

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

## THE EFFECT OF ORANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE: THE CASE OF ADDIS ABABA TRANSPORT AUTHORITY

BY: TINSAE GETANEH ID NO: SGS/0467/2013A ADVISOR: TEREFE GETACHEW (Ph.D)

> ADDIS ABABA, ETHIOPIA JULY, 2022

## THE EFFECT OF ORGANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE: THE CASE OF ADDIS ABABA TRANSPORT AUTHORITY

BY: TINSAE GETANEH ID NO: SGS/0467/2013A ADVISOR: TEREFE GETACHEW (Ph.D)

A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES IN PARTIAL FULLFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

> ADDIS ABABA, ETHIOPIA JULY, 2022

### ST.MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES FACULITY OF BUSINESS

## THE EFFECT OF ORGANIZATIONAL CULTURE ON ORGANIZATIONAL PERFORMANCE: THE CASE OF ADDISABABA TRANSPORT AUTHORITY

BY TINSAE GETANEH

#### **APPROVED BY BOARD OF EXAMINER**

#### Temesgen Belayneh (Ph.D)

Dean, Graduate Studies <u>Terefe Getachew (Ph.D)</u> Advisor <u>Ermias Moges (Ph.D)</u> External Examiner <u>Temesgen Belayneh (Ph.D)</u> Internal Examiner Signature

Signature

Signature

Signature

### Declaration

I, the undersigned, declare that this is my original work, prepared under the guidance of my thesis advisor Terefe Getachew (Ph.D). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Tinsae	Getaneh	
-		

Name	
St. Mary's University, Addis Ababa	

Signature July, 2022

## Endorsement

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

Terefe Getachew (Ph.D)

Advisor

Signature

St. Mary's University, Addis Ababa

July, 2022

### Acknowledgment

First, I am thankful to the Almighty God. All my success, including accomplishing of this study has become true with the will and support of God.

I would like to express my deepest gratitude to my advisor Terefe Getachew (Ph.D) for his scholarly guidance, valuable advises and constructive comments through the development of this study by devoting his precious time for the success of my work. Really, I appreciate him for his constructive and timely comments.

My thanks also go to employees and leaders of Addis Ababa Transport Authority for their support in providing me valuable information and responses to my questions that help me in this study.

I would like to express my deepest gratitude to my family and my husband for all the wonderful support they have given to me throughout my life.

## **Table of Content**

Table of Contents	Pages
Declaration	iii
Endorsement	iv
Acknowledgment	v
Table of Content	vi
List of Tables	ix
List of Figures	x
Abstract	xi
Chapter One	1
1. Introduction	1
1.1 Background of the Study	1
1.2 Statement of the Problem	3
1.3 Objectives of the Study	6
1.3.1 General Objective	6
1.3.2 Specific Objectives	6
1.4 Research Questions	6
1.5 Significance of the Study	7
1.6 Scope of the Study	7
1.7 Theoretical Definition of Terms	7
1.8 Organization of the Study	
Chapter Two	9
2. Review of Related Literature	9
2.1 Theoretical Literature Review	9
2.1.1 Definition of Organizational Culture and Organizational Performance	9
2.1.2 Early History and Recent Development of the Study of Organizational Culture	
2.1.3 Characteristics of Organizational Culture	
2.1.4 Models of Organizational Culture	
2.1.5 Measurement of Organizational Performance	14
2.1.6 Benefits of Desirable Organizational Culture	

2.1.7 Types of Organizational Culture	18
2.2 Empirical Review	20
2.3 Conceptual Frame Work	24
Chapter Three	26
3. Research Methodology	26
3.1 Description of the Study Area	26
3.2 Research Approach and Design	27
3.3 Target Population	27
3.4 Sampling	28
3.5 Sampling Techniques	28
3.6 Data Sources and Data Collection Instruments	29
3.7 Data Analysis Method	29
3.8 Validity and Reliability of Research Instruments	29
3.9 Ethical Considerations	31
Chapter Four	32
4. Result and Discussion	32
4.1 Response Rate of the Questionnaire	32
4.2 Demographic Information of Respondents	32
4.3 Descriptive Analysis of Collected Data	34
4.3.1 Type of Organizational Culture Exercised in Addis Ababa Transport Authority	35
4.3.2 Characteristics of Organizational Culture	44
4.3.3 Organizational Performance	50
4.4 Relationship between Organizational Culture and Organizational Performance	53
4.4.1Pearson Correlation	53
4.5 Effect of Organizational Culture on Organizational Performance	54
4.5.1 Multiple Linear Regression Analysis of Organizational Culture and Organizational Performance	54
Chapter Five	60
5. Summary of Findings, Conclusions and Recommendations	60
5.1 Summary of Findings	60
5.1.1 Type of Organizational Culture	60
5.1.2 Effect of Shared Values on Organizational Performance	61

5.1.3 Effect of Communication and Monitoring System on Organizational Performance	61
5.1.4 Effect of Norms and Principles on Organizational Performance	61
5.2 Conclusion	61
5.3 Recommendations	61
5.3.1 Recommendations for Practitioners in the Field	62
5.3.2 Recommendation for Further Research	62
References	i
Appendix	vi

## List of Tables

Table 3.1 Reliability Statistics	. 30
Table 4.1 Demographic Information of Respondents	. 32
Table 4.2 Interpretations of Mean Score	. 34
Table 4.3 Respondents View on Clan Culture	. 35
Table 4.4 Respondent's Attitude on Hierarchical Type of Culture	. 37
Table 4.5 Respondents Attitude on Market Type of Culture	. 39
Table 4.6 Respondents Attitude on Adhocracy Type of Culture	. 41
Table 4.7 Respondents Attitude on Shared Values	. 44
Table 4.8 Respondents Attitude on Communication and Monitoring System	. 46
Table 4.9 Respondents Attitude on Norms and Principles	. 47
Table 4.10 Respondents Attitude on Level of Performance of Addis Ababa Transport	
Authority	. 50
Table 4.11 A Framework for Describing the Strength of the Measure of Association between	
Organizational Culture & Organizational Performance	. 53
Table 4.12 Correlation	. 53
Table 4.13 Result of Normality Test	. 55
Table 4.14 Assessment of multi-co linearity	. 56
Table 4.15: Model Summaries of Organizational Culture and Organizational Performance	. 56
Table 4.16: ANOVA	. 57
Table 4.17 Coefficients of Variables	. 58

# List of Figures

Figure2.	1:	Conceptual	Frame	Work	of	Organizational	Culture	and	Organizational	
Performance								25		

### Abstract

This research is conducted to study the effect of organizational culture on organizational performance of Addis Ababa Transport Authority in the budget year (2021/2022). For the sake of achieving its goal explanatory and descriptive research design has been used. Furthermore quantitative approach has been used. The population has covered all the staff members of Addis Ababa transport authority. This research preferred Tardo Yemane formula to determine a sample size. Using this formula 113 representative number of employees was selected from the total population of 158. Simple random probability sampling technique was used to select participants of the study. This study used both primary and secondary data sources. The type of instrument used to conduct primary data from the respondents was questionnaire. The data gathered from the study were analyzed with statistical tools such as descriptive statistics and inferential statistics. The general finding of the study shown that, the type of organizational culture exercised in the authority was hierarchical type of culture. The study also confirmed that, there was a statistically significant positive relationship between organizational culture and organizational performance. Accordingly, the study concluded that organizational culture has fundamental influence on organization's performance .Therefore; the study recommends Addis Ababa transport authority to introduce clan type of culture, to focus on human development and to provide adequate attention for organizational culture.

Key words: Organization, Culture, Performance, Organizational Culture & Organizational Performance

### **Chapter One**

### 1. Introduction

This chapter contains background of the study, statement of the problem, basic research questions, objectives of the study, definition of terms, significant of the study, delimitation /scope of the study and organization of the study.

#### 1.1 Background of the Study

Organizational culture determines the achievement of every organization in their routine activities. This statement is verified by empirical studies. Currently, organizational culture is the major instrument of daily organizational functioning since the performance of an organization depends on its culture. Organizations can only meet their goals, if they make their work culture in harmony with their management coordination (Racelis, 2010). If the culture is not compatible with overall mission, vision and strategy of the organization, it is impossible to imagine effective goal accomplishment.

Different investigators define organizational culture from various perspectives. Simoneaux & Stroud (2014) describe organizational culture as general rules or patterns of behaviors of groups of members, and become an element of the organization's culture when they are shared throughout an organization. According to Schein, cited by Legesse (2020), organizational culture describes specific group of peoples or an institution's way of knowing, and understanding values and beliefs. These values and beliefs are setup overtime, are considered valid, and are taught to new members who enter into the culture. According to Aristotle cited by Watkins (2013), culture is all about "We are what repeatedly do." This means we are expressed by what we continually do, not by we believe, feel or sense.

Like organizational culture, organizational performance also has various definitions. Organizational performance is combination of the actual output or results of an organization as measured against its intended outputs or goals and objectives (Ahmed & Shafiq 2014). According to Al- Shibami ET (2019) organizational performance is among the most important variables in the management research that assesses the measure of standard or prescribed indicators of effectiveness, efficiency, and environmental responsibility such as cycle time, productivity, waste reduction, and regulatory compliance.

According to (Kazan & Gumus, 2013) and (Bhatti, Awan & Razaq, 2014), there are two main groups of indicators which are used to determine the organizational performance. One is called the financial or cost based measures of performance and the other is called nonfinancial or non- cost based measures of performance. The costs/ financial, quality, time, delivery reliability, flexibility are largely accepted indicators of organizational performance. But several authors like Parmenter, Carton, Hofer and others have identified other indicators to measure organizational performance which is different from financial and non- financial measure. This includes: customer satisfaction, net profit before tax, profitability of customers, employees satisfaction and return on capital employed (parmenter, 2015). Based on the idea of Carton & Hofer (2010) the financial variables cannot articulate the intangible factors that have great contribution to corporate performance, reciprocally, the non- financial variables are problematic to interpret and measure in the form of value added. The difficulties in applying performance measurement vary from organization to organization, in general being easier for business organizations than for public sector agencies.

According to Schuneman (2019), the term organizational culture, or culture in the organizational context, was first introduced by Dr. Elliott Jacques in 1951 in his book changing culture of a factory. This was concerned with the description, analysis, and development of the corporate group behaviors. According to Schuneman (2019) the culture of the factory is its customary and traditional way of thinking and doing of things, which is shared to a greater or lesser degree by all its members, and which new members must learn, and at least partially accept, in order to be accepted into service in the firm. However, the study of organizational culture in public agencies did not really become established in the discipline of public administration until the 1970s and 1980s. According to Schuneman (2019) after 71 years starting from 1951, hundreds of books, hundreds of

research studies, papers, articles, etc, there appear to be very little difference in the early definition compared to the more current definition of organizational culture.

Recent developments in the field identified models and components of organizational culture from different perspectives. For example, (Flamholts, 2001), has developed organizational culture model that consisted of five identified dimensions of corporate culture. These are: treatment of customers, treatment of people, performance standards and accountability, innovation and change, and process orientation. On the other hand (Habibel al. 2014) directly associated organizational culture with organizational productivity, efficiency and wellbeing of corporations.

Even though organizational culture in Ethiopia is researched in some way, the organizational culture at Addis Ababa Transport Authority is not yet researched.

#### **1.2 Statement of the Problem**

Public institutions are facing critical challenges to provide anticipated goods and services to the society due to inadequate level of employee's loyalty, commitment, team work, collaboration, strong attachment to their organization and trust. These elements of the organizational culture are reflected in productivity, efficiency and innovation or organizational performance which is vital for the wellbeing of any organization. According to Kocev (2019) human aspect is among the factors that affect company efficiency. This human factor, in turn, is affected by various factors. Among which organizational culture is a prominent one. Understanding the role of organizational culture is decisive on organizational performance. Strong culture can have a major effect on the success of the business since it makes it easy for organizations to learn from past success and failures (Yidiz, 2014). Based on the above perspective, different researchers made valuable investigation and found remarkable findings.

Yemisrach (2012) conducted her investigation on organizational culture of commercial bank of Ethiopia in Addis Abeba. The purpose of her study was to assess organizational culture which has been in practice at the commercial bank of Ethiopia. She noted that, there are a number of undesirable organizational cultures in Commercial bank of Ethiopia.

For example, subjectivity, highly centralized work culture, weak working relationships and mistrust among colleagues, that needs to be minimize by clarifying the stated job descriptions, providing them with all the necessary inputs which are needed to perform their given tasks, in consistently implementing rules and regulations among the staff but the study is not able to identify the effect of commercial bank's culture on their performance.

Tedla (2016) examined the impact of organizational culture on cooperate performance in the case of Ethiopian selected corporate group. The purpose of this exploratory case study was to explore successful strategies that one corporate group used to establish an effective organizational culture and to improve performance in the corporate group. The identified core corporate values include customer satisfaction, employee's empowerment, teamwork, corporate identity, integrity, quality, and excellence. However the researcher does not examine the impact of culture on corporate performance based on performance indicators.

Furthermore, Legesse (2020) conducted his research on assessment of organizational culture in Ethiopian rail way Corporation to assess the organizational culture of the Ethiopian Railways Corporation, finally, he find out the following problems: the organizational culture do not encourage innovation, team orientation and outcome based orientation is not strong, and there is tendency of aggressive leadership behavior that affects overall organizational accomplishment. But the researcher did not examine the effect of organizational culture on organizational performance.

More ever, Gebretsadik (2020) assessed effect of organizational culture on the effectiveness of public higher education institutions in Ethiopia. The general purpose of the study was to examine the link between institutional culture and the organizational effectiveness of some selected public universities. However, finding of the study could not dig out the effect of culture in terms of common performance indicators.

Even though the findings of these studies are significant, there were conducted in places with different geographical location, different research methodology, different population size and different research objectives. In addition, none of the researchers looks the gap from the angel of identifying performance indicators. This research assessed the effect of organizational culture on organizational performance of Addis Ababa Transport Authority. Specifically the study dealt with the types of organizational cultures practiced in Addis Ababa transport authority and the effects of shared values, communication & monitoring system and norms and principles on organizational performance of Addis Ababa transport authority in the budget year 2021/2022.

The compatible and effective organizational culture helps organizations to achieve intended result (Pasaribu, Purnama & Rokhimah, 2019). However actual performance of Addis Ababa transport authority has recorded performance which is below its plan in some cases. For example, Addis Ababa transport authority had a plan to give daily transport service for 3 million people in average, to increase percentage of passing of people who take theoretical driving license exams to 75% and to increase percentage of people who take practical driving license exams in the last year (2013), but the actual performance of the organization is 2.3 million (76.67%), 91,775(68%), 79,967(72%) respectively (report of transport biro communication directorate). In addition to the above realistic evidence, the initial research conducted by the organization itself in 2012 Ethiopian calendar substantiated the following problems. Poor and inconvenient service provision which does not considered the interest of customers, low employee commitment emanates from lack of organizational motivation, overstated institutional and employee rating system that does not reflect the fact on the ground, lack of common understanding over institutional objectives and inefficient capacity to solve already identified problems. Therefore the researcher filled the gap by identifying the relationship between organizational culture, and organizational performance that may contribute to weak performance by using the performance indicators that helps to measure performance and analyzing the effect of organizational culture on organizational performance which is not mainly identified and concluded by previous researchers in service provider institutions.

#### **1.3 Objectives of the Study**

#### **1.3.1 General Objective**

The general objective of this study is to examine the effect of organizational culture on organizational performance at Addis Ababa transport authority.

#### **1.3.2 Specific Objectives**

The specific objective of this study is to

- 1. To find out types of organizational culture practiced in Addis Ababa transport authority.
- 2. To investigate the effect of shared values on organizational performance of Addis Ababa transport authority.
- 3. To investigate the effect of communication and monitoring system on organizational performance of Addis Ababa transport authority.
- 4. To investigate the effect of norms and principles on organizational performance of Addis Ababa transport authority.

#### **1.4 Research Questions**

The following research questions were applied to guide the study.

- 1. What are the types of organizational culture practiced at Addis Ababa transport authority?
- 2. What is the effect of shared values on organizational performance of Addis Ababa transport authority?
- 3. What is the effect of communication and monitoring system on organizational performance of Addis Ababa transport authority?
- 4. What is the effect of norms and principles on organizational performance of Addis Ababa transport authority?

#### 1.5 Significance of the Study

The outcome of the research will contribute: to bring attention of the management and leadership body to consider the role of organizational culture in light of organizational development and mission completion, to provide possible solutions for the problems identified in the research topic, to give knowledge and relevant information for business managers and leaders, to enhance performance and to fill the gap in the literature and in addition to this it helps to provide flood gate for further researchers and to serve as secondary data in provision of information.

#### **1.6 Scope of the Study**

The scope of this study was limited to study the effect of organizational culture on Organizational performance in Addis Ababa transport authority. The study also dealt with the type of organizational cultures applied in the organization within the budget year (2021/2022). This study was spatially limited to Addis Ababa transport authority in Addis Ababa city. The study was cross-sectional; hence, the time scope of this study was from November 2021 to May 2022.

#### **1.7 Theoretical Definition of Terms**

The study includes the following key terms.

**Culture:** the shared norms, values, belief, assumptions and patterns of behavior alive at any organization. It is a set of idea, belief, and ways of behavior of particular organization people (Hofstede 2000: 143). Organizational culture: is a pattern of belief and expectation shared by organizational members. (Randal G, 1954: 203).

**Performance:** is the measure of standard or prescribed indicators of effectiveness, efficiency, productivity, and ecological responsibility such as cycle time, waste reduction, and regulatory compliance (Al-Shibami et al, 2019).

**Organizational Performance:** is combination of the actual output or results of an organization as measured against its intended outputs or goals and objectives (Ahmed & Shafiq 2014).

**Organization:** a group of people (or businesses, etc.) who work together for an explicit purpose, with organized rules and structure (Schneider et al; 2013).

#### **1.8 Organization of the Study**

This study has five chapters which contained all the aspect of the research study. Chapter one covers background of the study, statement of problem, research questions, objective of the study, key terms, significance of the study and scope of the study. Chapter two focuses on a review of related literature that contains theoretical review, empirical review and conceptual frame work. Chapter three presents research methodology. In this chapter background of the organization, research approach, research design, population, sample and sampling technique, sample size determination, source and type of data, data collection instruments, methods of data analysis and ethical consideration were described in proper manner. Chapter four focuses on the results and discussion of the findings and chapter five gives the summary, conclusions on the major findings of the study and recommendations.

### **Chapter Two**

### 2. Review of Related Literature

#### Introduction

This chapter focused on literature review related to the effect of organizational culture on organizational Performance. It is classified into three sections. The first section dealt about theoretical literature review, the second section focused on empirical literature review and the last section comprised conceptual frame work.

#### 2.1 Theoretical Literature Review

#### **2.1.1 Definition of Organizational Culture and Organizational Performance**

#### **Definition of Organizational Culture**

Describing organizational culture universally has been obscure (Yildiz, 2014). According to Pathiranage (2019) organizational culture is understood as a system of values that, consciously and silently drives people to make each choice and decision in the organization. Culture is a pushing factor for achievement of goal. Business managers use organizational culture and corporate culture interchangeably because both terms referring to similar phenomenon. According to Wozir et.al (2017) organizational culture is shared values, beliefs and assumptions present among staffs within an organization. He agrees with the idea of Pathiranage. Organizational culture (values and beliefs) begins to develop from the constant negotiation and practices among employees in an organization. Those emerged beliefs and principles develop through time and turn out to be a foundation for what is thought appropriate or inappropriate in a company with regards to right and wrong behavior (Macintosh & Doherty, 2010).

Other scholars also define organizational culture in the following ways. Organizational culture is defined as the shared values, beliefs, or perceptions held by employees within an organization or organizational unit (Dodge, et. al. (2017). According to Schein (2017), organizational culture can be defined as a model of basic assumptions that a group

invented, discovered or established starting from a learning process seeking to adapt to a problem of external or internal order to the organization.

There are also other definitions provided by researchers which focus on the idea of organizational culture as a pre- condition for organizational performance. Organizational culture is defined as the shared values, beliefs, or perceptions held by employees within an organization and is the social glue holding an organization together (Dodge, et.al, (2017). Organizational culture consists of the fundamental assumptions and beliefs that the members of an organization share and that operate unconsciously. Mission, strategy, structure, leadership and human resource practices are important determinants of organizational culture (Korner, et.al; 2015). According to Korner, et.al, organizational culture focuses on mission, strategy, structure, leadership and human resource practices are important determinants of organizational culture. An organization's strong organizational culture helps the organization to achieve its goals and motivate employees to accomplish their tasks and to be satisfied in their jobs. Organizational culture includes norms that the members of an organization experience and describe as their work setting (Schneider et al; 2013). Values and norms shape how members behave and adapt to get results in the organization. Organizational culture deals about how the members of an organization interact with each other and other stakeholders (Simoneaux & Stroud, 2014). Organizational culture is about general rules or patterns of behaviors of groups of members, and become an element of the organization's culture when they are shared throughout an organization. Individuals enter into the organization and are introduced to the organization's cultural norms and are expected to follow them an organizational culture is a system of values, beliefs, and meanings that are held jointly by members in an organization. According to Tang (2017) organizational culture can affect an extensive range of aspects. An organizational culture is the philosophy that instructs an organization and it represents the major values and criteria of the organization. An organizational culture is also to convey behavioral norms for members, game rules, and organizational perceptions and atmosphere (Tang, 2017).

#### **Definition of Organizational Performance**

Similar to organizational culture, organizational performance also has various definitions. Organizational performance is combination of the actual output or results of an organization as measured against its intended outputs or goals and objectives (Ahmed & Shafiq 2014). According to Al-Shibami, el. at., (2019) organizational performance is among the most important variables in the management research that assesses the overall organizational performance. It is the measure of prescribed indicators of effectiveness, efficiency, and ecological responsibility such as cycle time, productivity, waste reduction, and regulatory compliance. Culture helps organizations to evaluate their status over time and compare them with its rivals.

According to Ahmed & Shafiq (2014), the notion of organizational performance is affiliated to the survival and success of an organization. Organizational performance encompasses three specific areas of firm outcomes. Financial performance (profits, return on assets, return on investment, product market performance (sales, market share, etc) and shareholder return or total shareholder return and economic value added (Chilla, Kibet, & Douglas, 2014). On the other hand organizational performance is measured in terms of the above parameters.

If organizational culture does not go in harmony with employees, a number of negative consequences will occur. Example, low job satisfaction, job stress and turnover intent. Culture supports employee's values, which are considered to be rational assets, whose logical participation result to individual and subsequently organizational learning, new knowledge formation and readiness to share with others (Chilla, Kibet & Douglas, 2014).

#### 2.1.2 Early History and Recent Development of the Study of Organizational Culture

According to Schuneman (2019) the term organizational culture, or culture in the organization context, was first introduced by Dr. Elliott Jacques in 1951 in his book changing culture of a factory. This was concerned with the description, analysis, and development of the corporate group behaviors. According to Schuneman (2019) the culture of the factory is its customary and traditional way of thinking things, which is shared to a greater or lesser degree by all its members, and which new members must learn, and at least partially accept, in order to be accepted into service in the firm. But, the study of

organizational culture in public agencies did not really become established in the discipline of public administration until the 1970s and 1980s. According to Schuneman (2019) 70 years back in 1951, hundreds of books, hundreds of research studies, papers and articles appear in a very little difference from the early definition compared to the more current definition of organizational culture. Recent developments in the field identified models and components of organizational culture that drive financial results. The model comprised of five identified dimensions of corporate culture. These are: treatment of customers, treatment of people, performance standards and accountability, innovation and change, and process orientation (Flamholts, 2011). Now a days organizational culture is directly associated with organizational productivity, efficiency and wellbeing of corporations (Habib et.a1, 2014).

#### 2.1.3 Characteristics of Organizational Culture

Organizational characteristics are described by many scholars in different ways. For example, Eren and her friends categorize the characteristic of organizational culture in to four, while, Yildiz (2014) separately divides into seven. Despite of the cultural category, organizational culture is expected to have harmony with the overall mission and objectives of the organization. It could significantly contribute to the community of the organization. Eren, et.al, (2013) describes four characteristics of organizational culture in her findings. They are, organizational culture is a learned or acquired phenomenon, organizational culture should be shared by the group members, organizational culture is not in the form of written text, organizational culture exists in the mindset, consciousness and mind of the group members as beliefs and values.

Organizational culture reveals itself as steady repetitive or emerging behavioral patterns. Yildiz (2014), examine seven basic characteristics of organizational culture. These are: innovation and risk taking: the extent employees are being supported in innovation and risk taking, Attention to detail: the extent that employees provide attention to the obvious details, outcome orientation: the extent the management focuses on the results rather than the procedures, people orientation: the extent the management considers the effect of the results on the employees in the organizations, team orientation: the extent employees can work as a team rather than performing individually, aggressiveness: the extent employees are entrepreneurial and competitive, stability: the extent organizational activities are oriented towards preserving and developing the status quo. The seven characteristics identified above define organizational culture. The cultural structure that emerges sets the foundation for the shared feelings, how tasks should be performed in the organization and mode of doing business (Robbins and Judge, 2011: 554-555).

#### 2.1.4 Models of Organizational Culture

Organizational culture has different models. But they lack similarity regarding the issue. For example, Dauber, Fink, & Yolles (2012) generic model of organizational culture divides into four. Those are: connects to recognized properties and processes of organizational theory, reduces complexity, provides a powerful and extensible concept that allows for epistemic distinctions like objects, events, boundaries, processes and environments, and provides structured response to problem situations whereas, the Denison model developed by Denison in 1990 identified four elements of organizational culture. These elements are bases for every organization. The elements are: involvement, consistency, adaptability, and mission. The four elements in Denison model are further divided in two. These are external verses internal. Specifically, Denison indicated that involvement and consistency as internal factors in developing an effective organizational culture. Although they differ in amount and elements of organizational model both models strongly believe on involvement of employees as a critical factor for organizational success. Other scholars also agree on employee involvement. For example, Mousavi, Hosseni & Hassanpour (2015) noted involvement as a critical factor for organizational culture effectiveness. Involvement comprise of transparent communication, employee- focused leadership, and strong interpersonal relationships in the organization (Engelen et al; 2014).

In an effective organizational culture, business managers encourage high employee involvement and participation of members of the organization in major organizational activities Monzavi, Mirabi & Jamshidi, 2013). According to Mensah, (2019) sense of ownership and responsibility are part of the effective organizational culture elements.

Sense of ownership, trust, and loyalty are important factors to motivating employees in the organization which would go a long way to influence the performance of the employees as well as the organization in whole.

There are scholars that disagree with the involvement of employees. For example Givens (2012), notes that strong level of employee involvement creates the problem of lack of specialization and responsibility for specific task. This scholar stands against the idea of Mensah, Mousavi, Hosseini, and Hassanpour (2015), and (Monzavia, Mirabib & Jamshidic, 2013). According to Hatch & Cunliffe cited by Dauber, Fink & Yolles (2012) the researcher can differentiate between four organizational models: organizational culture and identity, organizational strategy, Organizational design, structure and processes, and organizational behavior and performance. In view of the above model of organizational culture we can say that models reflects internal processes of an organization, linking organizational culture, strategy, structure and operations systematically to each other. To sum-up, the generic model of organizational culture represents a significant step forward to a more holistic, comprehensive, and interdisciplinary approach to cultural dynamics in organizations by combining seminal work in the fields of organizational theory and culture theory.

#### 2.1.5 Measurement of Organizational Performance

Performance is a kind of process that consists of the phases like goal setting, measurement, assessment, feedback, rewarding for good results, improvement for bad results and applying sanction in case of necessity (Kazan & Gumus, 2013).

The main concern about the organizational performance is the problem of variable selection, that is, which variable could measure the true organizational performance well. In order to manage organizational performance; organizations are required to know about the performance indicators (Bhatti, Awan & Razaq, 2014). According to the above scholars there are two main groups of indicators which are used to determine organizational performance. One is called the financial or cost based measures of performance and the other is called non- financial based measures of performance. The financial, quality, time, delivery reliability, and flexibility are largely accepted indicators

of organizational performance. But several authors have identified other indicators to measure organizational performance which is different from financial and non-financial measure. According to Ittner and Larcker (2012) customer satisfaction, quality, delivery reliability, employee factors, productivity, financial performance, and safety and environment /social performance. For example, parmenter measures performance based on the following indicators. Customer satisfaction, net profit before tax, profitability of customers, employee satisfaction and return on capital employed (Parmenter, 2015). Based on the idea of Carton & Hofer (2010) the financial variables cannot articulate the intangible factors that have great contribution to corporate performance.

The non-financial variables are problematic to interpret and measure in the form of value added. The difficulties in applying performance measurement vary from organization to organization, in general being easier for business and non-profit organizations than for public sector agencies. The organization that the researcher is going to access is public and non- profitable organization. It is difficult to measure its performance in terms of cost/financial perspective. Rather the second parameter or the composition of the two is relatively desirable.

#### **Employee satisfaction**

According to Parmenter (2009) cited by Bhatti, et. at., (2014) employee's satisfaction is the key to success of every organization. If employees are satisfied then they can satisfy their customers and overall organizational performances will increase. Unsatisfied employee is a cause for absenteeism, decrease flexibility of the staff and increase turnover rate.

#### **Customer Satisfaction**

Consumer satisfaction is very important in today's competitive industry. Consumer satisfaction is measured by examining how far the services or quality that an organization produced meet the customer's expectations. When the expectation is higher than the actual outcome, the customer may be dissatisfied. When the actual output is higher than the expected, customer may be satisfied. The higher customer satisfaction improves financial performance by increasing the loyalty of existing customers, reducing price elasticity, lowering marketing costs through positive word- of- mouth advertising, reducing transaction costs, and enhancing organizational reputation (Ittner and Larcke, 2012).

#### Learning and Growth

Learning and growth provides the organizations with a competitive advantage over their competitors. Learning and growth help the organization to easily adopt new technological advancements and having required education and skill. The extra the leaning organizations involve in innovativeness and the more they develop new product development projects.

#### Quality

Excellence is the key to the success of every organization. Now days customers are demanding quality products and the organizations that are able to produce quality products and services at lower cost win the game. Quality can be checked mainly at three levels, input, output and process quality. Most of the organizations focus on quality because they made promises to their customers about quality of their services and products (Bhatti, Awan, & Razaq, 2014).

#### **Environment or Social Performance**

According to the idea of Bhatti, et. at, (2014) organizations be obliged something to the society in which they operate and the realization of this liability is actually the social responsibility or he calls this as corporate social responsibility. Socially responsible organizations actually take stapes for the welfare of the society in which they operate. Bhatti mentioned in his book that the discharge from production into the environment, waste and scrap produced, money donated to community, percentage of local residence in total workforce, number of media coverage events, number of photos in papers, number of sponsorships undertaken by organizations and number of environment complaints received and solved.

#### **Financial Performance**

Imperially financial measures are the best measures to evaluate the company's performance, such as physical values of sales, profits or percentage return on equity and

assets. Because external groups of stockholders are strongly concerned with these sorts of performance measures and they put pressure on companies to use financial measures for their internal performance measurement (Parmenter, 2015). Here, the researcher has adopted the financial measures suggested in his book "the key performance indicators (KPIs)". He suggested cost of goods sold / sales, scrap cost as % age of total sales, account receivable, cash flows, days in inventory, days sales in receivables, net income, sales, number of profitable customers, return on equity, sales by product, sales growth rate, return on assets and return on capital employed as the measures of the financial performance of the organizations.

#### Safety

Based on the idea of Parmenter (20150 who investigates on key performance indicators, in recent years there has been a realization that the dependability of complex work systems in achieving organizational goals safely depends on work structures as well as technical arrangements. He has identified in his book that the level of risk and safety perceived, accident rate, level of employees' cooperation, safety attitude of managers and employees, level of employees' physical risk on work place and the level of safety information as the key measures of safety.

#### 2.1.6 Benefits of Desirable Organizational Culture

Culture which has harmony with organizational mission and objectives benefits the organization in different ways (Yildiz, (2014). Organizational culture has various significances for the achievement of planed objectives (Eren, 2000). Organizational culture helps employees better understand standards, norms and values hence become decisive and consistent in the pursuit of success and work in harmony with their executives. Knowing values and norms facilitate decision making process, the organizational culture standardizes or enables to have uniformity and rationalizes modes and processes of doing business, hence positively influencing employee psychology, morale and increasing organizational efficiency, organizational culture contributes to the emergence of new executives within the organization. This avoids additional cost in the form of new recruitment from outside. On the condition that the organizational culture enables a wide

consensus, it can prevent intra- organizational factions, organizational culture plays a critical role in organizational communication and interactions between individuals or it helps to have smooth flow of communication. Organizational culture contributes to the development of the sense of "us" and team spirit, hence it positively impacts organizational climate.

Conflicts may arise within organizations for several reasons. These conflicts can be rationalized and neutralized through certain standard practices and procedures developed within the organizational culture, organizational culture preserves organizational life by circulating itself among generations through symbols, ceremonies, heroes, slogans and stories. In a nutshell, the organizational culture contributes to the continuity of the organization and culture is like an identification card that helps to identify members of one organization from the other.

#### 2.1.7 Types of Organizational Culture

Having clear understanding on the type and nature of organizational culture helps researchers to dig out its effect on organizational performance. The more you understand about the types of culture, the more you able to associate with organizational intrinsic and extrinsic values and beliefs. Even though, there is no common consensus on types of organizational culture here are the most and wildly used types of organizational culture.

There are four common types of organizational culture that affects organizational performance: clan culture, adhocracy culture, hierarchy culture, and market culture (Wiewiora et.al; 2014).

#### **Clan (Supportive Culture)**

Clan culture is similar to family type organization, where the organization focuses on employee development with concern for high solidity and morale. As a result, employees are dedicated to their job and concerned with the organizational development. The glue that holds the organization together with employees of the organization is loyalty and high commitment. Supportive or clan culture contains an employee oriented leadership, cohesiveness, participation and teamwork (Han, 2012). Standards and values of clan culture include human affiliation, collaboration, attachment, trust, loyalty, and support (Fiordelisi, 2014). In a clan culture managers need to act in a democratic manner to inspire and motivate employees to establish a culture of excellence in the organization (Carvalho, et. at., 2018). Clan culture includes teamwork, participation, employee involvement, and open communication (Pinho et. al., 2014). The final goal of clan culture is improving employee performance through commitment, sense of ownership, and responsibility (Murphy et al., 2013).

#### Adhocracy (Entrepreneurial) Culture

Adhocracy or entrepreneurial organizational culture comprises, promotes innovation, creativity, and adaptable characteristics (Veiseh et al., 2014). The glue that holds the organization together with employees of the organization is commitment, experimentation and innovation (Parent & Lovelace, 2018). In innovative and committed organizational culture, business managers allocate more resources for research and development, and they encourage employees' involvement in creative and innovative research activities (Parent & Lovelace, 2018). In adhocracy or an entrepreneurial culture, organizational members may require clarification for their own job tasks counting the importance and impact of the assignment to achieve organizational goals (Veiseh et al., 2014). The values and assumptions of adhocracy culture include growth, risk taking, creativity, diversity, independence, and adaptability (Hartnell et al., 2011). The ultimate result of adhocracy culture is innovation and change (Fiordelisi, 2014).

#### Hierarchy (Power Centered) Culture

Based on the findings of (Veiseh et al; 2014) and Sok et al. (2014), hierarchical culture is combination of rules and regulations to control activities in the organization. In hierarchical type of culture, the organization has a clear structure for authority, welldefined responsibilities and high standardization values. The glue that holds the organization together with employees of the organization is formal rules and policies. Maintaining a smooth running organization is important; hence, the primary concerns are stability and efficiency. In hierarchy type of organizational culture, business managers give priority in establishing effective control systems throughout the organization. In the case of hierarchy culture, organizational members follow the rules and regulations, and each activity set with pre-defined procedures and rules (Hartnell et al., 2011). According to Brown (1998) hierarchical type of organizational culture is characterized by respect of formal rules and regulations and centralization of power. "A power culture has a single source of power from which rays of influence spread throughout the organization". This means that power is centralized and organizational members are connected to the center by functional and specialist strings.

#### Market (Computation) Culture

Market culture focuses on the transactions with external environment to establish competitive advantage and to earn maximum profit as much as possible. Increasing income, strength in market niches, and enlarging market share are the primary objectives of market culture. To achieve these objectives an organization has to emphasize their external control. According to Cameron & Quinn, cited by (Han, 2012) the glue that holds the organization together is emphasis on winning in a competition culture; organizational members have clear objectives to increase their reward through market achievement (Han, 2012). The competition culture includes open communication, competition, competence, and achievement (Carvalho, et. al., 2018). In a competitive culture business managers focus on external effectiveness through market control and secure competitiveness through market achievement. Carvalho, et. al., (2018) noted that business managers must have knowledge of their clients and market priority to survive in the competitive market. In a competition culture, business managers must maintain customer driven leadership because the priority in competition culture is customers' satisfaction (Han, 2012). The other priority for business managers in a competition culture is to satisfy the owners of the company. The final goal of competition culture is high market share, revenue, high profit, growth, and productivity (Hartnell et al.; 2011).

#### 2.2 Empirical Review

In this section previous studies that have tight relationship with the researcher's topic will be examined.

Effect of organizational culture on organizational Performance

Understanding the relationship between organizational culture and organizational performance has a key role in strategic human resource management. In today's world organizational culture is basically built on increasing competition at the national international level. Ever changing factors, and recent developments in information and communication technologies, values and practices has become one of the research fields of strategic human resources with its effect on measurable performance (Yildiz, 2014). In literature, along with the studies aiming at identifying the elements of organizational culture, there are research results that studied the relationship between organizational culture and performance. Understanding such dynamism is very crucial to track the organizational strategic objectives. According to the Habib, et al., (2014) organizational culture helps employees to understand the functioning of the organizations by sharing its norms, values and rules and regulation of organization. The two issues (organizational culture and organizational performance) set up equilibrium where an organization can achieve its maximum level of effectiveness and efficiency (Givens, 2012). According to Habit et al., (2014) organizational culture influenced the internal organizational policies, employee's commitment towards the goals and values of the organization. In addition, it increases the employees willing to put all efforts to satisfy the customer. Therefore, employee must be willing to return to the company for re - purchase (Naranjo-Valenc, 2019). Organizational culture affects different people differently because the way in which they consciously and subconsciously think and, make decisions it is all have because of what they perceive and what they feel and act upon it after feeling. Early studies dig out that, organizational culture contributes to the intensity in which innovative and creative behavior is generated and disseminated among work teams, organizational changes resulting from innovative behavior promote and increase competitiveness, generating transformation in strategy, work systems, technologies and management styles, becoming a source of sustainable strategic competitive advantage (Uzkurt et al., 2013).

Tedla (2016) from Walden University examined impact of organizational culture on corporate performance. This research was done on selected Ethiopian corporate group. The objective of this study was to explore successful strategies used to establish an effective

organizational culture to improve performance. The researcher used qualitative research approach and exploratory research design. In this study, the population covered senior company managers from Ethiopia. The researcher used purposive sampling to identify managers involved in the study. This study used both primary and secondary data. Primary data was collected from senior company managers and secondary data was gained from working papers that are relevant to the phenomena under investigation. The type of instrument Tedla used to conduct primary data was interview. Tedla conducted a face to face interview with study participants and it helped him to understand the emotions of the participant's notes for analysis. Tdela's result of study shows that, the strategy to establish an effective organizational culture to improve performance in the corporate group is affected by views of senior managers in the corporation. The strategies include core corporate values and employee-focused leadership. The core corporate values include customer satisfaction, engaged employees and empowerment, balanced life and performance, respect and trust, and quality and excellence. But the researcher failed to identify the impact of organizational culture on corporate performance based on logical performance indicators. The researcher used only interview as an instrument and this had a problem since interview is more exposed to personal subjectivity. In addition, the researcher does not concluded by analyzing the relationship between organizational culture and corporate performance.

Mensah (2019) studied effect of organizational culture on organizational performance in Ghana commercial banks. The objective of this study is to examine the impact of organizational culture on corporate performance. The researcher used mixed approach (qualitative and quantitative) to explore depth ideas, feelings and attitudes of organizational culture supported by numerical values that indicate organizational performance. The researcher used case- study research design. In this study, the population was consisted all the management and staff of commercial bank in the western region of Ghana. A representative number of employees were selected by a means of simple random probability sampling to give each member of the population an equal chance of being involved in the study. Purposive sampling was used to select management bodies involved in study. This study was collected both primary and secondary data. Primary data was collected from the staff members and management of commercial bank of Ghana. The researcher got secondary data from working papers and reports that are relevant to the phenomena under investigation. The types of instrument that the researcher used to collect primary data were questionnaire and interview. The questionnaire contained closed- ended and open-ended questions and the interview was semi- structure. The researcher applied scientific data processing and analysis to get appropriate results. Her findings are concluded below.

The study discovered that the major kinds of organizational culture practiced in commercial banks were clan culture and market culture. In line with the performance indicators at commercial bank, the study established that employees observed acceptable personal traditions while at work, guided by the organization's overall strategic plan in carrying out their work, employees completed work assigned to them as per the desired standards, and employees committed maximum efforts to their work. In addition, there was greater accountability for end results in the organization. Employees always worked proactively to any organizational threats, complied with the organizational policies and professional code of conduct and employees were highly involved in achieving organizational performance the study found that, significant positive relationship between organizational culture and organizational performance. However, the researcher could not examine the normality and linearity of the statistical relationship between organizational culture and organizational performance.

More ever, Legesse (2020) had conducted a research on assessment of organizational culture in the case of Ethiopian Railways Corporation. The objective of this study was to assess the existing organizational culture of Ethiopian Rail Ways Corporation, to identify which type of organizational culture dominates the corporation and to assess the role of existing organizational culture in the achievement of the Corporation's vision. The researcher was used quantitative research approach and exploratory research design. In this study, the population covered employees of the Rail Way Corporation who are working at head quarter (Addis Abeba Light Rail Transit. A representative number of employees were selected by a means of stratified random sampling technique that provides every

member of all groups equal opportunity to be selected using simple probability. This study collected both primary and secondary data. Primary data was collected from employees of the railway corporation. Secondary data was gained from government reports, and working papers that are relevant to the topic under investigation. The type of instrument that the researcher conducted primary data from the respondents was structured questionnaire. The researcher concludes that, the type of organizational culture is relative to bureaucratic method of functioning and maintains accountability, but many gaps are observed in giving equal chance to succeed, decreased employee morale and reduced productivity and innovation. The environment of the corporation is not supportive for innovation. The corporation's mission statement was not commonly shared, recognition and promotion were not by merit alone, so employees were not demanded to show their talent to win the competition. The researcher used appropriate procedure and sampling technique and was able to identify and analyze all parts of his objective but the researcher did not identify the effect of organizational culture on overall organizational performance based on performance indicators.

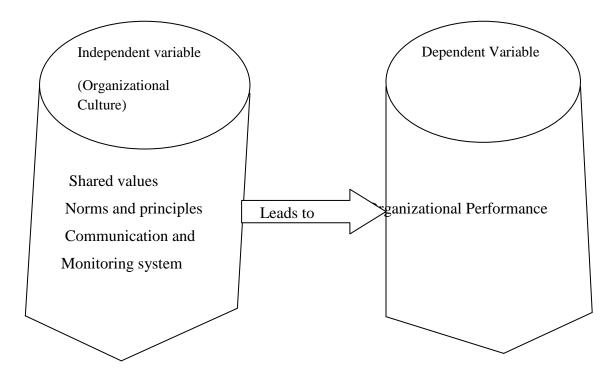
#### **2.3 Conceptual Frame Work**

Maintaining a healthy working culture in the organization is important to promote a vision of excellence (Fusch & Gillespie, 2012). According to Fusch and Gillespie vision accomplishment is seriously affected by organizational culture. The well-known scholars Denison (1990) also conceptualize organizational culture model as the primary conceptual framework for the study.

The organizational culture literature contains information on how business managers use effective organizational culture to improve performance and productivity (Pathiranage, 2019). The rationale behind organizational culture theory is the business managers and leaders perception that, an organizational culture is an essential factor to influence the Organization's effectiveness (Fusch & Gillespie, 2012). Organizational culture works based on assumptions and believes. The concept of organizational culture theory involves beliefs, assumptions, and symbols of organizational members that define the process in which a company conducts its business (Schneider et al.; 2013). Strong organizational

culture plays an important role in aligning the organization's current and future direction (Raza, Haque, & Muneer, (2014). In a positive organizational culture, employees share the goals and values of the organization (Flamholtz & Randle, 2012). Business managers may establish an effective organizational culture to improve performance and productivity in the organization (Inabinett & Ballaro, 2014).

From the above second-hand evidences the researcher frames the relation between the explanatory and explained variables. In independent variables of organizational culture like, shared values and beliefs, communication and monitoring system, norms and principles that encompass, loyalty, mutual trust and sense of ownership in the organization may affects performance of dependent variables like customer satisfaction, employee satisfaction, quality, cost reduction ( efficiency) , productivity, learning & growth and achievement of objectives specially in public service and none profit organizations.



## Figure 2. 1: Conceptual Frame Work of Organizational Culture and Organizational Performance

## **Chapter Three**

#### 3. Research Methodology

#### Introduction

This chapter yields an overview of the research methods that was used by the researcher to carry out this study. The major issues that were incorporated in this section are: background of the study area, research approach, research design, population, sample and sampling technique, research instrument, source and type of data, validity and reliability of research instruments, method of data analysis and ethical consideration.

#### 3.1 Description of the Study Area

Addis Ababa, the capital city of the federal democratic republic of Ethiopia, is located in the center of the country. Established in 18 86. It extends over 540 square kilometers at an altitude of 2500 meters above sea level of the Mediterranean Sea. Addis Ababa is currently divided into 11 sub-cities and 116 Woredas (UN – HABITAT, 2011). The city has a population over 3.4 million according to the population census (2013), with an annual growth rate of 3.8%. Addis Ababa has both a city and state status (JITU, 2014).

Recently the Administration of the city of Addis Ababa restructured the governance structure of the transport system in an effort to improve on the delivery of transport infrastructure and services and oversight.

Addis Ababa Transport Authority (AATA) is among the institution organized under Addis Ababa City road and transport bureau. Cabin of Addis Abeba City Administration Municipality Service Executive Bodies reestablishment proclamation of 64/2011 established in order to organize and develop transport facilities in Addis Ababa city.

Providing accessible, reliable, comfortable, safe, affordable and environmental friendly public and freight transport service for the city in the year 2022 is the vision of Addis Ababa transport authority. The authority is responsible for regulating and managing the public and freight transport operations in a city. The authority is also responsible for

building terminals and depots, public transport terminals, shades, and other public transport facilities in the city. Furthermore, it is also responsible for transport institutional arrangement, fare setting, route assignment, scheduling and integrating the city public transport operations.

#### 3.2 Research Approach and Design

#### **Research Approach**

Quantitative method was used in this study. Because quantitative approach helped the researcher to obtain breadth concepts from quantitative data and come up with the findings that have breadth concepts which was important to arrive at valid, reliable and dependable findings.

#### **Research Design**

Research design as indicated by Creswell (2009) is a planned and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis. Choosing a suitable design that can help in gathering relevant information for the study is crucial. Thus, to address the objectives of the study, the researcher employed descriptive and explanatory research design. The researcher used explanatory design to examine the relationship of organizational culture and organizational performance in order to see their cause and effect relationship and used descriptive design to describe characteristics of sample population and helps to finding out the type of organizational culture that particularly applied in the specific organization.

### **3.3 Target Population**

The target population for this study was all employees of Addis Ababa transport authority. According to the data of the authority (2021) report, the number of civil servants who works in the authority is 158. Therefore, the population for the study is 158.

#### **3.4 Sampling**

There are numerous methods used to calculate the sample size depending on the type or study design. But the researcher preferred Tardo Yamane formula to determine the sample size. The rationale behind preferring Tardo Yamane's formula is that, it is suitable for simple random sample and it reduces margin of error. The Tardo Yamane method for sample size calculation uses population to determine sample size using this formula:

$$n = \frac{N}{1+N(e)^2}$$

Where:

N = Target population / population size

n = desired sample size

e = level of statistical significance set or margin of error (standard value is 0.05)

Therefore  $n = \frac{158}{1+158(0.05)^2}$ 

n = 113

Therefore, the actual numbers of respondents that were participated in data gathering were 113.

#### 3.5 Sampling Techniques

In order to obtain essential information, the researcher used probability sampling technique. From the total target population, sample respondents were selected by using simple random sampling (probability sampling).

To draw samples for employees of the organization, probability (simple random sampling) was employed. Singh (2007) states, in the case of simple random sampling, every unit of the population has known, non-zero probability of being selected, which implies an equal probability of every unit being selected. This gave equal chance to the researcher to have comprehensive and diversified information from the respondents.

#### **3.6 Data Sources and Data Collection Instruments**

#### Source and Type of Data

In order to attain the objective of the study, both primary and secondary sources of data used to gather reliable and valid information about the study. The primary data gathered from staff members of Addis Ababa transport authority. The secondary data collected from different articles, books, research studied and official report documents.

#### **Data Collection Instruments**

The type of instrument that the researcher conducted for soliciting primary data from the respondents was questionnaire. The questionnaire tool was self-constructed in light of the empirical review. The questionnaire was consisted closed ended questions. All items of the closed ended questions were measure on a five point Likert scale statements, ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire was structured into four main sections. Section one is about background information, section two concerns about the type of organizational culture, section three concerns about elements of organizational culture, finally section four focuses about organizational performance.

#### 3.7 Data Analysis Method

The researcher was applied descriptive analysis research method to summarize the idea. The data gathered from questionnaire was summarized and analyzed by using descriptive statistics like frequency, percentage, mean, correlation and regression using Statistical Package for Social Science (SPSS) version 25.0. The data which was collected from the respondents was edited, coded, captured and presented on SPSS prior to data analysis.

#### 3.8 Validity and Reliability of Research Instruments

#### Validity of Research Instruments

According to Taherdoost (2016) validity explains how well the collected data covers the actual area of investigation. Basically validity focuses on what is intended to be measured. The instrument was given to my advisor who accurately inspected them and ascertained

that they met both face and content validity. The instruments for the study were wisely vetted before the questionnaire is distributed to respondents. In General, the researcher was applied face validity and content validity that evaluates the appearance of the questionnaire in terms of feasibility, readability, consistency of style and formatting, and the clarity of the language used being evaluated by advisor of the researcher.

#### **Reliability of Research Instruments**

In order to insure the reliability, the researcher used an internal consistency type of reliability. From the internal consistency sub categories the researcher used Cronbach's Alpha reliability test. To test the reliability of the measurement pilot test was undertaken from 11 respondents which is 10% of the total respondent and Cronbach's Alpha test of reliability were calculated to measure the internal consistency. According to Funk (2007), Cronbach's alpha is a measure of internal consistency and if coefficient values lie in the range of .900 to 1.00 labeled as excellent, from 0.800 to 0.899 labeled as very good and if ranges from .700 to .799 labeled as good. A Cronbach's Alpha coefficient with a label of good and above good is accepted.

Reliability Statistics								
Value of alpha	Number of items							
0.71	4							
0.73	4							
0.71	4							
0.72	4							
0.71	3							
0.75	3							
0.72	5							
0.74	6							
.723								
	Value of alpha         0.71         0.73         0.71         0.72         0.71         0.72         0.71         0.72         0.74							

#### **Table 3.1 Reliability Statistics**

Source: own examination, 2022

From the above table 3.1, Cronbach's alpha value for each variable is greater than 0.7, which is labeled as good & is in the acceptable range. So the instrument taken from pilot test has fine internal consistency.

#### **3.9 Ethical Considerations**

According to the idea of Padgett (2011) ethics is a system of moral values concerned with the degree to which research procedures follow to professional, legal and social obligations concerns of the participants. Regarding the right to privacy of the respondents, the study was respect the confidentiality of the identity of each participant. In all cases, names were kept confidential thus collective names like 'respondents' and 'participants' were used in the study.

## **Chapter Four**

## 4. Result and Discussion

#### Introduction

This chapter organized into four sections. The first section dictates about demographic information of respondents, section two illustrate type of organizational culture exercised in Addis Ababa transport authority, section three deals about elements of organizational culture that reinforce organizational performance and section four is about the impact of organizational culture on performance of Addis Ababa transport authority.

#### 4.1 Response Rate of the Questionnaire

113 questionnaires were distributed to sample respondents selected by simple random probability sampling method to collect necessary data. Out of 113 questioners the researcher was able to collect and return 111 properly completed questionnaires. The rest of 2 questionnaires could not return to the researcher due to careless handling of the respondents.

#### 4.2 Demographic Information of Respondents

The collected data was analyzed based on gender, age group, experience, educational background and occupation.

Items	Characteristics	Frequency	Percentage	То	tal
				no	%
Sex	Male	69	62.2	111	100
	Female	42	37.8		
Age	18-29	12	10.8	111	100
	30-40	46	41.4		
	41-51	47	42.3		

### **Table 4.1 Demographic Information of Respondents**

	Above 51	6	5.4		
Work experience	1-5	7	6.3	111	100
	6-10	54	48.6		
	11-15	42	37.8	-	
	Above 15	8	7.2	-	
Occupation	Top Management	1	0.9	111	100
	Middle Management	8	7.2	-	
	Bottom level	7	6.3	-	
	management				
	Expert	95	85.6	-	
Educational	10/12 Grade	4	3.6	111	100
background	Diploma holder	28	25.2		
	First degree holder	66	59.5		
	Master's degree	13	11.7		

Source: Own survey (2022)

As indicated in table 4.1 out of 111 respondents, the majority of respondents 69(62.2%) are male and 42(37.8%) respondents are female. This data discloses that more males were covered than females in the sample distribution.

As far as the age range of respondents concerned 12(10.8%) are found in the age group of 18-29 years, 46(41.4%) are found between 30-40 years, 47(42.3%) are found between 41-51 years and the rest 6 (5.4%) respondents are above 51 years. These finding shows that the majority of the respondents 47(42.3%) are found in the age group of 41-51 years are adult people who are at the responsible age group.

Concerning duration of respondents in Addis Abeba Transport Authority 7(6.3%) have 1-5 years work experience, 54(48.6%) have 6-10 years work experience, 42(37.8%) have 11-15 years work experience and the remaining 8(7.2%) respondents have above 15 years work experience. Majority of the respondents 54(48.6%) have worked 6-10 years in Addis Ababa transport authority. These shows that the organization have experienced employees who can contribute for better performance achievement of the organization as they have better experience in the organization.

With regard to respondent's position in Addis Ababa transport authority 95(85.6%) are experts who are expected to serving the public by their profession, 7(6.3%) are bottom level managers who have additional responsibility. Most of the time they oversee and direct the operative employees, spend most of their times addressing the functions of the organization. 8(7.2%) are middle level managers. The middle-level managers in Addis Abeba transport authority are semi-executives. They are serving as a bridge for lower level managers and top level managers of the organization. The remaining 1(0.9%) is top management.

Concerning the educational level of the respondents in table 4.1, 4(3.6%) are 10/12 grade complete, 28(25.2%) are diploma holder, 66(59.5%) are first degree holders and the remaining 13(11.7%) have master's degree. From this finding one can understand that it is great progress in which 66(59.5%) of the employees were first degree holders. As significant numbers of employees are with a better educational level, this can assist the organizations to register better performance.

#### 4.3 Descriptive Analysis of Collected Data

This section elucidates respondent's response about the type of organizational culture exercised in Addis Ababa transport authority. According to Harry N and Deborah A, (2012) Likert scale items can be analyzed by calculating a composite score (sum or mean) from four or more type Likert- type items. Hence, the mean score and its interpretation based on commonly used tools are shown on the table below.

NO	Mean Score	Interpretation
1	1.00-1.80	Strongly disagree
2	1.81-2.60	disagree
3	2.61-3.20	Neutral

#### **Table 4.2 Interpretations of Mean Score**

4	3.21-4.20	High / agree
5	4.21-5.00	Very/ strongly agree

Source: Moidunny (2009).

## 4.3.1 Type of Organizational Culture Exercised in Addis Ababa Transport Authority

## Table 4.3 Respondents View on Clan Culture

Statement		Frequ	ency					mea	Std
		SD	DA	Ν	А	SA	Tot	n	
							al		
The organizational culture of Addis Ababa transport authority is similar to family type where, the organization	NO	10	77	4	12	8	111	2.38	1.04
focuses on employee development.	%	9	69.4	3.6	10.8	7.2	100		
The glue that holds Addis	NO	4	80	9	16	2	111	2.39	0.84
Ababa transport authority and									
its employees is loyalty and mutual trust.	%	3.6	72.1	8.1	14.4	1.8	100		
Your organization emphasizes	NO	5	87	4	13	2	111	2.28	0.80
on human development.	%	4.5	78.4	3.6	11.7	1.8	100	-	
The management style in Addis Ababa transport authority is characterized by	NO	2	77	5	26	1	111	2.52	0.90
teamwork, consensus, and participation.	%	1.8	69.4	4.5	23.4	0.9	100		
Aggregate mean		2.1	39			I.	1		

Source: own survey, 2022

As shown in the above table 4.3, respondents were requested to rate their level of agreement on "The organizational culture of Addis Ababa transport authority is similar to family type, where the organization focuses on employee development." Accordingly; from 111 respondents: 10(9%) were strongly disagree, 77(69.4%) were disagree, 4(3.6%) were not sure, 12(10.8%) were agree and the remaining 8(7.2%) were strongly agree. The mean value of this single variable is 2.38. According to mean interpretation of Moidunny (2009) this mean fails under disagree range Therefore; this data indicates that majority of the respondents were disagreed.

Respondents were requested to rate their level of agreement on "The glue that holds Addis Ababa transport authority and its employees is loyalty and mutual trust." Accordingly; from 111 respondents: 4(3.6%) were strongly disagree, 80(72.1%) were disagree, 9(8.1%)were not sure, 16(14.4%) were agree and 2(1.8%) were strongly agree. The mean value of this single variable is 2.39. According to mean interpretation of Moidunny(2009) this mean fails under disagree range. So, this data indicates that majority of the respondents were disagreed.

Respondents were requested to rate their level of agreement on "Your organization emphasizes on human development." Then; from 111respondents: 5(4.5%) were strongly disagree, 87(78.4%) were disagree, 4(3.6%) were not sure, 13(11.7%) were agree and 2(1.8%) were strongly agree. The mean value of this single variable is 2.28. According to mean interpretation of Moidunny (2009) this mean fails under disagree range Therefore, this data indicates that majority of the respondents were disagreed.

Respondents were requested to rate their level of agreement on "The management style in Addis Ababa transport authority is characterized by teamwork, consensus, and participation." Accordingly; from 111 respondents: 2(1.8%) were strongly disagree, 77(69.4%) were disagree, 5(4.5%) were not sure, 26(23.4%) were agree and the remaining 1(0.9%) were strongly agree. The mean value of this single variable is 2.52. According to

mean interpretation of Moidunny(2009) this mean fails under disagree range .Therefore, this data indicates that majority of the respondents were disagreed with the existing management style which is not inline teamwork, consensus, and participation.

The aggregate mean for clan culture is 2.39. According to mean interpretation of Moidunny (2009) the statistical output 2.39 fails under disagree range. Therefore, the organizational culture exercised in Addis Ababa transport authority is not clan type of organizational culture.

Statement		Frequ	ency		mea	Std			
		SD	DA	N	А	SA	Tot	n	
							al		
Addis Ababa transport									
authority is a very controlled	NO	0	26	1	80	4	111	3.56	0.89
and structured organization									
guided by formal rules and									
procedures to govern what	%	0	23.4	0.9	72.1	3.6	100		
people do.	70	U	23.4	0.7	12.1	5.0	100		
The glue that holds Addis	NO	1	16	5	83	6	111	3.69	0.81
Ababa transport authority and									
its employees is formal rules	%	0.9	14.4	4.5	74.8	5.4	100		
and polices									
Addis Ababa transport	N0							3.69	0.76
authority emphasizes		0	17	3	88	3	111		
performance and stability,									
efficiency, control and smooth	%								
operations are considered to be		0	15.3	2.7	79.3	2.7	100		
important.									

Table 4.4 Respondent's Attitude on Hierarchical Type of Culture

The management style in	NO								
Addis Ababa transport		2	24	2	77	6	111	3.55	0.95
authority is characterized by									
hard driving competitiveness,									
high demands and									
achievement.									
	%	1.8	21.6	1.8	69.4	5.4	100		
Aggregate mean		3.6	52	1	1	1			

Source: own survey, 2022

As shown in the above table 4.4, respondents were requested to rate their level of agreement on "Addis Ababa transport authority is a very controlled and structured organization guided by formal rules and procedures to govern what people do." Accordingly; from 111 respondents: 26(23.4%) were disagree, 1(0.9%) were not sure, 80(72.1%) were agree and 4(3.6%) were strongly agree. The mean value of this single variable is 3.56. According to mean interpretation of Moidunny(2009) this mean fails under high/agree. This shows that, Addis Ababa transport authority is a very controlled and structured place guided by formal rules.

Respondents were requested to rate their level of agreement on "The glue that holds Addis Ababa transport authority and its employees is formal rules and policies." Then; from 111 respondents: 1(0.9%) was strongly disagree, 16(14.4%) were disagree, 5(4.5%) were not sure, 83(74.8%) were agree and 6(5.4%) were strongly agree. The mean value of this single variable is 3.69. According to mean interpretation of Moidunny(2009) this mean fails under high/agree. This indicates that respondents were agreed with glue that holds Addis Ababa transport authority with its employees is formal rules and policies. Respondents were requested to rate their level of agreement on "Addis Ababa transport authority emphasizes performance and stability, efficiency, control and smooth operations are considered to be important." Accordingly; from 111 respondents: 17(15.3%) were disagree, 3(2.7%) were not sure, 88(79.3%) were agree and 3(2.7%) were strongly agree. The mean value of this single variable is 3.69. According to mean interpretation of Moidunny(2009) this mean fails under high/agree. From this we can conclude that, Addis Ababa Transport Authority emphasizes permanence stability, efficiency, control and smooth operations to conduct its day to day operations.

Respondents were requested to rate their level of agreement on "The management style in Addis Ababa transport authority is characterized by hard driving competitiveness, high demands and achievement." Then; from 111 respondents: 2(1.8%) were strongly disagree, 24(21.6%) were disagree, 2(1.8%) were not sure, 77(69.4%) were agree and the remaining 6(5.4%) were strongly agree. The mean value of this single variable is 3.55. According to mean interpretation of Moidunny(2009) this mean fails under high/agree. Therefore, majority of the respondents were agreed about the hard driving and competitive management style realized in Addis Ababa transport authority.

The aggregate mean for hierarchical culture is 3.62. Based on the mean interpretation of Moidunny (2009) this category falls under agreed range. Therefore respondents were agreed with the existence of hierarchical type of culture applied in Addis Ababa transport authority.

Statement	Freque	Frequency						Std	
		SD	DA	Ν	А	SA	Tot	n	
							al		
Addis Ababa transport								2.44	0.88
authority is very results-	NO	5	76	6	24	0	111		
oriented. A major concern is									
with getting the job done.									
	%	4.5	68.5	5.4	21.6	0	100		

 Table 4.5 Respondents Attitude on Market Type of Culture

Addis Ababa transport	NO							2.38	0.85
authority emphasizes		4	83	3	20	1	111		
competitive actions and	%								
achievement. Achieving		3.6	74.8	2.7	18	0.9	100		
stretched targets and wining in									
the market place are dominant.									
The management style in	N0							3.24	1.00
Addis Ababa transport		0	43	0	66	2	111		
authority is characterized by									
hard driving competitiveness,	%								
high demands, and		0	38.7	0	59.5	1.8	100		
achievement.									
The management style in	NO							2.66	0.96
Addis Ababa transport		2	70	4	34	1	111		
authority is characterized by									
security of employment,	%								
conformity, predictability and		1.8	63.1	3.6	30.6	0.9	100		
stability in relationship.									
Aggregate mean		2.68	1	1	1	1	1		

#### Source: own survey, 2022

As shown in the above table 4.5, respondents were requested to rate their level of agreement on "Addis Ababa transport authority is very results-oriented. A major concern is with getting the job done." Then; from 111 respondents: 5(4.5%) were strongly disagree, 76(68.5%) were disagree, 6(5.4%) were not sure, 24(21.6%) were agree. The mean value of this single variable is 2.44. According to mean interpretation of Moidunny(2009) this mean fails under disagree which means majority of the respondents were disagreed with the idea of getting the job done.

Respondents were requested to rate their level of agreement on "Addis Ababa transport authority emphasizes competitive actions and achievement. Achieving stretched targets and wining in the market place is dominant." Accordingly; from 111 respondents: 4(3.6%)were strongly disagree, 83(74.8%) were disagree, 3(2.7%) were not sure, 20(18%) were agree and the remaining 1(0.9%) were strongly agree. The mean value of this single variable is 2.38. According to mean interpretation of Moidunny (2009) this mean fails under disagree. Hence it can be concluded that majority of the respondents disagreed with the idea of competitive actions, achievement and winning the market.

Respondents were requested to rate their level of agreement on "The management style in Addis Ababa transport authority is characterized by hard driving competitiveness, high demands, and achievement." The result shows that; from 111 respondents: 43(38.7%) were disagree, 66(59.5%) were agree and 2(1.8%) were strongly agree. The mean value of this single variable is 3.24. According to mean interpretation of Moidunny (2009) this mean fails under agree. So it can be conclude that respondents were agreed with the availability of hard driving management style in the authority.

Respondents were requested to rate their level of agreement on "The management style in Addis Ababa transport authority is characterized by security of employment, conformity, predictability and stability in relationship." Accordingly; from 111 respondents: 2(1.8%) were strongly disagree, 70(63.1%) were disagree, 4(3.6%) were not sure, 34(30.6%) were agree and 1(0.9%) were strongly agree. The mean value of this single variable is 2.66. According to mean interpretation of Moidunny (2009) this mean fails under neutral. This shows that; majority of respondents were not sure with conformity, predictability and stability.

The cumulative mean for market type of organizational culture is 2.68. According to mean interpretation of Moidunny (2009), the statistical output 2.68 categorized under neutral range. Therefore, it can be concluded that majority of respondents were not sure and have no adequate information whether market type of organizational culture is applied or not.

#### Table 4.6 Respondents Attitude on Adhocracy Type of Culture

Statement		Frequ	ency					mea	Std
		SD	DA	Ν	Α	SA	Tot	n	
							al		
The organizational culture in								2.43	0.87
Addis Ababa transport	NO	2	84	1	23	1	111		
authority is very dynamic and									
entrepreneurial.		1.0		0.0	20.7	0.0	100		
	%	1.8	75.7	0.9	20.7	0.9	100		
	NO							250	0.04
The glue that holds Addis	NO	1	70	1	25	2	111	2.56	0.94
Ababa transport authority and		1	78	4	25	3	111		
its employees is commitment	0/							-	
and innovation.	%	0.0	70.2	26	22.5	2.7	100		
		0.9	70.3	3.6	22.5	2.7	100		
Addia Ababa tuguna ant	NO							2.38	0.94
Addis Ababa transport	N0	3	05	2	20	1	111	2.38	0.84
authority emphasizes acquiring		3	85	2	20	1	111		
new resources and creating	0/							-	
new challenges.	%	2.7	76.6	1.0	10	0.0	100		
	NO	2.7	76.6	1.8	18	0.9	100	2.50	0.05
The management style in	NO	1	77		20		111	2.59	0.95
Addis Ababa transport		1	77	2	29	2	111		
authority is characterized by									
individual risk taking,	%								
innovation, freedom		0.9	69.4	1.8	26.1	1.8	100		
&uniqueness.									
Aggregate mean	2.4	19							

#### Source: own survey, 2022

As shown in the above table 4.6, respondents were requested to rate their level of agreement on "The organizational culture in Addis Ababa transport authority is very dynamic and entrepreneurial." As a result; from 111 respondents: 2(1.8%) were strongly disagree, 84(75.7%) were disagree, 1(0.9%) were not sure, 23(20.7%) were agree and 1(0.9%) were strongly agree. The mean value of this single variable is 2.43. According to Moidunny (2009), this mean is under the range of disagree. So this implies that the organizational culture at Addis Ababa transport authority is not dynamic and entrepreneurial.

Respondents were requested to rate their level of agreement on "The glue that holds Addis Ababa transport authority and its employees is commitment and innovation." Accordingly; from 111 respondents: 1(0.9%) was strongly disagree, 78(70.3%) were disagree, 4(3.6%)were not sure, 25(22.5%) were agree and 3(2.7%) were strongly agree. The mean value of this single variable is 2.56. According to Moidunny (2009) this mean is under the range of disagree. Therefore, the glue that ties Addis Ababa Transport Authority and its employees is not commitment and innovation.

Respondents were requested to rate their level of agreement on "Addis Ababa transport authority emphasizes acquiring new resources and creating new challenges." Then; from 111 respondents: 3(2.7%) respondents were strongly disagree, 85(76.6%) were disagree, 2(1.8%) were not sure, 20(18%) were agree and the remaining 1(0.9%) were strongly agree. The mean value for this single variable is 2.38. According to Moidunny (2009) this mean is under the range of disagree. This shows that majority of the respondents disagree with the idea of acquiring new resources and creating new challenges.

Respondents were requested to rate their level of agreement on "The management style in Addis Ababa transport authority is characterized by individual risk taking, innovation, freedom &uniqueness." As a result; from 111 respondents: 1(0.9%) were strongly disagree, 77(69.4%) were disagree, 2(1.8%) were not sure, 29(26.1%) were agree and 2(1.8%) were strongly agree. The mean value of this single variable is 2.59. According to

Moidunny (2009) this mean is under the range of disagree. This shows that; majority of the respondents disagree with the idea of individual risk taking, freedom and uniqueness.

The aggregate mean for adhocracy culture is 2.49. According to Moidunny (2009) this mean is under the range of disagree. From this we can conclude that, the type of culture implemented at Addis Ababa transport authority is not adhocracy type of culture.

## 4.3.2 Characteristics of Organizational Culture

			Fr	equenc	у			Mean	Std.
Statement		SD	DA	Ν	Α	SA	Total		
Employees of Addis	NO							2.31	0.83
Ababa transport authority		6	83	6	14	2	111		
have shared	%								
understanding regarding	%0	5.4	74.8	5.4	12.6	1.8	100		
mission and vision of the		5.4	/4.8	5.4	12.0	1.8	100		
organization.									
Employees of Addis	NO							2.5	0.98
Ababa transport authority		4	78	2	23	4	111		
have shared awareness	%								
about policy and strategy	70	3.6	70.3	1.8	20.7	3.6	100		
of their organization.		5.0	70.5	1.0	20.7	5.0	100		
Members of Addis Ababa	NO							2.51	1.05
transport authority have		11	66	2	30	2	111		
adequate clarity about									
organizational objective.	%						100		
		9.9	59.5	1.8	27	1.8			
Aggregate mean		1	L	1	I				

#### Table 4.7 Respondents Attitude on Shared Values

Source: own survey, 2022

As shown in the above table 4.7, respondents were requested to rate their level of agreement on "Employees of Addis Ababa transport authority have shared understanding regarding mission and vision of the organization." Accordingly; from 111 respondents: 6(5.4%) were strongly disagree, 83(74.8%) were disagree, 6(5.4%) were not sure, 14(12.6%) were agree and the remaining 2(1.8%) were strongly agree. The mean value of this single variable is 2.31. According to Moidunny (2009) this mean is under the range of disagree. This result shows that; majority of the respondents did not have sharing understanding about vision and mission of the organization.

Respondents were requested to rate their level of agreement on "Employees of Addis Ababa transport authority have shared awareness about policy and strategy of their organization." Then; from 111 respondents: 4(3.6%) were strongly disagree, 78(70.3%) were disagree, 2(1.8%) were not sure, 23(20.7%) were agree and 4(3.6%) were strongly agree. The mean value of this single variable is 2.50. According to Moidunny (2009) this mean is under the range of disagree. This result implies that majority of the respondents were disagree towards the clarity and shared understanding of organizational policy.

Respondents were requested to rate their level of agreement on "Members of Addis Ababa transport authority have adequate clarity about organizational objective." Accordingly; from 111 respondents: 11(9.9%) were strongly disagree, 66(59.5%) were disagree, 2(1.8%) were not sure 30(27%) were agree and 2(1.8%) were strongly agree. The mean value of this single variable is 2.51. According to Moidunny (2009) this mean is under the range of disagree. From this we can conclude that majority of the respondents were disagree with the idea of clarity of organizational objective.

The aggregate mean for shared values is 2.44. According to Moidunny (2009) this mean is under the range of disagree. This shows that employees of Addis Ababa transport authority did not have adequate shared understanding on organization's mission, vision and clarity of objectives.

			Fre	equency	1			Mean	Std.
Statement		SD	DA	Ν	А	SA	Total		
	NO							2.47	1.03
Your organization has		10	70	4	23	4	111		
suitable two way	0/						100		
communication system.	%	0	<b>60.1</b>	2.5	20.7	2.5	100		
		9	63.1	3.6	20.7	3.6			
	NO							0.61	1.0.4
	NO				• •			2.61	1.04
Addis Ababa transport		6	67	6	28	4	111		
authority treats	%								
employees equally.		5.4	60.4	5.4	25.2	3.6	100		
	NO							2.43	1.06
Your organization has		12	70	3	21	5	111		
developed objective and									
acceptable performance	%								
management system.		10.8	63.1	2.7	18.9	4.5	100		
Aggregate mean			2.50	•					

 Table 4.8 Respondents Attitude on Communication and Monitoring System

Source: own survey, 2022

As shown in the above table 4.8, respondents were requested to rate their level of agreement on "Your organization has suitable two way communication system." As a result; from 111 respondents: 10 (9%) were strongly disagree, 70(63.1%) were disagree, 4(3.6%) were not sure, 23(20.7%) were agree and 4(3.6%) were strongly agree. The mean value for this single variable is 2.47. According to Moidunny (2009) this mean is under the

range of disagree. Therefore; majority of the respondents disagreed with the availability and suitability of two way communication system.

Respondents were requested to rate their level of agreement on "Addis Ababa transport authority treats employees equally." Accordingly; from 111 respondents: 6(5.4%) were strongly disagree, 67(60.4%) were disagree, 6(5.4%) were not sure, 28(25.2%) were agree and 4(3.6%) were strongly agree. The mean value of this single variable is 2.61. According to Moidunny (2009) this mean is under the range of neutral. So, this result implies that majority of the respondents have no clear and accurate information how their organization treats employees.

Respondents were requested to rate their level of agreement on "Your organization has developed objective and acceptable performance management system." Then; from 111 respondents: 12(10.8%) were strongly disagree, 70(63.1) were disagree, 3(2.7%) were not sure, 21(18.9%) were agree and the remaining 5 (4.5%) were strongly agree. The mean value of this single variable is 2.43. According to Moidunny (2009) this mean is under the range of disagree. This shows that; majority of the respondents were disagree with the idea of developed objective and performance measurement system of the organization.

The aggregate mean of communication and monitoring system is 2.50. According to Moidunny (2009) this mean is under the range of disagree. This shows that; majority of respondents were dissatisfied and replied that Addis Ababa transport authority did not have suitable two way communication system, equitable employee treatment and acceptable performance measurement system.

	F	Frequency						Std.	
Statement		SD	DA	Ν	А	SA	Total		
Norms and principles of	NO	5	73	1	32	0	111	2.54	0.96
Addis Ababa transport									
authority are characterized by	%	4.5	65.8	0.9	28.8	0	100		

 Table 4.9 Respondents Attitude on Norms and Principles

transparency and									
openness.									
Accountability and	NO	19	61	1	29	1	111	2.39	1.08
fairness is unique	%	17.1	55.0	0.9	26.1	0.9	100		
identity of your	%0	1/.1	55.0	0.9	20.1	0.9	100		
organization.									
Employees of Addis	NO	18	54	1	22	16	111	2.68	1.35
Ababa transport									
authority are highly	%	16.2	48.6	0.9	19.8	14.4	100		
involved in decision									
making process.									
Norms and principles of	NO	6	56	0	29	20	111	3.01	1.31
Addis Ababa transport	%	5.4	50.5	0	26.1	18	100		
authority promote	, -								
innovation and risk									
taking.									
Employees of Addis	NO	25	52	1	21	12	111	2.49	1.32
Ababa transport	0/	22.5	16.0	0.0	10.0	10.0	100	_	
authority have mutual	%	22.5	46.8	0.9	18.9	10.8	100		
trust and loyalty to their									
organization.									
Aggregate mean	2.62	2							

Source: own survey, 2022

As shown in the above table 4.9, respondents were requested to rate their level of agreement on "Norms and principles of Addis Ababa transport authority are characterized by transparency and openness." Accordingly; from 111 respondents: 5(4.5%) were strongly disagree, 73(65.8%) were disagree, 1(0.9%) were not sure and 32(28.8%) were

agree. The mean value of this single variable is 2.54. According to Moidunny (2009) this mean is under the range of disagree. Therefore, respondents were disagreed with this idea.

Respondents were requested to rate their level of agreement on "Accountability and fairness is unique identity of your organization." As a result; from 111 respondents: 19(17.1%) were strongly disagree, 61(55%) were disagree, 1(0.9%) were not sure, 29(26.1%) were agree and the remaining 1(0.9%) were strongly agree. The mean value of this single variable is 2.39. According to Moidunny (2009) this mean is under the range of disagree. This shows that; majority of the respondents believe that accountability and fairness were not applied at required level.

Respondents were requested to rate their level of agreement on "Employees of Addis Ababa transport authority are highly involved in decision making process." Then; from 111 respondents: 18(16.2%) were strongly disagree, 54(48.6%) were disagree, 1(0.9%) were not sure, 22(19.8%) were agree and 16(14.4%) were strongly agree. The mean value of this single variable is 2.68. According to Moidunny (2009) this mean is under the range of neutral. From this, it is possible to conclude that respondents have not accurate information about the involvement of employees in decision making process.

Respondents were requested to rate their level of agreement on "Norms and principles of Addis Ababa transport authority promote innovation and risk taking." As a result; from 111 respondents: 6(5.4%) were strongly disagree, 56(50.5%) were disagree, 29(26.1%) were agree and 20(18%) were strongly agree. The mean value of this single variable is 3.01. According to Moidunny (2009) this mean is under the range of neutral. This implies that; respondents have not accurate & adequate information about innovation and risk taking.

Respondents were requested to rate their level of agreement on "Employees of Addis Ababa transport authority have mutual trust and loyalty to their organization." Accordingly from 111 respondents, 25(22.5%) were strongly disagree, 52(46.8) were disagree, 1(0.9%) were not sure, 21(18.9%) were agree and 12(10.8%) were strongly agree. The mean value of this single variable is 2.49. According to Moidunny (2009) this mean is under the range

of disagree. This implies that; respondents believe that they lack loyalty and mutual trust in their organization.

The aggregate mean for norms and principles is 2.62. According to Moidunny (2009) this mean is under the range of neutral. This implies that; majority of the respondents have no better understanding about innovation encouragement, risk taking, transparency, accountability and mutual trust. However; they believe that all this items are not considerable in their organization.

#### 4.3.3 Organizational Performance

# Table 4.10 Respondents Attitude on Level of Performance of Addis Ababa TransportAuthority

Statement		F	Frequen	су				Mean	Std
		SD	DA	Ν	Α	SA	Total		
The level of efficiency and	NO	16	52	0	36	7	111	2.69	1.24
productivity in Addis Ababa	0/	144	16.0	0	20.4	6.2	100		
transport authority is high.	%	14.4	46.8	0	32.4	6.3	100		
The level of customer	NO	8	62	1	35	5	111	2.70	1.13
satisfaction in Addis Ababa				0.0			100		
transport authority is high.	%	7.2	55.9	0.9	31.5	4.5	100		
The designed objectives of	NO	15	67	0	28	1	111	2.40	1.04
Addis Ababa transport									
authority are properly	%	13.5	60.4	0	25.2	0.9	100		
achieved.									
The degree of quality of	NO	7	73	1	27	3	111	2.51	1.02
services provided to the public									
is at desired level.	%	6.3	65.8	0.9	24.3	2.7	100		
The level of employee	NO	38	52	1	9	11	111	2.13	1.25

satisfaction in Addis Ababa	%	34.2	46.8	0.9	8.1	9.9	100		
transport authority is high.									
The status of learning and	NO	26	58	1	21	5	111	2.29	1.16
growth in Addis Ababa									
transport authority is high.	%	23.4	52.3	0.9	18.9	4.5	100		
Aggregate mean			2.45						

Source: own survey, 2022

As shown in the above table 4.10, respondents were requested to rate their level of agreement on "The level of efficiency and productivity in Addis Ababa transport authority is high." Accordingly; from 111 respondents: 16(14.4%) were strongly disagree, 52(46.8%) were disagree, 36(32.4%) were agree and the remaining 7(6.3%) were strongly agree. The mean value of this single variable is 2.69. According to Moidunny (2009) this mean is under the range of neutral. This implies that respondents did not have real information about efficiency and effectiveness.

Respondents were requested to rate their level of agreement on "The level of customer satisfaction in Addis Ababa transport authority is high." As a result; from 111 respondents: 8(7.2%) were strongly disagree, 62(55.9%) were disagree, 1(0.9%) were not sure, 35(31.5) were agree and 5(4.5%) were strongly agree. The mean value of this single variable is 2.70. According to Moidunny (2009) this mean is under the range of neutral. This shows that respondents do not have tangible information about customer satisfaction.

Respondents were requested to rate their level of agreement on "The designed objectives of Addis Ababa transport authority are properly achieved." Then; from 111 respondents: 15(13.5%) were strongly disagree, 67(60.4%) were disagree, 28(25.2%) were agree and 1(0.9%) were strongly agree. The mean value of this single variable is 2.40. According to Moidunny (2009) this mean is under the range of disagree. From this we can infer that respondent's rate towards achieving designed objective is law.

Respondents were requested to rate their level of agreement on "The degree of quality of services provided to the public is at desired level." Accordingly; from 111 respondents: 7(6.3%) were strongly disagree, 73(65.8%) were disagree, 1(0.9%) were not sure, 27(24.3%) were agree and 3(2.7%) were strongly agree. The mean value of this single variable is 2.51. According to Moidunny (2009) this mean is under the range of disagree. This shows that; the degree of quality of services provided to the public are not at desired level.

Respondents were requested to rate their level of agreement on "The level of employee satisfaction in Addis Ababa transport authority is high." As a result; from 111 respondents: 38(34.2%) were strongly disagree, 52(46.8%) were disagree, 1(0.9%) were not sure, 9(8.1%) were agree and the remaining 11(9.9%) were strongly agree. The mean value of this variable is 2.13. According to Moidunny (2009) this mean is under the range of disagree. This shows that; employees of Addis Ababa transport authority are not satisfied.

Respondents were requested to rate their level of agreement on "The status of learning and growth in Addis Ababa transport authority is high." Then; from 111 respondents: 26(23.4%) were strongly disagree, 58(52.3%) were disagree, 1(0.9%) were not sure, 21(18.9%) were agree and 5(4.5%) were strongly agree. The mean value of this variable is 2.29. According to Moidunny (2009) this mean is under the range of disagree. This implies that; majority of the respondents believe that the status of learning and growth in their organization is low.

The aggregate mean for organizational performance is 2.45. According to Moidunny (2009) this mean is under the range of disagree. This figure undoubtedly deduced that the current status of performance measured in terms of customer & employee satisfaction, productivity, efficiency, achievement of objectives, quality and learning and growth is not at the range of planned level.

## 4.4 Relationship between Organizational Culture and Organizational Performance

### **4.4.1Pearson Correlation**

Pearson correlation coefficient is used to measure the degree of association between dependent and independent variables and is appropriate to conduct correlation analysis when the variables are measured on a scale that is at least ordinal (Robert, 2008).

Higher positive values (to a maximum of +1) and lower negative values (to a minimum of -1) indicate stronger relationships. +1.00 indicates a perfect positive relationship and -1.00 indicates a perfect negative relationship. 0 indicates no relationship between variables.

Table 4.11 A Framework for Describing the Strength of the Measure of Associationbetween Organizational Culture & Organizational Performance

Measure of Assoc	ciation	Descriptive Adjective	
Coefficient, r			
Positive	Negative		
0.00 to 0.09	0.00 to -0.09	Weak Correlation	
0.1 to 0.29	-0.1 to -0.29	Small Correlation	
0.3 to 0.49	-0.3 to -0.49	Medium Correlation	
0.5 to 1.0	-0.5 to -1.0	Large Correlation	

#### Table 4.12 Correlation

	Corre	elation Coefficients		
		Shared Values	Communication &	Norms and
			Monitoring System	Principles
		.565**	.897**	.435**
	Pearson			
Performance	Correlation			
	Sig.(2-tailed)	.000	.000	.000
	N	111	111	111

The correlation coefficient displayed on 4.13 implies that, the three independent variables (Shared values, Communication & monitoring system and Norms and principles) have positive and significant influence on the dependent variable (organizational performance). The Correlation matrix implies that the independent variables (Shared values and communication & monitoring system have large/strong relationship whereas norms and principles has medium / moderate relationship with performance of Addis Ababa transport authority. Therefore, they have positive Correlation and Strong and moderate association between dependent and independent Variables.

#### 4.5 Effect of Organizational Culture on Organizational Performance

Through a significant relationship is identified in the correlation output, it does not show to what extent the variance in the dependent variables will be explained by the independent variable. Hence, the model summary explains extent of their relationship

## **4.5.1** Multiple Linear Regression Analysis of Organizational Culture and Organizational Performance

#### **Multiple linear regression assumptions**

Testing assumption of multiple linear regression analysis models is very important before proceeding to regression analysis. Normality and co linearly tests were conducted in order to ensure the appropriateness of data and results were discussed in the following ways.

#### Assumption of normality

One of the major assumptions of normality is that the sampling distribution of the mean is normal (J. Toby, 2016). In other words, we have to assume that the data inside each of the samples are normal, not just the means of the samples are normal. In other words, these statistical procedures are based on the assumption that the value of interest (which is calculated from the sample) will exhibit a bell-curve distribution. According to the idea of Toby the core element of the assumption of normality asserts that, the distribution of sample means (across independent samples) is normal. In technical terms, the assumption

of Normality claims that the sampling distribution of the mean is normal or that the distribution of means across samples is normal.

According to David Garson (2012) there are two methods of testing normality. The first method is graphical method that displays the distribution of random variables or differences between an empirical distribution and a theoretical distribution (e.g., the standard normal distribution) and the second option is numerical methods that present summary of statistics such as Skewness and kurtosis. Therefore the researcher chooses to use skewness and kurtosis. A general guideline for skewness is that if the number is greater than +1 or lower than -1, this is an indication of a substantially skewed distribution. For Kurtosis, the general guideline is that if the number is greater than +1, the distribution is too peaked. Likewise, a kurtosis of less than -1 indicates a distribution that is too flat (Hair et al., 2017, p.61).

#### **Table 4.13 Result of Normality Test**

	Ν	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Level of AATA Performance	111	654	.229	118	.455
Norms and Principles	111	305	.229	851	.455
Communication and	111	603	.229	.166	.455
Monitoring System					
Shared Values	111	917	.229	355	.455
Valid N (listwise)	111				

#### **Descriptive Statistics**

Multiple regression requires that the independent variables in the analysis be normally distributed. Both the skewness and kurtosis statistics for all variables are within the acceptable range for normality (-1.0 to +1.0). So, all variables are meeting the assumption of normality.

#### Multi-co linearity test

Multi-co linearity in regression occurs when Independent variables in the regression model are more highly correlated with each other than with the Dependent variable. When

two variables are highly correlated, they both convey essentially the same information. If our goal is to understand the predictive power of each IV, multi-co linearity can be a problem. There are basically two ways to detect multi-co linearity. One way to assess multi-co linearity is to examine correlations among the independent variables, if a correlation matrix demonstrates correlations of .90 or higher among the independent Variables, there may be a problem with multi-co linearity. When we run our regression analysis, we can also ask SPSS to compute multi-co linearity analysis. It will compute to statistics called Tolerance values and Variance Inflation Factor (VIF) for each independent variable. Multi-co linearity exists when: Tolerance is below .10; and VIF is larger than 10. The researcher preferred to examine correlation among the independent variables in order to test multi-co linearity.

#### Table 4.14 Assessment of multi-co linearity

			Communication	
			and Monitoring	Norm and
		Shared Values	System	Principles
Shared Values	Pearson Correlation	1	.517**	.185
	Sig. (2-tailed)		.000	.052
	Ν	111	111	111
Communication and	Pearson Correlation	.517	1	.332
Monitoring System	Sig. (2-tailed)	.000		.000
	Ν	111	111	111
Norms and Principles	Pearson Correlation	.185	.332	1
	Sig. (2-tailed)	.052	.000	
	Ν	111	111	111

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

None of the coefficients are greater than .90, so multi-co linearity is not a problem.

## Table 4.15: Model Summaries of Organizational Culture and OrganizationalPerformance

	Model Summary										
Μ	0	R	Adjusted	Std. Error	ror Change Statistics						
de	l R	Square	R Square	of the	R Square	F	df1	df2	Sig.	F	
				Estimate	Change	Change			Change	;	
1	.916 <sup>a</sup>	.840	.835	.15440	.840	186.633	3	107	.000		

Predictors: (Constant), shared values, Norms & Principles and communication and Monitoring system

Source: Own examination, 2022

Table 4.16 shows the output of regression. Value of R square indicates how much of the dependent variable (Organizational Performance) predicted by the independent variables (shared values, communication & monitoring system and norms and principles). Accordingly, the value of R square is 0.840 shows that, organizational Performance is explained by 84% of shared values, communication & monitoring system and norms and principles. In technical terms, organizational culture has 84% effect on organizational performance or the dependent variable (organizational performance) is predicted by 84% of organizational culture (the independent variables).

#### Table 4.16: ANOVA

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.348	3	4.449	186.633	.000 <sup>b</sup>
	Residual	2.551	107	.024		
	Total	15.898	110			

a. Dependent Variable: Performance

b. Predictors: (Constant), Norms and Principles, Shared Values, Communication and Monitoring System

Source: own examination 2022

The ANOVA table reports general significance of the model. If p is less than 0.05, the model is more significant. As shown from table 4.17, the p value p(sig) = .000 which is less than .05. This confirms that the model is significant. Therefore the entire model fits

well. Significance of the model shows that shared values, communication & monitoring system and norms and principles of Addis Ababa transport authority do affect organizational performance.

#### **Table 4.17 Coefficients of Variables**

#### **Coefficients**<sup>a</sup>

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	.276	.120		2.307	.023
	Communication and Monitoring System	.864	.052	.777	16.482	.000
	Shared Values	.130	.043	.136	2.999	.003
	Norms and Principles	.095	.026	.152	3.694	.000

a. Dependent Variable: Performance

The significant level for the variable "communication and monitoring system" is .000, which is less than alpha level of .05.So it is significantly related to the dependent variable. Looking at the B coefficient, has positive sign, indicating that as communication and monitoring system increases performance also increase. This shows that communication and monitoring system is a significant predictor of performance.

The significant level for the variable "shared values" is .003, which is less than alpha level of .05. So it is significantly related to the dependent variable. Looking at the B Coefficient, has positive sign, indicating that as shared values increases performance also increase. This shows that shared values is a significant predictor of performance.

The significant level for the variable "norms and principles" is .000, which is less than alpha level of .05. So it is significantly related to the dependent variable. Looking at the B coefficient, has positive sign, indicating that as norms and principles increase performance also increase. This shows that norms and principles is a significant predictor of performance.

Beta is a standardized indicator of the slope of the regression line. That is, Beta is the slope of the least squares regression line when all the X and Y scores are plotted as z-scores. It can be determine relative strength of each predictor variable in multiple- regression. Since the raw scores are often on different metrics, we cannot directly compare the B coefficient. But since Beta is a standardized coefficient (like a Z-score) it is possible to compare them. In this case, the three independent variables have .777, .136 and .152 predictive relationship with the dependent variable.

Generally, Communication and monitoring system with coefficient 77.7%, norms and principles with coefficient 15.2% and shared values with coefficient 13.6% have positive effect on organizational performance.

Therefore, we can conclude that communication & monitoring system, shared values and norms and principles have a positive and significant effect on organizational performance.

## **Chapter Five**

## 5. Summary of Findings, Conclusions and Recommendations

#### Introduction

In this chapter conclusions are discussed based on researcher insights gained regarding study findings and limitations. Recommendations are also presented toward practitioners in the field and for professionals interested in pursuing additional research to exceed the scope and findings of this study.

#### 5.1 Summary of Findings

The major findings of the study presented in accordance with the research objectives under the following sub-topics with related literature supporting from literature review for better understanding.

#### 5.1.1 Type of Organizational Culture

To identify the type of organizational culture practiced in Addis Ababa transport authority, the researcher delivers four types of organizational culture to respondents which are obtained from literature and developed by scholars. Clan culture, hierarchal culture, market culture and adhocracy culture were analyzed to identify the one that really implemented in the organization.

Concerning the type of organizational culture practiced in Addis Ababa transport authority both qualitative data from interview and quantitative data from questionnaire confirmed that the availability of rigid structure with a clear chain of command & multiple management tiers that separate employees and leadership, division of work, tight control system by formal rules and procedures, limited communication, low attention to human development and inflexibility in the work place, which are indicators of hierarchal culture. So, the organizational culture exercised in Addis Ababa transport authority is hierarchal type of organizational culture.

#### 5.1.2 Effect of Shared Values on Organizational Performance

The data gained from table of coefficient of variables confirmed that shared values have 13.6% positive effect on organizational performance of Addis Ababa transport authority.

# 5.1.3 Effect of Communication and Monitoring System on Organizational Performance

The result gained from table of coefficient of variables confirmed that communication and monitoring system has 77.7% positive effect on organizational performance of Addis Ababa transport authority.

#### 5.1.4 Effect of Norms and Principles on Organizational Performance

The result obtained from table of coefficient of variables confirmed that norms and principles have 15.2% positive effect on organizational Performance of Addis Ababa transport authority.

#### **5.2 Conclusion**

This study examined the effect of organizational culture on organizational performance at Addis Ababa transport authority. Since the workplace environment has dynamic nature and organizational culture has a great role in enhancing the overall competitiveness of organizations, it is important to continue to give research attention to organizational culture. The study shows that the type of organizational culture exercised in Addis Ababa transport authority is hierarchical culture characterized by; excessive controlling system by formal rules and procedures, glues of formal rules and hard driving management system. This study also concludes that, organizational culture positively influenced organizational performance in Addis Ababa transport authority.

#### **5.3 Recommendations**

Based on the major findings of the study and the conclusions drawn from the study, the researcher forwards possible recommendations toward practitioners in the field and for

professionals who are interested in pursuing additional research to exceed the scope and findings of this study.

#### 5.3.1 Recommendations for Practitioners in the Field

1. Addis Ababa transport authority should introduce clan type of culture that helps to build loyalty and mutual trust among employees and sense of ownership.

2. The organization should focus on human development by; facilitating an opportunity for free education, treating employees equally, participating them in decision making process to develop sense of ownership, and building incentive system based on outstanding performance.

3. The organization should build two way communication systems to improve common understanding on mission, vision and objectives of the organization, to build internal brand loyalty and to offer opportunity for continued growth through in-person communication, texts, audio and video messages.

4. The organization should give attention for organizational culture by designing its own well-defined working culture that can keep interest of employees and that can help for the achievement of organizational objectives.

5. The authority should properly practice acceptable performance management system in order to reduce complains about unequal treatment of employees.

#### **5.3.2 Recommendation for Further Research**

This study examined the effect of organizational culture on organizational performance by taking evidence from Addis Ababa transport authority only. Further research may provide better input for public organizations by expanding the study to other service provider public organizations.

#### References

Addis Ababa City Administration Municipality Service Executive Bodies reestablishment proclamation no 64/2011.

Addis Ababa Transport Authority (2021) annual plan: Addis Abeba Ethiopia

- Ahmed, M., &Shafiq, S. (2014) the impact of organizational culture on organizational performance: a case study on telecom sector. *Global journal of management and business research*
- Al-Shibami, A. H., Alateibi, N., Nusari, M., Ameen, A., Khalifa, G. S., &Bhaumik, A. (2019).Impact of organizational culture on transformational leadership and organizational performance *International Journal of Recent Technology and Engineering*, 8, 653-664.

Bhatti, M. I., Awan, H. M., &Razaq, Z. (2014) the key performance indicators (KPIs) and their impact on overall organizational performance *Quality & Quantity*, 48(6), 3127-3143

Cameron, K. S., & Quinn, R. E, (2011) *Diagnosing and changing organizational culture: Based on the competing values framework.* John Wiley & Sons

Carton, R. B., & Hofer, C. W. (2010). Organizational financial performance: Identifying and testing multiple dimensions. *Academy of Entrepreneurship Journal*, *16*(2), 1

- Carvalho, C. R. S. P., Castro, M. A. R., Silva, L. P., &Carvalho, L. O. P. (2018). The relationship between organizational culture, organizational commitment and job satisfaction .*Rebrae*, 11(2), 201-215
- Chilla, H. A., Kibet, Y., & Douglas, M. (2014).Effects of Organizational Culture on Organizational Performance in the Hospitality Industry International Journal of Business and Management Invention, 3(1), 1-13.
- Creswell, J.W. (2009). Research Design: Qualitative, Quantitative and Mixed methods Approach. Sage population Inc
- CSA, (2013), demography, population number, Addis Abeba, Ethiopian Central Statics agency

- Dauber, D., Fink, G., &Yolles, M. (2012) a configuration model of organizational culture *Sage Open*, *2*(1), 2158244012441482
- Denison, D. R. (1990) corporate culture and organizational effectiveness John Wiley & Sons
- Engelen, A., Schmidt, S., &Buchsteiner, M. (2015). The simultaneous influence of national culture and market turbulence on entrepreneurial orientation: A nine-country study. *Journal of International Management*, 21(1), 18-30.
- Eren, S. S., Eren, M. Ş., Ayas, N., &Hacioglu, G. (2013) the effect of service orientation on financial performance: The mediating role of job satisfaction and customer satisfaction. *Procedia-Social and Behavioral Sciences*, 99, 665-672.
- Fiordelisi, F., & Ricci, O. (2014) Corporate culture and CEO turnover *Journal of Corporate Finance*, 28, 66-82
- Flamholtz, E. (2001).Corporate culture and the bottom line *European Management Journal*, 19(3), 268-275.
- Funk, J. L., & Rogge, R. D. (2007) Testing the ruler with item response theory increasing precision of measurement for relationship satisfaction with the Couples Satisfaction Index. Journal of Family Psychology, 21(4), 572
- Fusch, G. E., & Gillespie, R. C. (2012). *A practical approach to performance interventions and analysis: 50 models for building a high-performance culture.* FT Press.
- Gebretsadik, D. M. (2020) Impact of organizational culture on the effectiveness of public higher educational institutions in Ethiopia. *International Journal of Leadership in Education*, 1-20.
- Givens, R. J. (2012). The study of the relationship between organizational culture and organizational performance in non-profit religious organizations *International Journal of Organization Theory & Behavior*
- Habib, S., Aslam, S., Hussain, A., Yasmeen, S., & Ibrahim, M. (2014). The impact of organizational culture on job satisfaction, employees' commitment, and turnover intention Advances in Economics and Business, 2(6), 215-222.
- Han, H. (2012) the relationship among corporate culture, strategic orientation, and financial performance *Cornell Hospitality Quarterly*, *53*(3), 207-219

- Hartnell, C. A., Ou, A. Y., &Kinicki, A. (2011) Organizational culture and organizational effectiveness: a meta-analytic investigation of the competing values framework's theoretical suppositions. *Journal of applied psychology*, *96*(4)677
- Hofstede, Geert, Bram Neuijen, Denise DavalOhayv, and Geert Sanders" Measuring organizational cultures: A qualitative and quantitative study across twenty cases". *Administrative science quarterly* (1990): 286-316.
- Inabinett, J. M., &Ballaro, J. M. (2014) Developing An Organization By Predicting Employee Retention By Matching Corporate Culture With Employee's Values: A Correlation Study. Organization Development Journal, 32(1)
- Kazan, H., &Gumus, S. (2013). Measurement of employees' performance: A state bank application. *International Review of Management and Business Research*, 2(2)
- Körner, M., Wirtz, M. A., Bengel, J., &Göritz, A. S. (2015) Relationship of organizational culture, teamwork and job satisfaction in inter professional teams. *BMC health services research*, 15(1), 1-12.
- Kothari, R. (2004). Research methodology, methods and techniques: Second Revised Edition, New age kane, G. (2014), Leader ship Theories Taras Kushnir. Inc. published

Legesse, w., (2020) Assessment of organizational culture practice: the case of Ethiopian Railways Corporation (doctoral dissertation, St. Mary's university)

- MacIntosh, Eric W., and Alison Doherty "The influence of organizational culture on job satisfaction and intention to leave" *Sport Management Review* 13, no. 2 (2010): 106-117.
- Mensah, J. E. (2019). *Impact of organizational culture on organizational performance at CAL Bank, Takoradi branch* (Doctoral dissertation, University of Cape Coast)
- Monzavi, B., Mirabi, V., &Jamshidi, A. (2013) Evaluating the effect of organization culture on the successful execution of strategies: Case study of Payam-e-Noor university *Management Science Letters*, 3(7), 2059-2070
- Mousavi, S. A., Hosseni, S.Y., &Hassanpour, N. (2015) on the effects of organizational culture on organizational performance: An Iranian experience in state bank branches. *Iranian Journal of Management Studies*, 8(1), 97-116.

Murphy, P. J., Cooke, R. A., & Lopez, Y. (2013). Firm culture and performance: intensity's effects and limits. *Management decision* 

- Naranjo-Valencia, J. C., Jiménez-Jiménez, D., &Sanz-Valle, R. (2019) Organizational culture effect on innovative orientation *Management Decision*, *49*(1), 55-72
- Parent, J. D., & Lovelace, K. J. (2018). Employee engagement, positive organizational culture and individual adaptability *on the horizon*

Parmenter, D. (2015). *Key performance indicators: developing, implementing, and using winning KPIs*. John Wiley & Sons

- Pathiranage, J. (2019). Organizational culture and business performance: an empirical study. *International Journal of Economics and Management*, 24(2), 264-278.
- Pinho, J. C., Rodrigues, A. P., &Dibb, S. (2014). The role of corporate culture, market orientation and organizational commitment in organizational performance: the case of non-profit organizations. *Journal of management development*
- Racelis, A. D. (2010). The influence of organizational culture on the performance of Philippine banks Social science diliman, 6(2)
- Raza, H. (2014). Training and development impact on organizational performance: Empirical evidence from oil and gas sector of Pakistan. *IOSR Journal of Business* and Management (IOSR-JBM), 16(1), 67-72.

Schein, E. H., & Schein, P. (2017). Organizational Culture and Leadership 5th ed.

- Schneider, Benjamin, Mark G. Ehrhart, and William H.Macey "Organizational climate and culture" *Annual review of psychology* 64 (2013): 361-388.
- Schuneman, F. (2019). The origins of organizational culture [Blog post]
- Simoneaux, S., and C. Stroud ".A strong corporate culture is key to success." *Journal of Pension Benefits* 22, no. 1 (2014): 51-53.
- Singh, k. (2007), Qualitative Social Research Methods, New Delhi: sage publications India Pvt Ltd.
- Tang, H. (2017).Effects of leadership behavior on knowledge management and organization innovation in medicine and health sciences *Eurasia Journal of Mathematics, Science* and Technology Education, 13(8), 5425-5433
- Tedla, T. B. (2016). The impact of organizational culture on corporate performance

- Uzkurt, C., Kumar, R., Kimzan, H. S., &Eminoğlu, G. (2013).Role of innovation in the relationship between organizational culture and firm performance *European Journal of innovation management*.
- Veiseh, S., Mohammadi, E., Pirzadian, M., &Sharafi, V. (2014) the relation between transformational leadership and organizational culture (Case study: Medical school of Ilam). *Journal of Business Studies Quarterly*, 5(3), 113.
- Watkins, M. (2013). What is organizational culture? And why should we care. *Harvard* Business Review, 15.

Wozir, Fathe Mahdi, and E. Serra Yurtkoru "Organizational culture and intentions towards types of whistleblowing: the case of Turkey and Ethiopia." *Research Journal of Business and Management* 4, no. 4 (2017): 527-539.

Yildiz, E. (2014). A study on the relationship between organizational culture and organizational performance and a model suggestion *International Journal of Research in Business and Social Science* (2147-4478), 3(4), 52-67.

### Appendix

#### **Appendix One**

#### Questionnaire

I am a second year student of St. Mary's university and I am writing my thesis on the title "Effect of organizational culture on organizational performance at Addis Ababa Transport Authority". I am so thank full for your effort and scarify to achieve the objective of my thesis by responding my questionnaire in advance. I would like to assure you that, whatever information is provided on this questionnaire will be treated with extreme confidentiality as it is only for academic purposes.

#### **Section One**

#### **Background Information**

Please tick a mark (v) in the appropriate box you need.

1. Gender

Male []Female [

2. Age (in years)

18-29 [ ] 30-40 [ ] 41- 51 [ ] Above 51 [ ]

3. How many years have you been working with transport authority?

1-5 years [] 6-10 years [] 11-15 years [] above 15 years []

4. Which of the following positions do you hold at transport authority?

Top Management [ ]Middle Management [ ]Bottom level management [ ]Expert [ ]

5. What is your highest level of qualification

10/12 grade [ ] Diploma holder [ ] 1<sup>st</sup> degree holder [ ]

Masters Degree [ ] Ph.D and above [ ]

## Section Two

Types of organizational culture exercised in Addis Ababa transport authority

Please tick a mark ( $\sqrt{}$ ) in the appropriate box on the five point Likert Scale notation, where:

1= (strongly disagree), 2= (disagree), 3 = (not sure), 4 = (agree), 5 (strongly agree)

	Clan Type of Organizational Culture	1	2	3	4	5
1.	The organizational culture of Addis Ababa transport authority is					
	similar to family type where, the organization focuses on employee					1
	development.					1
2	The glue that holds Addis Ababa transport authority and its employees					
	is loyalty and mutual trust.					1
3	Your organization emphasizes on human development.					
4	The management style in Addis Ababa transport authority is					
	characterized by teamwork, consensus, and participation.					1
	Adhocracy type of organizational culture					
1	The organizational culture in Addis Ababa transport authority is very					
	dynamic and entrepreneurial.					1
2	The glue that holds Addis Ababa transport authority and its employees					
	is commitment and innovation.					1
3	Addis Ababa transport authority emphasizes acquiring new resources					
	and creating new challenges.					
4	The management style in Addis Ababa transport authority is					
	characterized by individual risk taking, innovation, freedom					
	&uniqueness.					
	Hierarchical type of organizational culture					
1	Addis Ababa transport authority is a very controlled and structured					
	organization guided by formal rules and procedures to govern what					
	people do.					
2	The glue that holds Addis Ababa transport authority and its					

	employees is formal rules and polices		
3	Addis Ababa transport authority emphasizes performance and		
	stability, efficiency, control and smooth operations are considered to		
	be important.		
4	The management style in Addis Ababa transport authority is		
	characterized by hard driving management.		
	Market Type of Organizational Culture		
1	Addis Ababa transport authority is very results-oriented. A major		
	concern is with getting the job done.		
2	Addis Ababa transport authority emphasizes competitive actions and		
	achievement. Achieving stretched targets and wining in the market		
	place are dominant.		
3	The management style in Addis Ababa transport authority is		
	characterized by hard driving competitiveness, high demands, and		
	achievement.		
4	The management style in Addis Ababa transport authority is		
	characterized by security of employment, conformity, predictability		
	and stability in relationship.		

## Section 3

# **Elements of Organizational Culture**

	Shared Values			
1	Employees of Addis Ababa transport authority have shared understanding regarding mission and vision of the organization.			
2	Employees of Addis Ababa transport authority have shared awareness about policy and strategy of their organization.			
3	Members of Addis Ababa transport authority have adequate clarity about organizational objective.			
	Communication and monitoring system			

1	Your organization has suitable two way communication system
2	Addis Ababa transport authority treats employees equally.
3	Your organization has developed objective and acceptable
	performance management system.
	Norms and Principles
1	Norms and principles of Addis Ababa transport authority are
	characterized by transparency and openness.
2	Accountability and fairness is unique identity of your organization
3	Employees of Addis Ababa transport authority are highly involved in
	decision making process.
4	Norms and principles of Addis Ababa transport authority promote
	innovation and risk taking.
5	Employees of Addis Ababa transport authority have mutual trust and
	loyalty to their organization.

## Section 4

# **Organizational performance & Performance indicators**

Sta	atus of Addis Ababa transport authority Performance			
1	The level of efficiency and productivity in Addis Ababa transport			
	authority is high.			
2	The level of customer satisfaction in Addis Ababa transport authority			
	is high.			
3	The designed objectives of Addis Ababa transport authority are			
	properly achieved.			
4	The degree of quality of services provided to the public is at desired			
	level.			
5	The level of employee satisfaction in Addis Ababa transport authority			
	is high.			
6	The status of learning and growth in Addis Ababa transport authority			

is high.
----------

የተከበራችሁ የአዲስ አበባ ትራንስፖርት ባለስልጣን ሰራተኞች እና አመራሮች እኔ በቅድስት ማርያም ዩኒቨርሲቲ የድህሬ ምሬቃ ትምህርት ክፍል በንግድ አሰተዳደር የትምህርት ዘርፍ የሁለተኛ ዓመት ተማሪ ስሆን "የተቋሙ የስራ ባህል በተቋሙ የስራ ኣሬፃፀም የሚኖሮው ተጽኖ" በሚል ርእስ የመመረቂያ ጽሁፌን እየሰራሁ ስሆን ይህንን ግብ ውጤታማ ሰማድሬግ እና የጥናቱ ውጤት ለተቋማችሁ የሚኖሮውን ፋይዳ ግምት ውስጥ በማስንባት የተዘጋጀውን መጠይቅ በመሙላት እንድትተባበሩኝ በትህትና እየጠየቅኩ ጊዚያችሁን እና ጉልበታችሁን በመስጠት ለምታደርጉት አስተዋፀኦ አስቀድሜ አመሰግናስሁ።በዚህ መጠይቅ ላይ የተሰጠ ማንኛውም መረጃ ለአካዳሚክ ዓላማ ብቻ እንደመሆኑ መጠን በከፍተኛ ምስጢራዊነት እንደሚያዝ ማረጋገጥ እፌልጋስሁ።

#### ክፍል አንድ

```
አጠቃሳይ መረጃ
```

```
በሚፈልጉት ቦታ ተገቢው ሳጥን ውስጥ (√) ምልክት ያድርጉ

1. ጾታ ወንድ [] ሴት []

2. ዕድሜ 18 - 29 [] 30 - 40 []41-51 [] ከ 51 በላይ []

3. በአዲስ አበባ ትራንስፖርት ባለ-ስልጣን ምን ያህል ዓመታት ሰርተዋል?

1- 5 ዓመት [] 6-10 ዓመት [] 11-15 ዓመት [] ከ15 ዓመት በላይ []

4. ከሚከተሉት የሥራ መደቦች ውስጥ በየትኛው የስራ
መደብ ነው የሚሰሩት? ከፍተኛ አስተዳደር []

በመካከለኛ አስተዳደር/ []

የታቾኛው ደረጃ አስተዳደር / [] ባለሙያ/ []

5. ከፍተኛ የትምኅርት ደረጃዎ ምንድነው?

10/12 ክፍል [] የዲፕሎማ ባለቤት [] የ1 ኛ ዲግሪ በለቤት []

የ 2 ኛ ዲግሪ [] ዶክትራት እና ከዚያ በላይ []
```

ክፍል ሁለት

በአዲስ አበባ ትራንስፖርት ባለስልጣን ስላሉ የድርጅታዊ ባህል ዓይነቶች የሚመለከት ጥያቄ

በክፍል ሁለት ያሉት ጥያቄዎች በአዲስ አበባ ትራንስፖርት ባለስልጣን በአሁኑ ጊዜ እየተተንበረ ያለውን የስራ ባህል ዓይነት ለማወቅ ታሳቢ የተደረጉ ናቸው። ከሚከተሉት መግለጫዎች *ጋ*ር ያለዎትን ስምምነት ወይም አለመግባባት በሚንልፁበት ሁኔታ ከዚህ በታች ባሉትን መስፈርቶች እንዲመልሱ ይጠይቁዎታል። እባክዎን (√) ምልክት በመረጡት ሳጥን ያስቀምጡ።

1 = (በፍጹም ኣልስማማም) 2 = (በተወሰካ ደረጃ ኣልስማማም) 3 = (የማውቀው ነገር የለኝም) 4 = (እስማማስሁ) 5 = (በጣም እስማማስሁ)

ተ.ቁ	ክላን(ኢጋዥ) ዓይነት የስራ ባህል	1	2	3	4	5
1	የአዲስ አበባ ትራንስፖርት ባለስልጣን ድርጅታዊ ባህል ከቤተሰብ ዓይነት <i>ጋ</i> ር ተመሳሳይ ነው ድርጅቱ የሚያተኩረው በሥራተኞች ልማት ላይ ነው ።					
2	ሠራተኞችን እና የአዲስ አበባ <i>ትራንስፖርት</i> ባ <mark>ለስልጣንን</mark> ከድርጅቱ <i>ጋ</i> ር የሚያያይዘው ሙጫ ታማኝነት እና የ <i>ጋ</i> ራ መተማመን ነው ።					
3	ድርጅትዎ በሰው ልጣት ላይ አፅንዖት ይሰጣል ፡፡					
4	በአዲስ አበባ ትራንስፖርት ባለስልጣን ውስጥ ያለው የአስተዳደር ዘይቤ በቡድን ሥራ ፣በ <i>ጋራ መግ</i> ባባት እና በተሳትፎ ተለይቶ ይታወቃል ።					
	የተዋረድ ኣሰራር					
1	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሰዎች የሚያደርጉትን ለማስተዳደር በመደበኛ ሕጎች እና አሠራሮች የሚመራ እንዲሁም በከፍተኛ ቁጥጥር የተዋቀሬ ቦታ ነው።					
2	የአዲስ አበባ ትራንስፖርት ባለስልጣንን ከሥራተኞቹ <i>ጋ</i> ር የሚያስተሳስረው					

	ሙጫ መደበኛ ሀንች እና ፖሊሲዎች ናቸው ።		
3	የአዲስ አበባ ትራንስፖርት ባለስልጣን ዘላቂነት እና <i>መሬጋጋት</i> ላይ አፅንዖት ይሰጣል ።		
4	በአዲስ አበባ ትራንስፖርት ባለስልጣን ውስጥ ያለው የአመራር ዘይቤ በጠንካራ አመራር ተለይቶ ይታወቃል ።		
	ማርኬት (የውድድር) ባህል		
1	የአዲስ አበባ <i>ትራን</i> ስፖርት ባለስልጣን በጣም ውጤትን መሠረት ያደረገ ነው ።		
2	የአዲስ አበባ <i>ትራን</i> ስፖርት ባለስልጣን ተወዳዳሪ እርምጃዎችን እና ግቦችን አፅንዖት ይሰጣል ፡፡		
3	በአዲስ አበባ ትራንስፖርት ባለስልጣን ውስጥ ያለው የአመራር ዘይቤ በጠንካራ መረዳት ተወዳዳሪነት ፣ ከፍተኛ ፍላጎት እና ስኬት ተለይቶ ይታወቃል።		
4	በአዲስ አበባ ትራንስፖርት ባለስልጣን ውስጥ ያለው የአመራር ዘይቤ በሥራ ደህንነት ፣ በተስማሚነት፣በመተንበይ እና በግንኙነት መረ <i>ጋጋ</i> ት ተለይቶ ይታወቃል ።		
	አድሆክረሲ(ፈጠራ የሚያበረታታ የስራ ባህል)		
1	በአዲስ አበባ <i>ትራንስፖርት</i> ባ <mark>ለስልጣን</mark> ውስጥ ያለው ድርጅታዊ ባህል እጅግ በጣም ቀጣይና ለውጥን የሚበረታታ ነው ።		
2	የአዲስ አበባ ትራንስፖርት ባለስልጣንን ከሥራተኞቹ <i>ጋ</i> ር የሚያስተሳስረው ሙጫ ቁርጠኝነትና <b>ፈጠራ ነው።</b>		
3	የአዲስ አበባ ትራንስፖርት ባለስልጣን አዳዲስ ሀብቶችን ማግኘትና አዳዲስ ተሬታታኝ ሁኔታዎችን መፍጠር ጎሳ አድርጎ ገልጿል ።		

4	በአዲስ አበባ ትራንስፖርት ባለስልጣን ውስጥ ያለው የአስተዳደራዊ አሠራር			
	የግለሰብ አደጋ በመውሰድ፣ በአዳዲስ ነንሮች፣ በነጻነት እና በልዩነት ተለይቶ			
	ይታወቃል።			

# ክፍል ሶስት

# ድርጅታዊ የባህል መገለጫዎች

ተ/ቁ	የ <i>ጋ</i> ራ እሴቶች	1	2	3	4	5
1	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሠራተኞች የድርጅቱን ራዕይና					
	ተልዕኮ በተመለከተ ግንዛቤን በ,ጋራ አካሂደዋል።					
2	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሰራተኞች ስለ ድርጅቱ ፖሊሲ እና					
	ስትራቴጂ ግንዛቤን በ.ጋራ አካፍ <b>ስዋል</b> ።					
3	የአዲስ አበባ ትራንስፖርት ባለስልጣን አባላት ስለ ድርጅታዊ ዓላማ በቂ					
	ማልጽነት አላቸው ፡፡					
	የስራ  ማንኙነትና  እና የቁጥጥር ስርዓት					
1	የእርስዎ ድርጅት ተስማሚ ሁለት መንገድ የግንኙነት ስርዓት አለው ።					
2	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሠራተኞችን በእኩልነት እና					
	በተመሳሳይ መንገድ ይመ <b>ስ</b> ከታል ፡፡					
3	የእርስዎ ድርጅት ተጨባጭ እና ተቀባይነት ያለው የአሬፃፀም አስተዳደር					
	ስርዓት ዘርፇቷል።					
	የተስመዱ አሰራሮች(Norms) እና መርሆች					
1	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሕጎች እና መርሆዎች በግልፅነት					
	እና በ <b>ግልፅ ተለይተው ይታወቃሉ ፡፡</b>					
2	ተጠያቂነት እና ፍትዛዊነት የድርጅትዎ ልዩ መስያ ነው ።					
3	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሠራተኞች በውሳኔ አሰጣጥ ሂደት					
	ውስዋ ከፍተኛ ተሳትፎ <i>ያ</i> ደ <b>ር.ጋሉ</b> ፡፡					
4	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሕጎች እና መርሆዎች ፈጠራን እና					

	አደ <i>ጋን የመ</i> ውሰድን አስተዋፅዖ ያደር <i>ጋ</i> ሉ ፡፡			
5	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሠራተኞች ለድርጅታቸው የ <i>ጋ</i> ራ			
	መተጣመን እና ታጣኝነት አላቸው ፡፡			

ክፍል አራት

የስራ አፈፀም

የአ	ዲስ አበባ ትራንስፖርት ባ <mark>ለስልጣን</mark> አሁን ላይ የሚገኝበት የአ <b>ፈ</b> የም ሁኔታ	1	2	3	4	5
1	የአዲስ አበባ ትራንስፖርት ባለስልጣን የድርጅቱን ሀብት በአግባቡ በመጠቀም					
	ምርታማነቱ ከፍተኛ ደረጃ ላይ ነው።					
2	የአዲስ አበባ <i>ትራን</i> ስፖርተባለስልጣን ደንበኞች የእርካታ ደረጃ ከፍተኛ ነው።					
3	የአዲስ አበባ ትራንስፖርትባለስልጣን የቀረፃቸውን አላማዎች በትክክል ማሳካት					
	<u>ች</u> ሏል።					
4	ድርጅቱ ለደንበኞቹ በሚፈለንው የጥራት ልክ አንልፃሎት እየሰጠ ነው።					
5	የአዲስ አበባ ትራንስፖርት ባለስልጣን ሰራተኞች የእርካታ ደረጃ ከፍተኛ ነው።					
6	የአዲስ አበባ ትራንስፖርት ባለስልጣን ከፍተኛ የመጣር እና የጣደግ ደረጃ					
	ላይ ደርሷል።					