mission	Correlation Coefficient	.692**	.650**	.489**	1.000		
		Sig. (2-tailed)	.000	.000	.000			
	Employee job Performance	Correlation Coefficient	.728**	.684**	.470**	.285**	1.000	
		Sig. (2-tailed)	.000	.000	.000	.001		
	**. Correlation is significant at the 0.01 level (2-tailed).							

Source; Primary data 2017

Table 4.3 describe organizational culture traits to employee job performance (EJP). All the variables involvement, consistency, adaptability and mission have significant correlation on

Employee Job Performance. In the table above, the correlation analysis for involvement with employee job performance ($r=0.728^{**}$ significant at $P=.000\%$) indicates that involvement has significant relationship with employee job performance at significant level of 0.01. Thus involvement is one of the major of organizational culture dimension that help improve employees job performance to the organization. And also consistency with employee job performance ($r=.684^{**}$ significant at $p=.000$), Adaptability with employee job performance is ($r=.470^{**}$ and $p=.000$) and Mission with employee performance is $r=0.285^{**}$ $p=.000$)

4.1.5. Multiple Regressions Analysis

Research question 3: What is the impact of Organizational Culture on employee job performance?

Regarding to understand the impact of level of Organizational culture and employee job performance the researcher engaged regression analysis. To conduct a multiple linear regression several assumptions have to be met Vouch, (2006) The sample size should be large enough. For social science at least 15 respondents per independent variable are needed. This assumption is met; since 4 independent variables are used, so 60 respondents are needed and 125 respondents are used.

Independence, independent observation is assumed in regression, in order to test Independence Durbin- Watson statistics needed. So according to Garson the Durbin- Watson coefficient statistic should be from 1.5 to 2.5. So the assumption is satisfied the result is presented in table 9 of the model summary.

Normality, the variables have to be normally distributed, so in this test this assumption is satisfied, According to David Garson (2012) a common rule of thumb for test of normality is calculating for kurtosis and skeweness and they should be with the range of +2 to -2. The result of the tests for kurtosis and skewness is presented in appendix B.

The results shows that level of organizational culture in employee involvement have a significant positive impact on employee job performance in ECWC. In the table below the linear relationship between the variables is shown. The equation for this model is: **Employee job performance** = $.885 + .269*(\text{involvement}) + .209*(\text{consistency}) + .208*(\text{adaptability}) + .187*(\text{Mission})$ the model is

statistically significant since the ANOVA table 4.7 tells us the overall model is significant, $p < .05$ which is less than the alpha level.

Table 4.4: Multiple Regression **Model Summary**^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.757 ^a	.573	.385	.85377	.573	3.046	30	68	.000	2.0

- a. Predictors: (Constant), Involvement, Consistency, Adaptability, Mission,
- b. Dependent Variable: Employees job performance

Table 4.5. Regression Analysis of Variables

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Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	1.500	.788		1.903	.050
Involvement	.261	.086	.269	3.029	.003
Consistency	.179	.077	.209	2.320	.022
Adaptability	.153	.063	.208	2.438	.017
Mission	.158	.074	.187	2.135	.035

Dependent variable: Employee job performance

This regression analysis explains the extent to which the independent variable predicts job performance in ECWC. Given the R Square of .573 and adjusted R square of .385. The result of multiple regressions as presented in table 4.5 above depicts that OC dimension in involvement, consistency, adaptability and mission respectively has a positive and significant effect on employee performance with a beta value ($\beta = 0.269$) ($\beta = 0.209$) ($\beta = 0.208$), ($\beta = 0.187$), at 95% confidence level ($p < 0.05$). So the researcher found that organizational culture has a significant positive impact on the performance of employee's job at selected organization ECWC.

4.2. DISCUSSION

This research was carried out to study the organizational culture and its impact on employee job performance in ECWC. Result show that involvement and consistency have a dominant aspect in the respondents. According to Lawler, 1996 Effective organizations empower their people, build their organizations around teams, and develop human capability at all levels. Executives, managers, and employees are committed to their work and feel that they own a piece of the organization. People at all levels feel that they have at least some input into decisions that will affect their work and that their work is directly connected to the goals of the organization

Regarding Spearman correlation was conducted to know the degree of relationship between Organizational culture dimensions that is Involvement, Consistency, Adaptability and Mission with Employee job performance in ECWC. To investigate the relationship between organizational culture dimensions with employees' performances system the study developed this hypothesis (H1) "there is significance relationship between the organizational culture dimensions and employees' performance". Due to the normality issue the study selected Spearman's rho which is used the Order Correlation coefficient r_s , is a nonparametric measure of the strength and direction of association that exists between two variables measured on at least an ordinal scale.

The study found that there is a positive correlation between all organizational culture dimensions that is involvement, consistency adaptability and Mission with employees' performance. And the association between organizational culture variables with employee job performance showed a high statistically significant result. The result of involvement was $r=0.728$, $p=.000$ according to Cohen (1988) cited in Lunenburg (2011), the $r=0.728$ suggested significance strong positive correlation. A Spearman's Rank Order correlation was run to determine the relationship between organizational culture and employees' performance. According to Mongo (2012) examined the impact of organizational culture on corporate effectiveness of the cement manufacturing industry in Nigeria and found 0.761 by using Spearman's rank order correlation coefficient, which indicates that there is a significant strong positive relationship between variables of the study. So that this findings supports the results of this study mentioned above.

Similarly, Ehtesham, Muhammad, & Muhammad (2011) found .839 by using Spearman's rank order correlation coefficient, which indicates that there is a significant strong positive correlation of relationship between organizational culture and performance management practices: a case of university in Pakistan and also supports the results of this research.

The hypothesis testing was done also according to the results, simple regression analysis (b) between OC dimension in involvement, consistency, adaptability and mission respectively has a positive and significant effect on employee performance with a beta value ($\beta= 0.269$) ($\beta= 0.209$) ($\beta= 0.208$), ($\beta=0.187$), at 95% confidence level ($p<0.05$). Therefore, based on the results of both analyses, the alternative hypothesis is accepted since $r>0$ and $b>0$. For that reason, it is statistically supported to conclude that there is a positive relationship between organizational culture and job performance or organizational cultural dimension has a positive impact on employee job performance at ECWC. If the culture is not strong or weak, the controllability of employee performance may be hindered or dissatisfactory.

It can be concluded that 57.3% of variation in job performance is accountable for organizational culture while 42.7% of variance was unexplained by this model. As this research model proves to be an explanatory model of job performance, the findings of the study are important to improve job performance of employees. According to the findings, it is vital to make the organizational culture strong in order to enhance the job performance of employees. Adaptability, mission, involvement, and consistency should be improved for a strong organizational culture.

For a culture of high involvement, some steps that can be taken are; enabling individuals to adopt new behaviors that further their individual aspirations (Gershon 2007), enabling individuals to have the authority, initiative, and ability to manage their own work, encouraging team work, invests in the development of employees' skills in order to stay competitive and meet ongoing business needs (Denison & Neale 1999). For a culture of high consistency, some steps that can be taken are; have a clear set of core values that help employees and leaders make consistent decisions and behave in a consistent manner enabling different functions and units of the organization to work together well to achieve common goals (Denison & Neale 1999).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1 Summary Of Findings

The purpose of the study was to investigate the impact of organizational culture on employee job performance the case of ECWC. The organization culture of ECWC has been investigated using a widely applied business culture assessment model.

The descriptive analysis was done based on four core cultural traits of organization which include mission, consistency, adaptability and involvement. Based on these dimensions major findings of the research are summarized as follows.

- ✓ The finding has show that the Corporation does not have a strong business culture.
- ✓ The result from spearman's correlation coefficient revealed that, there is relationship between organizational cultural dimensions i.e. involvement, consistency, adaptability and mission with employee job performance. All cultural dimensions of Denson models have direct relationship with employee job performance in ECWC.
- ✓ In the ANOVA analysis, the result discovered that there is statistically significant relationship between OC and EP.
- ✓ In the multiple linear regression analysis, the result found that all the culture dimensions which are involvement, consistency, adaptability and mission have positive significant impact on employee job performance in ECWC. The R square value exhibits that 57.3% of variation in employee performance in ECWC.

5.2. Conclusion

To realize the objectives of the study, three research questions were generated, and to test the research questions, correlation, ANOVA and multiple linear regression method were employed: from the result the researcher concludes the following:

Based on the results of descriptive analysis found that the organizational culture of ECWC is moderate level on aggregate mean of 3.2 and the standard deviation scored was 1.04.

The correlation analysis, it was found that there is a positive relationship between organizational culture dimensions which is involvement, consistency, adaptability and mission on employee job performance at ECWC. Involvement out of the four dimensions has the highest positive relation with organizational culture of ECWC. SPSS statistic analysis revealed that involvement score of 0.728** and consistency also .664** are strong correlation which is significant at 0.000. This paper reveals that there is a positive relationship between culture of ECWC and job performance

In the regression Analysis again, it was found that there is a positive impact of organizational culture on job performance according to the results of simple regression analysis which was 0.269 at 1% of significance (Significant=0.003). Their relationship is strong to an acceptable level. Therefore, it was found that organizational culture is a predictor of job performance. Since the culture of ECWC is (mean value of organizational culture is 3.2), it can be concluded that the strong organizational culture can have a positive impact on job performance of employees.

These findings were supported by the findings and arguments given by Ojo (2009), Rehman (2012), Zakari, Poku and Owusu-Ansah (2013) with positive relationship between organizational culture and job performance while culture was strong. But the findings of Ehtesham, Muhammad & Muhammad (2011) prove that each of the four organizational cultural traits of involvement, consistency adaptability and mission are positively and strongly associated with employee job performance at a confidence level of 0.99.

For that reason, it is statistically supported to conclude that there is a positive relationship between organizational culture dimension which is involvement and adaptability on job performance or organizational culture in two variables has a positive impact on employee job performance at ECWC. If the culture is not strong or weak, the controllability of employee performance may be hindered or dissatisfactory.

From the study findings, the research questions were satisfactorily answered. Organization culture affects employee performance at a different degree. The most noted factor that affects the employee was the involvement and consistency culture, as the organization exists to do business.

5.3. Recommendations

Based on the study findings the following recommendations are forwarded:

- ✓ The study findings revealed that the culture of ECWC in all of the four dimension or ten management practices shows that the corporation does not have a strong business culture. So in order to carryout business operations as a commercial entity properly, the Corporation must improve its organization culture. ECWC should try to maintain a strong and positive Organizational culture for the benefit of the organization and its employees.
- ✓ According to the correlation analysis, ECWC is dominated by Involvement & Consistency culture There is a positive correlation between a strong involvement and consistency culture with employee job performance ($r = 0.650$). Hence, the organization should focus on strengthening the involvement culture in the organization, if they want to have higher levels of employee job performance. And to uphold culture of consistency, the researcher recommend that those who design work in the organization should, give individuals assignments that are consistent with their strengths, the management should work on the ethical practices of the organization like credibility and integrity which promote a high performance culture.
- ✓ The results of the regression show that the independent variables of cultural dimensions have positive impact on the employee job performance and therefore, the organization needs to nurture and develop the right type of culture in the organization to adoptive the job performance level of the employees in the ECWC.
- ✓ So, organizations should endeavor to promote the cultural dimension of involvement and consistency as the dominant one, while the correlation also shows that involvement culture

has a high correlation with employee job performance as compared to the other remaining OC dimensions. Hence, organizations must endeavor to strengthen their employee involvement in order to develop the job performance of their employees. Organizations that are able to optimally utilize and maximize employee performance have a competitive edge over others.

5.3 Limitation Of The Study

It is obvious that adequate and reliable information is important to undertake any kind of survey precautions. However, the carelessness of some respondents while filling the questionnaires during data collection was considered as limitation to the study. Furthermore, the time which is available for the researcher to undertake the study was that deadlines and time schedules are not met exactly.

Strength of the study is, to the author's knowledge, is that it investigated the relationship between organizational culture and employee job performance in case of ECWC which was not investigated adequately before. Therefore, it may contribute for other researchers regarding this variable in Ethiopian context.

5.4. Implication for Further Studies

As mentioned in the scope of this study, not adequate research on the influence of organizational culture on employee job performance has been done in the construction industry in Ethiopia. This study limited itself to only ECWC at head office; recommendations are therefore made for further research in all sectors of the corporation in order to broaden research in this industry.

This research study used Denison's Model, further research on the same organization can be done using a different Framework on Organizational culture. Organizational culture, we have seen, influences organizations in many ways. From the overall organizational performance to subsets like financial performance, performance management, employee job satisfaction, leadership behavior, person-organizational fit, organizational change, customer satisfaction, and strategy implementation, among others. For further research study, the researchers recommend a study on the influence of organizational culture on any of the above subsets in construction industry in order to broaden research in this industry.

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APPENDIXES



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

Questioner

The purpose of this questionnaire is to gather information from employees and management of ECWC for conducting Masters of business administration (MBA) thesis on the title **“Organizational culture and impact on employee job performance”**. I kindly request you to spend your precious time to fill this questionnaire as honest as and also reasonable as possible. I inform you that, the information you provide will be consumed for academic purpose only. It will be handled in a confidential manner and will not be used to identify you in any way. Therefore, you all are not expected to write your name. Please give a true picture of your feelings about existing reality in the questions.

Thank you very much in advance for your cooperation!!

General Instructions

1. Please indicate your answer for general information by ticking () in the box
2. Please select only one among the options given from 1 up to 5

Part 1: General Information

1. **Work Experience:** 0 – 5 years 6 – 10 years

11 years & above

3. Level/Position in the organization

Semi-Professional

Professional

Team Leader

Manager

Other specify -----

3. Your level of education

Certificate

Diploma

Degree

Masters

Part 2: Organizational Culture and employee performance

1. This section is about organizational culture a dimension that is Involvement, Consistency, adaptability and mission as an element of organizational culture. The section tests how an organization's involvement, consistency and mission provides guidance and direction in achieving organizational objectives. Kindly indicate with a tick inside the box, circle/tick (against) the number that best represents your views on the given statements or fill in the

blank spaces provided. Mark “√” as your perception on a scale of 1-5 where 1 – Strongly agree 2-agree 3-Neutral 4-Disagree 5-Strongly disagree rank the following areas as per ECWC.

S/No.	Statement	1	2	3	4	5
	Involvement					
1	I am highly involved in the goal of my organization.					
2	Decisions in my organization are usually made at the level where the best information is available					
3	Information is widely shared in my organization so that I can get the information s/he needs when it is needed.					
4	I believe that employees can have a positive impact in this corporation.					
5	Strategic planning in my organization is ongoing and involves everyone in the process to some degree					
6	Cooperation and collaboration across functional roles are actively encouraged in ECWC					
7	Working in my organization is like being part of a team.					
8	My organization relies on horizontal control and coordination to get work done, rather than hierarchy.					
9	my organization delegates authority so that employee can act on their own					
10	The capability of the people in my organization is viewed as an important source of competitive advantage.					
11	This organization continuously invests in the skills of its employees.					
	Consistency					
12	My approach to doing the task is very consistent and predictable.					
13	There is good alignment of goals in my organization.					
14	From different organizational units still share a common perspective.					
15	It is easy to coordinate projects across functional units in my organization.					

S/No.	Statement	1	2	3	4	5
16	There is a clear and consistent set of values in the corporation.					
	Adaptability					
17	My organization has an ethical code that guides the behavior employees and tells the employee right from wrong.					
18	My organization is very responsive and changes easily.					
19	My organization continually adopts new and improved ways to do work.					
20	Different units in my organization often cooperate to achieve organizational goals.					
21	My organization encourages innovation and rewards those who take risks.					
22	My organization encourages innovation and rewards those who take risks.					
23	Learning is an important objective in our day-to-day work.					
	Mission					
24	My organization has a clear mission that gives meaning and direction to my work.					
25	My organization has a long-term purpose and direction.					
26	The strategic direction of my organization is unclear to me.					
27	My organization has a clear strategy for the future.					
28	My organization's strategy is leading other construction industry to change the ways that they compete.					
29	I have a shared vision of what my organization will be like in the future.					
30	The corporation vision creates excitement and motivation for me.					

Part 2: Employee Job Performance

This section is meant to rate the level of employee job performance in ECWC at head office considering performance indicators like communication skills, team work, productivity and timeliness. Kindly tick the number that best represents your views on the given statements.

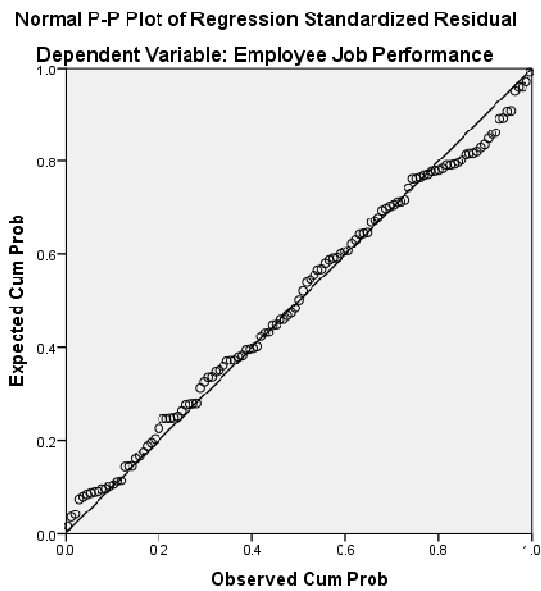
2. Mark “√” as your perception On a scale of 1-5 where **1 – Strongly agree 2-agree 3-Neutral 4-Disagree 5-Strongly disagree** rank the following areas as per ECWC.

S.No	Statement	1	2	3	4	5
1	I have a complete knowledge and understanding of my tasks.					
2	Two way communication is present					
3	I perform my work to the expected standards.					
4	My organization examines the quantity of projects that the employee has against what the production outcomes are.					
5	I am able to judge a given work situation and respond to it.					
6	I am able to manage my time and allocate resources effectively.					
7	Employees work and feel as members of the team.					

APPENDIX B: GRAPH AND CHARTS

Normality of Skewness and Kurtosis

Descriptive Statistics				
	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
Involvement	.220	.217	.952	.430
Consistency	.000	.217	.987	.430
Adaptability	.157	.217	.944	.430
Mission	.175	.217	.883	.430
Employee job Performance	.181	.217	1.075	.430



DECLARATION

I, Meseret Abebe, declare that this work entitled “Organizational Culture and its impact on employee job performance in case of **Ethiopian Construction Works Corporation (ECWC)**” is outcome of my own effort and study and that all sources of materials used for the study have been duly acknowledged. I have produced it independently except for the guidance and suggestion of the Research Advisor.

This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of Master of Business Administration [MBA] General Management.

By: Meseret Abebe

Signature_____

Date_____

ENDORSEMENT

This thesis has been submitted to St. Mary University, School of Graduate Studies for examination with my approval as a university adviser.

Solomon Markos (PhD)

signature & Date