

# ST. MARRY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

# THE EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEESCOMMITMENT ON ETHIO-NIPPON TECHNICAL COMPANY SHARE COMPANY

#### BY MEKIDES YOSEF

**JUNE: - 2024** 

ADDIS ABABA, ETHIOPIA

# THE EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEES COMMITMENT ON ETHIO NIPPON TECHNICAL COMPANY SHARE COMPANY

#### BY MEKIDES YOSEF

A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIRE-MENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

> JUNE 24 ADDIS ABABA, ETHIOPIA

# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIESSCHOOL OF BUSINESS

# THE EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEESCOMMITMENT ON ETHIO NIPPON TECHNICAL COMPANY SHARE COMPANY

#### By MEKIDES YOSEF

#### APPROVED BY BOARD OF EXAMINERS

Dean, Graduate Studies	Signature & Date
Advisor	Signature & Date
Taye Amogne (PhD)	11/07/2024
External Examiner	Signature & Date
	Signature & Date

#### ACKNOWLEDGMENTS

First and foremost, all praise goes to the Almighty God who helped me to accomplish this paper successfully. I am deeply indebted to many people for their contributions in diverse ways towards the successful completion of this thesis.

Secondly, I pay my gratitude to my advisor, SHOA JEMAL (ASS.PROFESSOR) for his comprehensive support, unreserved commitment, and constructive comments from the beginning to final stage of my work.

Thirdly, I would like to extend my sincere gratitude to all participants and respondents of the study for their contribution.

Finally, I thank all those who have helped me directly or indirectly in the successful completion of my research.

#### **Contents**

ACKN	OWLEDGMENTS	i
List of	Table	v
List of	Figure	v
ABSTI	RACT	vi
CHAP'	TER ONE	1
INTRO	DUCTION	1
1.1	Background of the study	1
1.2	Definition of terms and concepts	4
1.3	Statement of the problem	4
1.4	Research Questions	5
1.5	Objective of the study	6
1.5.1	General Objective of the study	6
1.5.2	Specific Objectives	6
1.6	Significant of the study	6
1.7	Scope of the study	7
1.8	Limitation of the study	7
1.9	Organization of the study	7
CHAP'	TER TWO	8
REVIE	W OF RELATED LITERATURE	8
2.1	Theoretical literature	8
2.1.1	Overview of organizational culture	8
2.1.2	The concept of organizational culture	8
2.1.3	The importance of culture to the organization	9
2.1.4	Qualities of a great organizational culture	9
2.1.5	Models of Organizational Culture	. 10
2.1.5.1	Edgar Schein Model	. 10
2.1.5.2	Deal and Kennedy Model	. 11
2.1.5.3	Cameron and Quinn's Competing Values Framework	. 11
2.1.5.4	Hofstede's Cultural Dimensions	. 12
2.1.5.5	Schein's Cultural Dimensions	. 13
2.1.5.6	Denison Model	. 14
2.1.6	The Concept of Organizational Commitment	. 16
2.2	Empirical review	. 17

2.3	Conceptual framework	19
2.4	Research hypothesis	20
СНА	PTER THREE	21
RESE	ZARCH DESIGN AND METHODOLOGY	21
3.1	Research design	21
3.2	Research Approaches	21
3.2	Source of data	22
3.3	Data gathering tools	22
3.4	Sample size and sampling technique	22
3.4.1	Sampling technique	22
3.4.2	Sample size	22
3.5	Method of data analysis	23
3.6	Reliability and validity	24
3.6.1	Validity	24
3.6.2	Reliability Test	24
3.7	Ethical Consideration	25
СНА	PTER FOUR	26
DATA	ANALYSIS AND INTERPRATION	26
4.1	Response Rate	26
4.2	Demography of Respondents	26
4.3	Descriptive Analysis on organization culture measures	28
4.3.1	Descriptive analysis on organizational culture measures mission.	28
4.3.2	Descriptive analysis on organizational culture measures adaptability	30
4.3.3	Descriptive analysis on organizational culture measures consistency	31
4.3.4	Descriptive analysis on organizational culture measures Involvement	32
4.3.5	Descriptive analysis on organizational culture measures Employee Commitment	33
4.4	Analysis of Inferential Statistics Results	35
4.4.1	Correlation Analysis and hypothesis testing	35
4.5	Tests of Assumption of Regression Analysis.	37
4.5.1	Normality Test	37
4.5.2	Linearity test	38
4.5.3	Multi-Collinearity Test	39
4.5.4	Autocorrelation	40
4.5	5.5 Homoscedasticity Test	40
4.6 M	Iultiple Regression Analysis	41
4.6	Regression Coefficients	43
47 D	iscussion	46

CHA	PTER FIVE	47
FINE	DINGS, CONCLUSIONS AND RECOMMENDATIONS	47
5.1	Summary of finding	47
5.2	Conclusion	48
5.3	Recommendations	49
Refer	ence	51
APPI	ENDIX	54

### **List of Table**

Table 1: Cronbach's coefficient alpha	26
Table 2: Response rates of respondents	28
Table 3: Sex of respondent	29
Table 4: Age of respondents	29
Table 5: education status of respondent	29
Table 6: employment groups of respondents	30
Table 7:- experience of respondents	30
Table 8: Martial status of respondents	31
Table 9: Description of mean value	31
Table 10: Descriptive analysis on mission	32
Table 11: Descriptive analysis on adaptability	32
Table 12: Descriptive analysis on consistency	33
Table 13: Descriptive analysis on involvement	35
Table 14: Descriptive analysis on employee commitment	36
Table 15: Strength of the correlation analysis	39
Table 16; correlation for organization culture dimension	39
Table 17: Mulit Collinarity Test	43
Table 18: Autocorrelation	43
Table 19: Interpretation for R-Square Value	45
Table 20: Model Summery	45
Table 21: ANOVA	46
Table 22: Beta Coefficients	47
Table 23: summary of the overall outcome of the research hypostasis	53
List of Figure	
Figure 1: Conceptual framework	22
Figure 2: Histogram	41
Figure 3: Normal P-Plot of regression standard residual	42
Figure 4: Scatterplot	44

#### **ABSTRACT**

The main purpose of this research paper is to find out the effect of organization culture on employee commitment on the case of Ethio-nippon technical company S.C. This study aimed to examine the organizational culture of ENITCO using Denison's cultural model, The research design was descriptive and explanatory and also the research approach was quantitative research approach. This study was based on primary data. The sampling technique was probability sampling (simple random sampling, stratified sampling). Descriptive and inferential statistics of correlation and regression analysis were used to analyze the empirical data. Pearson coefficients implies that the four factors measuring organizational culture were all positively related with employees commitment within the range of 0.661 to 0.780, all were significant at p<0.01 level therefore the researcher proved that the entire hypotheses were accepted. The result of multiple regression analysis, indicate that R2 .867 shows that 86.7% of the variation of employees commitment can be predicted by the independent variables. It indicates that employees' commitment is influenced by 86.7%.of organizational culture in ENITCO. The remaining 13.3% of variation of employee's commitment can be clarified by other variables. From beta coefficient result the researcher found that consistency is the most contributing organization culture traits in the prediction of employee commitment followed by mission. The other two variables adaptability and mission contributed the least variation.

Finally based on the finding the researcher concluded that in the case of Ethio-Nippon technical company S.C the four variables mission, involvement, adaptability and consistency have significant and positive impact on employee commitment

#### Keyword

Organizational culture, involvement, consistency, adaptability, mission, and employees' commitment.

.

#### CHAPTER ONE

#### INTRODUCTION

This chapter explains the background of the study, definition of terms and concepts, statement of the problem, research question, objective of the study, significance of the study, scope of the study, limitation of the study, and organization of the paper.

#### 1.1 Background of the study

(Denison & Neale 2011) defined organizational culture as "the underlying values, beliefs and principles that serve as a foundation for an organization's management system, as well as the set of management practices and behaviors that both exemplify and reinforce those basic principles". These authors further explain the visible and invisible aspect of organizational cultures. The visible aspect includes working hard, proper attire, acting friendly to customers etc. In contrast, the invisible assumptions are value and core beliefs which are harder to observe including honesty, integrity, being ethical, going beyond expectations to satisfy customers.

Organizational culture refers to the collective set of principles, attitudes, and norms shared among individuals within a company, shaping their interactions and attitudes toward both internal colleagues and external stakeholders. It encompasses the ingrained assumptions and values that guide employees' perceptions, thoughts, and actions as they tackle challenges and opportunities within the organization. (George & Jones, 2012).

Organizational culture serves as a powerful mechanism for clarifying crucial aspects and coordinating the collaborative endeavors of employees, thereby reducing expenses and eradicating inefficiencies typically associated with constant and direct oversight. A robust organizational culture cultivates resilient employee conduct, fostering an environment conducive to the effective execution of policies and strategies (Denison & Neale, 2011).

According to (Denison &Neale,2011) they characterize organizational culture as the fundamental values, beliefs, and principles that underpin an organization's management framework, along with the array of management practices and behaviors that embody and strengthen those fundamental principles. They distinguish between the visible and invisible components of organizational

culture. The visible aspects encompass observable behaviors such as diligent work ethic, appropriate attire, and friendly interactions with customers. In contrast, the invisible components consist of underlying assumptions, values, and core beliefs, which are more challenging to discern, such as honesty, integrity, ethical conduct, and the commitment to exceeding customer expectations. After identifying the corporate culture, it's essential for members to align their communication style with the frequency, formality, and preferred mode of communication prevalent in that culture. This adjustment significantly influences employee dedication, productivity, and contentment within the organization, as well as the satisfaction levels of client interactions.

Various studies and literature have outlined organizational culture traits across different dimensions. (Dolan & Lingham T(ED) 2012) elaborated on Charles Handy's organizational culture concepts, categorizing them into power, role, task, and person cultures. Power culture emphasizes centralized power with minimal rules and bureaucracy, while role culture is characterized by clearly defined authority within a structured hierarchy. Task culture involves team collaboration to address specific issues, often with a matrix reporting structure, while person culture revolves around individuals seeing themselves as superior to the organization.

Similarly, (Coffey, Trew, & Trigunarsyah 2012) expounded on Denison's organizational culture model, identifying four cultural dimensions: involvement, consistency, adaptability, and mission. Involvement emphasizes employee participation in decision-making, while consistency emphasizes maintaining the status quo through coordination and integration. Adaptability reflects the organization's capacity to respond to environmental demands effectively. Lastly, mission focuses on crafting a meaningful long-term strategic direction and vision for the company.

According to (Hakim,2015), commitment refers to an employee's willingness to maintain their association with the organization and actively contribute to achieving its objectives. (Armstrong,2006) defines organizational commitment as the degree of an individual's connection to and engagement with a specific organization. Comprising three elements: a strong desire to remain

part of the organization, a deep-seated belief in and alignment with its values and objectives, and a readiness to invest significant effort in advancing the organization's goals. Organizational commitment, in general, can be understood as the psychological bond

between an employee and their organization, reducing the likelihood of voluntary turnover (Allen & Meyer, 1996).

(Ghorbanhosseini,2013) describes organizational commitment as a mental and emotional allegiance to the organization, wherein highly committed individuals identify with and participate in the interest in this topic is due to the fact employee commitment is an important element that is compulsory for organizational success. When an employee is strongly committed to an organization, there are fewer turnovers, increased productivity, improved customer service, greater innovation, and a positive work environment.

Ethio-Nippon Technical Company S.C. (ENITCO) Founded in 1969 is a pioneer in Ethiopia's automotive distribution industry. Initially partnering with Mazda Motor Corporation, ENITCO expanded in 1981 to include Mitsubishi Motors, supplying a range of vehicles. Following Mitsubishi Motors' split in 2003, ENITCO continued its truck business with Mitsubishi Fuso Trucks and Bus Corporation (MFTBC) and Daimler AG.

In 2010, ENITCO diversified further by partnering with JCB to provide generators and backhoe loaders, addressing the needs of the construction sector. To support its diverse product range, ENITCO established 3S (Sales, Service, Spare Parts) facilities in Addis Ababa and appointed regional parts and service dealers, ensuring customer satisfaction through genuine parts and quality service.

Beyond automotive distribution, ENITCO has ventured into exporting agricultural products such as coffee, oil seeds, pulses, and spices, contributing to Ethiopia's economy. With over five decades of experience, ENITCO remains a leading choice for automotive solutions and a growing player in the export sector.

This study aimed to examine the organizational culture of ENITCO using Denison's cultural model, which includes four dimensions: involvement, consistency, adaptability, and mission. Theresearch also sought to determine the relationship between these cultural dimensions and employees' commitment. Additionally, the study intended to identify which specific dimensions of organizational culture were significantly correlated with employees' commitment, considering the existing understanding of organizational culture and employee commitment, as well as the positive relationship between culture and commitment highlighted by various researchers.

#### 1.2 Definition of terms and concepts

The following are definitions of terms used throughout this research paper:

Organizational culture: refers to a system of shared meaning held by members that distinguishes the organization from other organizations (Robbins &Judge, 2013).

Consistency - Shared system of beliefs, values, and symbols, widely understood by an organizations members, which has a positive impact on their ability to reach consensus and carryout coordinated actions (Denison, 1990).

Mission - It expresses how the organization will look into the future; it focuses activities by entire element channels to achieve organizational goals (Denison, 1990).

Adaptability - A system of norms and beliefs that can support the capacity of an organization to receive, interpret and translate signals from its environment into internal behavioral changes that increase its chances for survival, growth, and development (Denison, 1990).

Employees' Commitment: -is a psychological state that characterizes the employee's relationship with the organization and has implication for the decision to continue membership in the organization (Jaros, 2007)

#### 1.3 Statement of the problem

The strength of organizational culture can be measured by the equality and stability of a group of employees, as well as the duration and shared experiences among employees within the organization. Every organization has its own unique culture that differs from others. As stated in the background of the study, various authors have acknowledged the positive and important relationship between overall organizational culture and organizational commitment.

The study conducted by Mohammed (Yimer, 2021) found that three elements of organizational culture (involvement, consistency and adaptability) have a positive and statistically significant effect on employee's commitment. The other study conducted by (Getachew, 2019), the study found that adaptability is tis most contributing organizational culture traits in the prediction of employee commitment. The other three organizational culture traits; mission, involvement and consistency are ranked depending on their contribution from most to the least. Also the study conducted by (Warga 2019) involvement, adaptability and mission have significant effect on employee commitment but consistency have insignificant contribution to employee commitment.

Other than that from the observation and according to officers believe that this organization, there are some of the employees are not showing a good commitment in doing their task. Some of them did not focus and sluggish in doing the job or task given by the top management So this study kindly wants to know why these kinds of problems occurs that directly affecting the commitment to the organization that they serve. So this study kindly wants to know why these kinds of problems occurs that directly affecting the commitment to the organization that they serve. Studying organizational culture and its effect on employee commitment may assist the organization in enriching its organizational culture practice and adjusting the focus on the most important organization cuture type that can provide employee commitment.

This study aims to investigate and elucidate the relationship between missions, vision, adaptability, Involvement, and employee commitment within the organizational context. By delving into these aspects, the research seeks to provide insights that can guide the organization in enhancing its organizational culture practices. Understanding the specific organizational culture elements that positively influence employee commitment will enable Ethio-nippon technical company S.C to refine its focus, address existing challenges, and foster a workplace environment conducive to sustained employee commitment.

#### 1.4 Research Questions

The above statements guide to builds up research questions regarding the effect of organizational culture on employee commitment, the study will try to answer the following main research questions:

- 1. What is the effect of involvement on employee commitment in the company?
- 2. What is the effect of consistency on employee commitment in the company?
- 3. What is the effect of adaptability on employee commitment in the company?
- 4. What is the effect of mission on employee commitment in the company?

#### 1.5 Objective of the study

The study objectives are categorized in general and specific objective.

#### 1.5.1 General Objective of the study

The general objective of this study is to examine the effect of organizational culture on employeyes Commitment at Ethio-Nippon Technical Company Share Company.

#### 1.5.2 Specific Objectives

In addition to general objective, the study intended to achieve the following specific objectives;

- 1. To examine the effect of Involvement on employees' commitment in the company.
- 2. To investigate the effect of Consistency on employees' commitment in the company.
- 3. To examine the effect of Adaptability on employees' commitment in the company.
- 4. To investigate the effect of Mission on employees' commitment in the company.

#### 1.6 Significant of the study

Human resources are now seen as the most valuable asset in any business in this competitive world we live in. This particular research will help the organization to understand and how to deal with the traits of its organizational culture and its influence on the level of employee commitment.

Some of the specific significant of the study includes:-

- The study's findings can be utilized to inform senior management about how to improve the company's image by enriching the company's organizational culture among its employees.
- The purpose of this study could add to the current literature by establishing the significance relationship between the chosen organizational culture and employee commitment. Furthermore, experimentally determining the role of organizational culture attributes to employee commitment in the Ethiopian context is a significant contribution to the literature. It could allow the researcher to gain valuable experience and meet graduation requirements.

#### 1.7 Scope of the study

The study aims to examine the effect of organization culture on employee commitment on the case of Ethio-Nippon technical company S.C over a period of December 2023 to June 2024. Despite there are numerous factors and other organization culture models that could influence employee commitment this study was looked at one, namely Denison's cultural model with four dimensions: involvement, consistency, adaptability, and mission (independent variable) considered for this research work to examine how they affect employee commitment (dependent variable), whereas other cultural models that are beyond the scope of this study covered by other research works. The study employed both descriptive and explanatory method with quantitative approaches. Also the research confined on Ethio-Nippon technical company Share Company at head office and its branch.

#### 1.8 Limitation of the study

Due to the fact that no study can be made perfectly to optimum point, this study has also its own limitations.

- The study was confined to one sector only which is Ethio Nippon Technical Company S.C the Pioneer automotive distributor in Ethiopia.
- The adequate of the output of this study was depending on the actual data acquired from the selected representative samples. This intimate that, the finding and analysis of this paper was depending up on the quality of their response.

#### 1.9 Organization of the study

The study was organized in five chapters. The first chapter is the introduction which includes background of the study, definition of terms and concepts, statement of the problem, research question, objective of the study, significance of the study, scope of the research, limitation of the study and organization of the study. The second chapter is about review of related literature. The third chapter is research design and methodology. The fourth chapter is data analysis and interpretation and the last chapter goes to finding, conclusion and recommendation.

## CHAPTER TWO REVIEW OF RELATED LITERATURE

The aim of this chapter is to review different literatures relating to organizational culture, and employee commitment and to discuss the relationship between them. This review of literature will provide the theoretical background for the study, different empirical findings, conceptual frameworks and hypothesis of the research.

#### 2.1 Theoretical literature

Under this section the researcher explain the theoretical review work of the previous study.

#### 2.1.1 Overview of organizational culture

In the 21st century, organizational culture has garnered significant attention due to its profound impact on employee commitment, performance, and job satisfaction. It is essential for every organization to comprehend its unique cultural dynamics to empower managers in leveraging cultural insights for enhanced organizational control. The influence of organizational culture on employee commitment is paramount, particularly in today's rapidly evolving technological and competitive business landscape, where companies strive to enhance performance while minimizing costs. Many organizations are now delving into the sociological aspects of business to drive profitability, recognizing culture as an intangible yet pivotal factor in business success. This chapter delineates organizational culture, elucidating its essence and influence within an organization, while also exploring methods for cultivating, disseminating, and sustaining organizational culture (Guluma, 2015).

#### 2.1.2 The concept of organizational culture

According to (Nongo 2012), culture holds a critical role in understanding any society or group, shaping and influencing individuals' outlooks, attitudes, and behaviors through the process of socialization within groups. (Nelson & Quick 2013) define organizational cultures as patterns of fundamental assumptions that guide members' perceptions, thoughts, and emotions within an organization. While organizational cultures are essential for integrating employees into the organizational dynamic, dysfunctional dynamics often arise, stemming from a leader's dysfunctional personality. Organizational culture distinguishes successful organizations and is crucial for leaders to grasp due to its significant impact on organizational behavior. Neglecting organizational culture when implementing changes can lead to unforeseen negative consequences (Cameron & Quinn, 2011). Organizational culture, as described by Robbins and (Judge 2013), refers to a system of shared meaning among members that differentiates the organization and performs functions such as providing identity, increasing commitment,

reinforcing values, and shaping behavior. Leaders shape and reinforce culture through their actions, attention, rewards, and hiring practices (Nelson & Quick, 2011). In managing quality within enterprises, organizational culture plays a vital role as a system of norms, values, performance, socialization, and elements that characterize the enterprise (Jahmurataj, 2015). Businesses aim to create a harmonious organizational culture (Istoriti et al., 2017). (Robbins and Judge (2013) identify three ways culture can be created: through founders hiring like-minded employees, indoctrinating them to their beliefs, and encouraging identification and internalization of beliefs through their own behavior. Additionally, sustaining and transmitting organizational culture involves selection practices, top management actions, and socialization methods, with organizations utilizing stories, rituals, symbols, and language for cultural transmission (Kondalk, 2007; Robbins & Judge, 2013).

#### 2.1.3 The importance of culture to the organization

Organizational culture impacts every faces of the business, spanning from punctuality and communication style to contractual agreements and employee perks. When the workplace culture aligns with employees' values, they tend to feel more at ease, supported, and appreciated. Companies that prioritize culture are better equipped to navigate challenging circumstances and adapt to changes in the business landscape, emerging from adversity with resilience. Culture serves as a significant advantage in attracting talent and outperforming competitors, with a significant percentage of workers considering company culture before seeking employment. Nearly half of employees would willingly leave their current job for a position at a different organization offering a superior culture, underscoring the importance of organizational culture in talent retention and recruitment. Additionally, organizational culture ranks among the top indicators of employee satisfaction, with a substantial portion of employees citing it as a primary reason for remaining in their current roles (Merfee, 2014).

#### 2.1.4 Qualities of a great organizational culture

Every organization possesses a unique culture that should be preserved, yet high-performing organizations consistently exhibit certain qualities that are worth fostering. Alignment is achieved when the company's objectives and employees' motivations are harmoniously directed towards common goals. Exceptional organizations prioritize continuous alignment with their vision and purpose. Appreciation is demonstrated through various gestures, such as public acknowledgment, expressions of gratitude, or opportunities for advancement. Cultivating a culture of appreciation entails regular recognition and gratitude for others' contributions. Trust is paramount within an organization, enabling team members to freely express themselves and rely on one another's support when venturing into new territories.

Performance is emphasized in successful companies, fostering an environment where talented employees inspire each other to excel, resulting in Enhanced profitability and productivity. Resilience is essential in dynamic environments where change is constant, teaching leaders to adapt and respond effectively. Teamwork involves collaboration, communication, and mutual respect among team members, enhancing productivity and job satisfaction. Integrity, like trust, is indispensable in fostering teamwork and ensuring honesty and transparency in decision-making processes. Innovation drives organizations to explore creative solutions across all aspects of the business, including cultural initiatives. Psychological safety fosters an environment where employees feel empowered to take risks and provide candid feedback, starting at the team level and requiring proactive leadership from managers to create a supportive atmosphere (Carolie, 2014).

#### 2.1.5 Models of Organizational Culture

Different researchers develop models on organizational culture which incorporate different traits or behaviors driven by beliefs and assumptions that create an organizational culture.

Organizational culture models are frameworks that help us understand, explain, and sometimes even predict, the shared values, assumptions, and behaviors that characterize a company. Understanding these models offers several benefits, such as: Improving Recruitment and Retention, by knowing dominant culture type, the organization can attract and retain employees who are a good fit, boosting employee engagement, employees thrive in cultures that align with their own values and preferences, Enhancing performance, and a strong culture can lead to increased productivity, innovation, and decision-making efficiency. Those models are deal and Kennedy model, edger schein model, Hofstede's cultural dimension, Schein's Cultural Dimensions, Cameron and Quinn's Competing Values Framework, In addition to the above models, a detail on Denison model of organization culture which is also part of this research.

#### 2.1.5.1 Edgar Schein Model

Dolan and (Lingham 2012) Edgar Schein's model of organizational culture is a comprehensive framework that delineates culture into three interconnected layers. At the surface level are the visible artifacts, encompassing tangible manifestations like office layout, attire, and observable behaviors, symbols, and rituals. These artifacts offer initial insights into the organization's culture. Below the surface lie the espoused values, comprising the explicitly stated beliefs, goals, and norms that steer decision-making and actions within the organization, often articulated in official documents like mission and vision statements. Deeper still are the

underlying assumptions, representing the unconscious, deeply ingrained beliefs, perceptions, and values that shape individuals' perceptions and behaviors without conscious awareness. These assumptions constitute the bedrock of organizational culture, influencing every aspect of organizational life. Schein underscores the importance of delving beneath surface-level artifacts to uncover these underlying assumptions, as they are pivotal in understanding and shaping organizational behavior. Moreover, Schein highlights the dynamic nature of organizational culture, which evolves over time in response to internal and external factors. This model serves as a powerful tool for comprehensively analyzing and interpreting organizational culture, guiding interventions in areas such as organizational development, change management, and leadership development.

#### 2.1.5.2 Deal and Kennedy Model

Deal and Kennedy's model of organizational culture was introduced in their book "Corporate Cultures: The Rites and Rituals of Corporate Life," published in 1982. This model categorizes organizational cultures into four distinct types based on two primary dimensions: speed and feedback, and risk. The first dimension, speed and feedback, ranges from low to high, reflecting the organization's pace of decision-making and the frequency and quality of feedback provided to employees. The second dimension, risk, also ranges from low to high, indicating the organization's tolerance for taking risks and making bold decisions. These two dimensions intersect to form four archetypal cultures: Tough-guy/macho, characterized by high speed, high risk, and low feedback, where individual prowess is valued; Work hard/play hard, featuring high speed, low risk, and high feedback, with a focus on quick decision-making and a lively work environment; Bet-your-company, marked by high risk, high speed, and low feedback, where high- stakes decisions are commonplace and adaptability is key; and Process, characterized by low risk, low speed, and low feedback, emphasizing stability, adherence to rules, and a methodical approach to tasks. Deal and Kennedy's model provides a simple yet powerful framework for understanding and categorizing organizational cultures, aiding in the identification of cultural strengths and weaknesses and informing strategies for cultural change and alignment with organizational goals..

#### 2.1.5.3 Cameron and Quinn's Competing Values Framework

Cameron and Quinn's Competing Values Framework is a seminal model for understanding organizational culture, first introduced in their book "Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework," published in 1999. This framework categorizes organizational cultures into four main types, each associated with specific values and behaviors. The four types are Clan Culture, Adhocracy Culture, Market

Culture, and Hierarchy Culture. Clan Culture is characterized by a focus on collaboration, teamwork, and employee development, resembling a large family where loyalty and tradition are highly valued. Adhocracy Culture emphasizes innovation, creativity, and risk-taking, fostering an entrepreneurial spirit and a willingness to experiment and adapt to change. Market Culture prioritizes competition, achievement and meeting targets, resembling a results-oriented organization focused on customer needs and market dynamics. Hierarchy Culture emphasizes stability, rules, and efficiency, with a strong emphasis on formalized processes, roles, and procedures. The Competing Values Framework provides a comprehensive and flexible tool for assessing and understanding organizational culture, enabling leaders and change agents to diagnose the prevailing culture within their organization and identify areas for improvement or alignment with strategic goals. By recognizing the inherent tensions between different cultural values and orientations, organizations can better navigate complex challenges and promote cultural integration and coherence. Cameron and Quinn's model has been widely adopted in organizational research and practice, serving as a cornerstone for organizational development, change management, and leadership effectiveness efforts across various industries and sectors.

#### 2.1.5.4 Hofstede's Cultural Dimensions

Hofstede's Cultural Dimensions is a seminal model for understanding national and organizational cultures, first introduced by social psychologist Geert Hofstede in the late 1970s and further developed in subsequent publications such as "Culture's Consequences: International Differences in Work-Related Values" (1980) and "Cultures and Organizations: Software of the Mind" (1991). This model identifies several dimensions along which cultures can be compared and contrasted, providing valuable insights into the values, beliefs, behaviors, and norms that shape societal and organizational dynamics. The original dimensions include Power Distance, which reflects the extent to which less powerful members of a society accept and expect unequal distribution of power; Individualism vs. Collectivism, which describes the degree to which individuals prioritize personal goals over group goals; Masculinity vs. Femininity, which examines the distribution of roles between genders and the emphasis on achievement and assertiveness versus nurturing and cooperation; Uncertainty Avoidance, which assesses the level of tolerance for ambiguity and uncertainty within a society; and Long-Term vs. Short-Term Orientation, which explores the

degree to which a culture emphasizes long-term planning and perseverance versus short-term goals and adaptability. These dimensions provide a comprehensive framework for analyzing and comparing cultural differences across societies and organizations, offering valuable insights for cross-cultural communication, collaboration, and management. Hofstede's model has been widely utilized in fields such as international business, human resources, and organizational development, helping practitioners and researchers navigate the complexities of cultural diversity and enhance intercultural effectiveness. Moreover, the model continues to evolve and adapt to changing global contexts, remaining a cornerstone of cross-cultural research and practice.

#### 2.1.5.5 Schein's Cultural Dimensions

Schein's Cultural Dimensions, formulated by organizational psychologist Edgar Schein, is a comprehensive model that offers insights into the complexities of organizational culture. Though Schein introduced his model over several decades, its foundational principles were initially articulated in the late 1970s and early 1980s, with seminal works such as "Organizational Culture and Leadership" (1985) and "Organizational Culture and Leadership: A Dynamic View" (1992). Schein's model delves into the layers of organizational culture, emphasizing three main components: artifacts, espoused values, and underlying assumptions. At the surface level are artifacts, encompassing visible elements such as office layout, symbols, rituals, and language, which provide initial clues about an organization's culture. Beneath these artifacts lie the espoused values, representing the explicitly stated beliefs, goals, and norms that guide behavior and decision-making within the organization. These values are often formally expressed in mission statements, vision statements, and corporate policies, reflecting the organization's ideals and aspirations. However, Schein highlights that the true essence of organizational culture resides in the underlying assumptions, which are the unconscious, deeply ingrained beliefs, perceptions, and values that shape individuals' behaviors and perceptions of reality without conscious awareness. These underlying assumptions form the core of organizational culture and are often the most challenging to identify and change. Schein's model provides a robust framework for analyzing, understanding, and ultimately influencing organizational culture, guiding efforts in areas such as organizational development, change management, and leadership effectiveness. By recognizing the interplay between surface-level artifacts, espoused values, and underlying assumptions, organizations can gain deeper insights into their cultural dynamics and cultivate

environments conducive to success and growth. Schein's model remains highly influential in the field of organizational studies, shaping both theory and practice in the ongoing exploration of organizational culture.

#### 2.1.5.6 Denison Model

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

#### **Involvement**

Involvement is the first organizational trait which ensures the participation of employees in decision making; it also relies on team effort to get work done and continual investment in the development of employee's skills. (R. Denison & Neale, 2011).

In other words, involvement is building human capability, ownership, and responsibility. Thus, organizational cultures characterized as "highly involved" strongly encourage employee involvement, and create a sense of ownership and responsibility. They rely on informal, voluntary, and implied control systems, rather than formal, explicit, bureaucratic control systems. (R. Denison & Neale, 2011).

The indices of the involvement trait are: empowerment, team orientation, and capability development. First empowerment deals with individuals" authority, initiative and ability to manage their own work. Team Orientation stress on working cooperatively toward common goals for which all employees feels mutually accountable. Lastly, capability development explains the organization continually invests in the development of Employees' skills in order to stay competitive and meet ongoing business needs. (R. Denison & Neale, 2011).

#### Consistency

Consistency is the second trait which emphasizes on maintenance of the status quo by being well coordinated and well-integrated also the organization devises clear agreement about the right way and the wrong way to do things. (R. Denison & Neale, 2011).

Furthermore, consistency deals with defining the values and systems that are the basis of a strong culture. It also provides a central source of integration, coordination and control. Consistent organizations develop a mindset and a set of organizational systems that create an

internal system of governance based on consensual support also has clear set of do's and don'ts. (R. Denison & Neale, 2011).

Coordination and integration, agreement and core values are indices of the consistency trait. Accordingly, coordination and integration clarify ability of different functions and units of the organization to work together well to achieve common goals. Organizational boundaries do not interfere with getting work done. The second indices is agreement in which is underlying level of agreement and the ability to reconcile differences when they occur. The last one core values stress in which members of the organization share a set of values that create a sense of identity and a clear set of expectations. (R. Denison & Neale, 2011).

#### **Adaptability**

The third trait, adaptability, depicts the ability of the organization in translating the demands of the business environment into action through creating change, customer focus and organizational learning environment. (R. Denison & Neale, 2011).

Adaptability deals with translating the demands of the business environment into action.

Organizations hold a system of norms and beliefs that support the organization's capacity to

Receive, interpret, and translate signals from its environment into internal behavioral changes that increase its chances for survival, growth and development. (R. Denison & Neale, 2011).

The indices of the adaptability trait are: creating change, customer focus and organizational learning. Creating change deals with the ability of organization to create adaptive ways to meet changing needs. So organization will be able to read the business environment, quickly react to current trends, and anticipate future changes. Customer focus is the second indices which focus on the organization understanding and reaction to its customer and anticipation to future needs. Lastly, organizational learning reflected when on organization receives, translates, and interprets signals from the environment into opportunities for encouraging innovation, gaining knowledge and developing capabilities. (R. Denison & Neale, 2011).

#### Mission

The last trait is mission whereby organizations devise meaningful long-term direction and organization with this trait clearly defines Strategic direction, Vision, Goals and Objectives of the company. Mission involves defining a meaningful long-term direction for the organization. A mission provides purpose and meaning by defining a social role and external goals for the organization. It provides a clear direction and goals that serve to define an

appropriate Course of action for the organization and its members. A sense of mission allows an organization to shape current behavior by envisioning a desired future state. (R. Denison & Neale, 2011).

Strategic direction, vision and intent, goals and objectives are the indices of the mission trait. Thus, strategic direction and intent deals with clear strategic intentions convey the organization's purpose and make it clear how everyone can contribute. The second indices, goals and objectives, stress on clear set of goals and objectives can be linked to the mission, vision, and strategy, and provide everyone with a clear direction in their work. Finally, vision ensures that organization has a shared view of a desired future state. It embodies core values and captures the hearts and minds of the organization's people, while providing guidance and direction. (R. Denison & Neale, 2011).

Organizational commitment is the desire and the willingness of employees to remain in the

#### 2.1.6 The Concept of Organizational Commitment

organization and devote themselves to the success of an organization (Hakim & Hidayat, 2018). Similarly, (Nongo & Ikyanyon, 2012) summarized the three defined characteristics of Organizational commitment which was devised by nowadays. These are a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization and a strong desire to maintain membership in the organization In addition, (Jaros, 2007) has explained the organizational commitment model of Allen and Meyer. This model encompasses three types of commitments; a normative commitment is perceived obligation towards the organization and affective commitment deals about emotional ties that the employee develops with the organization. Lastly, continuance commitment is perceived costs: economic and social costs of leaving the organization. (Linnenluecke & Griffiths, 2010) have reviewed different work of scholars and noted that the concept of organizational culture first emerged in the 1970s and 1980s and then on 1995 it became one of the most influential but also most controversial concepts in management research and practice. Furthermore, as per (Linnenluecke & Griffiths, 2010) explanation, culture theorists have suggested a variety of definitions, ranging from notions of accepted behavioral rules / norms to shared values, ideologies, beliefs and shared patterns of meaning. To better understand organizational culture, it is important to examine meaning of culture and organization culture provided by different authors. Culture is an abstraction, yet the forces that

are created in social and organizational situations that derive from culture are powerful. In other words, culture is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it. (Dolan & Lingham, 2012) culture is set of values and commonly held beliefs that determine which behaviors are acceptable and expected for a given group. Countries, religious and ethnic groups, and organizations all have cultures.

(Robbins & Judge, 2013) support Dolan and Lingham definition by explaining culture as a system of shared meaning held by members that distinguishes the organization from other organizations. According to (R. Denison & Neale, 2011)Organizational culture refers to the underlying value, beliefs and principles that serve as a foundation for an organization management system, as well as the set of management practices and behavior that reinforce those basic principles. Furthermore these authors explain the visible and invisible aspect of organizational cultures. The visible aspect includes working hard, proper attire, acting friendly to customer etc. To the contrary, invisible assumptions, value and core beliefs which are harder to observe includes honesty, integrity, being ethical, going beyond expectations to satisfy customers.

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

#### 2.2 Empirical review

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

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

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

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

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

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

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

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

(Radmard & Ardakani, 2014) revealed that there is positive relationship between consistency and organizational commitment in which coordination and integration, agreement and fundamental values as a component of consistency increase employee commitment to provide efficient and effective work. Similar, (Hakim & Hidayat, 2018) asserted that an indicator of

the most powerful in shaping the Organizational culture variable is stability (consistency). It means that, cultural Values that received the most attention in the activities of the organization, which emphasizes the maintenance of the status quo as a contrast to the growth will have positive effect on organizational commitment.

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

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

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

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

According to (D. R. Denison & Mishra, 1995) mission provides purpose and meaning by defining a social role and external goals for the organization. And also mission provides clear direction and goals that serves to define an appropriate course of action for the origination and its members which result the increase in level of employee commitment to the organization.

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

#### 2.3 Conceptual framework

According to (Magenta & Mugenda 2003), a conceptual framework helps reader to quickly see proposed relationships between variables in the study diagrammatically. The conceptual framework is developed from the review of literature discussed above and presented in the

Diagram below. The frame work was interlinks independent and dependent variables as depicted below.

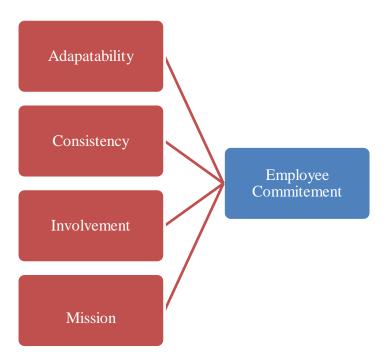


Figure 1: Conceptual Framework of the Study

#### 2.4 Research hypothesis

Based the literature review and conceptual framework the following hypotheses are developed.

H1: There is positive and significant relationship between employee's involvement and employee's commitment

H2: There is positive and significant relationship between consistency and employee's commitment.

H3: There is positive and significant relationship between organization adaptability and employee's commitment.

H4: There is positive and significant relationship between organizational mission and employee's commitment.

### CHAPTER THREE RESEARCH DESIGN AND METHODOLOGY

This chapter focuses on the research design, research approach, source of data, data gathering tools, sample size and sampling technique, method of data analysis, the reliability and validity of these research measuring instruments and ethical consideration is included.

#### 3.1 Research design

A research design is the structured framework guiding a study, comprising methodologies for investigating phenomena (McMillan & Schumacher 2014).

Research design refers to the systematic plan or blueprint that outlines the procedures for conducting a research study. It encompasses decisions regarding data collection methods, sampling techniques, and data analysis procedures, aimed at addressing specific research objectives or questions (McDaniel & Gates 2006).

For the Purpose of this research the researcher employed both descriptive and explanatory research design to identify the effects of Organization Culture on the employee commitment at head office and kality branch. Exploratory research studies aims to formulate a problem for more precise investigation, emphasis on the discovery of ideas and insights. Descriptive studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group.

The research is primarily explanatory research because it aims to identify the relationship between the dependent variable (employee commitment) and the independent variables (involvement, consistency, adaptability and mission).

#### 3.2 Research Approaches

The researcher employed quantitative approaches to examine the gathered data and determine the results. Quantitative research provides precise, numerical data and is deeply rooted in numbers and statistics. This approach allows for greater objectivity and precision in outcomes, making the results relatively independent of the researcher.

#### 3.2 Source of data

There are two types of data sourcing those are primary data and secondary data. The researched employed primary source of data.

 Primary data sources are original which was collected by the first user of the data through survey questionnaire from the sample respondent (N=157) of Ethio-Nippon Technical company Share company.

#### 3.3 Data gathering tools

A structured questionnaire was used to gather primary data in this investigation. Closed-ended questions were asked in accordance with the study's goals. The demographic data and the four independent study variables were broken up into parts of the questionnaire. The five-point Likert Scalewas utilized for the closed-ended questions, which ranged from 1 to 5. Drop and choose later was used by the researcher in order to provide respondents enough time to complete the instrument and boost theresponse rate.

#### 3.4 Sample size and sampling technique

#### 3.4.1 Sampling technique

Sampling technique is defined as a systematic method for selecting a subset of individuals or items from a larger population for the purpose of conducting a research study (Denscombe,2007). In this research, both probability sampling (simple random sampling, stratified sampling). For the purpose of this research, the population is stratified in to two groups' i.e. managerial staffs and non-managerial staffs. Stratifying the population helps increase the accuracy of the research by taking the same sample for homogenous group. Among these two groups of populations (managers and non-mangers) staff within in Ethionippon technical company share company was selected by simple random sampling (lottery method).

#### 3.4.2 Sample size

Determining the appropriate sample size is for research is critical to insure the validity and reliability of the finding. The target population of this study was selected from Ethio-Nippon Technical CompanyShare Company which includes managers and non-managers employees.

The population of organization is 273. Sample size is determined using Solvin's method, with a 95 percent confidence level and a 5 percent error margin. If you want to use Slovin's formula to estimate a population percentage, you'll need to use a 95 percent confidence coefficient (Tejada & Punzalan, 2012). The sampling formula used to obtain the sample size for Ethio-nippon technical company share company non manager and managers is as follows:

Thus , 
$$\underline{n} = \frac{N}{1+Ne^2}$$
  
Where, n = is the sample size  $N = is$  the population size  $(273)e = error$  tolerance  $(0.05)$ 

$$n = \frac{273}{1+273(0.05)^2} = 162$$

Based on Slovin's formula, the sample of 162 respondents has drawn from target population of 273employees.

#### 3.5 Method of data analysis

In the study quantitative methods of data analysis techniques was employed. Analysis of data in this research was due by using statistical tools like frequency, mean, standard deviation, correlation and multiple regressions. A descriptive analysis was also used.

In the study the four hypotheses were analyzed using methods of statistical inference. Pearson correlation analysis was conducted to test the existence of significant relationship between the organizational culture and employees" commitment. Then, the multiple regression analyses was also conducted to determine by how much percent the independent variable i.e. organizational culture explain the dependent variable which is employees" commitment. The analysis was conducted using the Statistical Package for Social Sciences (SPSS Version 26).

#### 3.6 Reliability and validity

#### 3.6.1 Validity

In order for the researcher to check if the data collection instrument was clear for the respondents, possible efforts were exerted to make the instrument as easy and understandable. In order to validate it the questionnaire was pilot tested with selected respondents from the target population.

#### 3.6.2 Reliability Test

Reliability, according to (Marczyk et al. 2005), relates to what the test or measuring approach measures and how successfully it does so. Reliability aims to address the following conceptual question: "Does the instrument or measurement approach measure what it is supposed to measure?" The questionnaire was built from relevant literature to ensure its validity.

To check the reliability of the questionnaire, it was initially distributed to a sample of selected employees within the company prior to the main data collection phase. The results indicated that the data collection tool was both consistent and dependable in measuring its intended constructs. Specifically, out of the sample questionnaires distributed and evaluated, the results were analyzed using Cronbach's Alpha in SPSS, confirming the instrument's reliability

Table 1: Cronbach's Alpha Constructs

	Cronbach's Alpha	N of Items
Adapatability	.796	5
Mission	.816	5
Involvement	.721	5
Consistency	.792	5
Employee Commitement	.752	5

Source: SPSS Survey 2024

Cronbach's Alpha values provide a measure of internal consistency for a questionnaire or measurement instrument. Values greater than 0.9 indicate excellent reliability, suggesting very high consistency among items. Values above 0.8 are considered good, showing strong internal consistency and suitability for most research purposes. Values over 0.7 are acceptable, indicating reasonable reliability for exploratory research. Values over 0.6 are

questionable, signaling that the instrument may need revision due to weaker item correlations. Finally, values at or above 0.5 are poor, indicating low reliability and the need for substantial improvement in the measurement instrument.

According to table1:- Cronbach's Alpha of each variable indicated that the data collection instruments were consistent and reliable through the stated measurements.

#### 3.7 Ethical Consideration

The researcher addressed ethical considerations of confidentiality and privacy. The respondents participated in the response of a questionnaire were expressed their full consent to participate in this study and also, they were not required to write their name on questionnaire, they were notified to kept their responses confidential and used for only academic purpose. The response that the participants gave is analyzed without any change by the researcher. In addition, the reference works of other researchers and authors are cited appropriately.

## CHAPTER FOUR DATA ANALYSIS AND INTERPRATION

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

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

#### 4.1 Response Rate

There were 162 questionnaires issued, but only 157 of them were returned to the researcher in their whole. 96.9% of people took the survey, which the researchers consider adequate. Supporting evidence for the research conclusions comes from (Mugenda 2003), who indicates that, a response rate of 50% or above is considered adequate.

Table 2: Response rate of respondents

Total questionnaires delivered	Question naires returned	Questionnaires rejected	Usable questionnaires	Response rate
162	157	5	157	96.9%

#### **4.2 Demography of Respondents**

The demographic characteristics of the respondents are analyzed based on gender, age, educational level, position in the company, employee experience, and marital status. This analysis provides insight into the demographic profile of the study participants.

Variables		Frequency	%
Gender	Female	83	52.90%
Gender	Male	74	47.10%
	18-27	26	16.60%
Age	28-37	79	50.30%
	38 and above	52	33.10%
Educational Qualification	Diploma /Level IV	51	32.50%
	First Degree	82	52.20%
	Masters and above	24	15.30%
Employment group	Management	24	15.2.00%
Employment group	Non-management	133	84.7.00%
	Below 1-5 year	46	29.30%
Employee Experience	6-10 years	80	51.00%
Zimpioyee Experience	11 and above years	31	19.70%
	Single	50	31.80%
   Marital Status	Married	77	49.00%
iviantai Status	Divorce	21	13.40%
	Widow	9	5.70%

Source: SPSS Survey 2024

The demographic characteristics of the respondents are analyzed based on gender, age, educational level, position in the company, employee experience, and marital status. This analysis provides insight into the demographic profile of the study participants.

According to the finding the gender distribution is relatively balanced, with 52.9% female and 47.1% male participants this shows that the researcher was not gender biased in collection of data since both genders were represented well. The age group is predominantly within 28-37 years (50.3%), followed by 38 and above (33.1%) and 18-27 (16.6%) this shows that respondents were of mature people who could cooperate in giving out information. In terms of educational qualifications, the majority hold a First Degree (52.2%), while 32.5% have a Diploma/Level IV, and 15.3% possess a Master's degree or higher. This reveals that most of respondents could be relied upon to give information concerning the subject understudy Employment status shows a higher proportion of non-management employees (84.7%) compared to management (15.3%). Most employees have 6-10 years of experience (51%), while below 1-5 years (29.3%) and 11 or more years (19.7%). This tells us that most of the respondents have good knowledge about the organization culture. Regarding marital status, nearly half are married (49%), 31.8% are single, 13.4% are divorced, and 5.7% are widowed.

#### 4.3 Descriptive Analysis on organization culture measures

Descriptive analysis deals with the descriptive statistics results of dependent and independent variables used in the study. The descriptive statistical value of mean and standard deviation of the dependent and independent variables presented respectively. The result was interpreted according to (Kenton,2018) descriptive statics are brief descriptive coefficients that summarize a given data set, which can be either a representation of a given entire or a sample of a population Comparison bases on the mean score of five-point Likert scale instruments

Table 9: Description of mean value

No	Mean value	Description
1	1.00 – 1.80	Very Low
2	1.81 - 2.60	Low
3	2.61 - 3.20	Medium
4	3.21 – 4.20	High
5	4.21- 5.00	Very High

Source: (Moidunny, K. 2014)

## 4.3.1 Descriptive analysis on organizational culture measures mission.

Table 10: Descriptive analysis on mission

## **Descriptive Statistics**

			Std.
Statement	N	Mean	Deviation
The organization mission is inspiring and	157	3.8089	1.18826
motivates me to do my best work			
I feel that my work contributes to the overall	157	3.9363	0.93837
success of the organization			
I am regularly informed about changes in	157	4.0510	0.69611
organization strategic direction			
I have a clear understanding of how my role	157	4.1083	0.80527
impacts the success of the organization			
The Organization strategic direction is clear to	157	3.9172	0.96051
me			
Average		3.9643	

Based on the descriptive statistics from Table 10, the mission culture trait was examined using five questions, each providing insights into different aspects of the organization's culture. The first statement (Mean = 3.81, SD = 1.19) the mean score of 3.81, which falls within the range of (3.21-4.20), is considered high. This indicates that, on average, employees moderately agree that the organization's mission is inspiring and motivating. However, the relatively high standard deviation of 1.19 suggests significant variability in employee perceptions about the mission. The second statement (Mean = 4.05, SD = 0.94) the mean score of 4.05, also within the (3.21-4.200 range, is considered high. This suggests that employees generally agree their work contributes to the overall success of the organization. The lower standard deviation of 0.94 compared to statement 1 indicates more consistency in responses. The third statement (Mean = 4.05, SD = 0.70) with a mean score of 4.05, employees agree they are regularly informed about changes in the organization's strategic direction. The low standard deviation of 0.70 shows those employees' perceptions are relatively consistent. The fourth statement (Mean = 4.11, SD = 0.81) the mean score of 3.92shows that employees generally agree the organization's strategic direction is clear to them. The standard deviation of 0.96 suggests a moderate level of agreement, with some variation in responses

The overall average mean score is 3.96, indicating a high and positive perception of the organization's mission culture traits. Employees generally feel motivated by the organization's mission, understand their contribution to its success, are informed about strategic changes, and recognize how their roles impact the organization. The varying degrees of standard deviations across questions suggest some areas where perceptions are less uniform, pointing to potential areas for further alignment and communication.

#### 4.3.2 Descriptive analysis on organizational culture measures adaptability

Table 11: Descriptive analysis on adaptability

# **Descriptive Statistics**

G			Std.
Statement	N	Mean	Deviation
The organization invests in training and	157	4.0764	0.72094
development programs to help employees keep			
their skills up-to-date			
The organization is flexible and can adapt to	157	4.0382	0.74149
changes in the external environment			
Employees are encouraged to come up with	157	3.9236	0.84384
new ideas and solutions to problems			
Employees understand customer's wants and	157	4.0828	0.86944
needs			
The organization respond to competitors	157	4.1210	0.86492
actions and other changes in the business			
Environment			
Average		4.0484	

Source: SPSS Survey 2024

According to the above Table 11, adaptability culture trait examined with five questions. Based on descriptive statistics those five statements are computed. The first mean score (4.08) is considered High and the standard deviation (0.72) this shows respondents generally agree that the organization invests in training and development programs, with most having similar views. The second score (mean =4.04 SD=0.74) implies high degree of agreement on the organization is flexible and adaptable to external changes, with moderate variation in their views. The third score (mean=3.92 SD= 0.84) is considered high which Respondents generally agree that employees are encouraged to innovate, though opinions vary more on this point compared to others. The forth score (mean=4.08 SD =0.87) Implies the mean score considered high that shows respondents generally agree that employees understand customers' wants and needs.

The final score (mean =4.12 SD=0.86) the mean value indicates high. This indicates that, on average, respondents agree that the organization responds to competitors' actions and changes in the business environment. This mean is the highest among all statements.

The highest mean score (4.1210) is for the organization's responsiveness to competitors and changes in the business environment, indicating a strong perception of the organization's strategic celerity. The lowest mean score (3.9236) relates to encouraging employees to come up with new ideas and solutions, which suggests that there may be room for improvement in fostering innovation. The overall average mean score is 4.0484; indicating that, on average respondents have a positive perception of the organization's adaptability measures.

## 4.3.3 Descriptive analysis on organizational culture measures consistency

Table 12: Descriptive analysis on consistency

_			Std.
Statement	N	Mean	Deviation
The organization enforces its rules and	157	3.7898	1.04410
regulations fairly and consistently			
There is a clear agreement regarding the right	157	3.7707	0.80760
way and the wrong way to do things			
There is an ethical code that guides employee	157	3.7643	0.98801
behavior and tells right from wrong			
As an employee, I am given assignments that	157	3.8599	1.02818
are consistent with my strengths, interests and			
opportunities			
When policies change, they are communicated	157	3.9490	0.74933
clearly too all employees			
Average		3.8268	

Source: SPSS Survey 2024

According to the above Table 11, consistency culture trait examined with five questions. Based on descriptive statistics those five statements are computed. The first score (mean =3.79 SD =1.04)

which is considered high this indicates that, on average, respondents moderately agree that the organization enforces its rules and regulations fairly and consistently. The second statement (mean = 3.77 SD = 0.81) is considered high it shows that respondents moderately agree that there is a clear agreement on the right and wrong ways to do things within the organization. The third statement (mean = 3.76 SD = 0.99) moderately agree that there is an ethical code guiding employee behavior. The fourth statement (mean = 3.86 SD = 1.030) considered high. Indicating that, on average, respondents agree that they are given assignments aligned with their strengths, interests, and opportunities. The final statement (mean = 3.95 SD = 0.75) This statement has the highest mean and shows relatively low variation in responses, indicating consensus on the clarity of communication. Also respondents generally agree that policy changes are communicated clearly to all employees.

The overall average mean score is 3.83, indicating that respondents generally have a positive perception on the measure of consistency

#### 4.3.4 Descriptive analysis on organizational culture measures Involvement

Table 13: Descriptive analysis on involvement

#### **Descriptive Statistics**

			Std.
Statement	N	Mean	Deviation
Information is widely shared so that employees	157	4.0828	0.75923
can get the information they need			
The organization inspired the staff that they are	157	3.8535	0.86836
to participate in the process decision making			
I feel comfortable expressing my ideas during	157	3.9363	0.93837
discussions about strategic objective			
The capabilities of employees are viewed as an	157	3.9172	0.96051
important source of competitive advantage			
The planning process in our organization	157	3.6561	1.26953
involves everyone to some degree			
Average		3.8892	

Source: SPSS Survey 2024

According to the above table, the responses to the five statements examining the involvement culture trait in the organization show a generally positive perception: The first statement (mean = 4.08, SD = 0.76) indicates a high agreement that information is widely shared, with low variation in responses. The second statement (mean = 3.85, SD = 0.87) suggests that respondents moderately agree that the organization encourages participation in decision-making, with moderate variation. The third statement (mean = 3.94, SD = 0.94) indicates that respondents feel comfortable expressing their ideas, with moderate variation. The fourth statement (mean = 3.92, SD = 0.96) suggests that respondents agree on the importance of employee capabilities, with moderate variation. The final statement (mean = 3.66, SD = 1.27) shows a moderate agreement that the planning process involves everyone, but with higher variation in responses.

The overall average mean score is 3.89, indicating that respondents generally have a positive perception of the measurements of involvement trait.

#### 4.3.5 Descriptive analysis on organizational culture measures Employee Commitment

Table 14: Descriptive analysis on employee commitment

# **Descriptive Statistics**

			Std.
Statement	N	Mean	Deviation
Often I find it difficult to agree with this	157	3.9554	0.51071
organization's policies on important matters			
relating to its employees			
The organization's mission and values resonate	157	4.14013	0.674238
Strongly with my personal beliefs?			
Working at ENITCO motivates me to	157	3.9809	0.74654
Consistently put in my best effort?			
Looking back on my career choices, I am very	157	3.9809	0.53674
Happy with my decision to work for ENITCO?			
I actively promote the organization's positive	157	4.0255	0.62991
reputation to my network			
Average		4.0166	

Source: SPSS Survey 2024

For the first statement "Often I find it difficult to agree with this organization's policies on important matters relating to its employees." (Mean= 3.9554 Standard Deviation= 0.51071) considered high. The mean of 3.9554 suggests that, on average, employees slightly agree with the statement, indicating a mild difficulty in agreeing with the organization's policies The standard deviation of 0.51071 indicates that there is moderate variability in the responses, with most employees' views clustering around the mean. The second statement "The organization's mission and values resonate strongly with my personal beliefs?" (Mean = 4.14013 Standard Deviation=0.674238) The mean of 4.14013 indicates that, on average, employees agree that the organization's mission and values resonate with their personal beliefs. The standard deviation of 0.674238 suggests a higher level of variability in responses compared to the previous statement, indicating that while many employees agree, there are differing degrees of agreement. The third statement "Working at ENITCO motivates me to consistently put in my best effort?" (Mean =3.9809 Standard Deviation= 0.74654) The mean of 3.9809 implies that, on average, employees agree that working at ENITCO motivates them to put in their best effort. The standard deviation of 0.74654 shows considerable variability, suggesting that while many employees feel motivated, the level of motivation varies widely.th fourth statement "Looking back on my career choices, I am very happy with my decision to work for ENITCO (Mean=3.9809 Standard Deviation= 0.53674 The mean of 3.9809 indicates that employees, on average, are happy with their decision to work for ENITCO. The standard deviation of 0.53674 suggests moderate variability in the responses, indicating that while many employees are happy, there are differing levels of satisfaction. The final statement I actively promote the organization's positive reputation to my network (mean=4.0255 Standard Deviation: 0.62991) The mean of 4.0255 suggests that, on average, employees agree that they actively promote the organization's positive reputation The standard deviation of 0.62991 indicates moderate variability in responses, implying that while many employees promote the organization's reputation, the extent to which they do so varies.

Overall, the descriptive statics for the measure of employee commitment reveal that employees have a generally positive attitude towards the organization, with varying degrees of agreement on different aspects.

#### **4.4** Analysis of Inferential Statistics Results

In the next section the researcher assesse the relationship that have the selected organizational culture independent variable with Employees' commitment the dependent variable by using inferential statistics of correlation and regression analysis.

#### 4.4.1 Correlation Analysis and hypothesis testing

The hypotheses discussed in the second chapter aimed to investigate the relationship between independent variables (mission, adaptability, consistency and involvement) and dependent variable (employees' commitment) in Ethio-Nippon Technical Company Share Company. Correlation analysis is done to examine this relationship. The Pearson Product-Moment Correlation Coefficient is a statistic that indicates the degree to which two variables are related to one another. The sign of a correlation coefficient (+ or -) indicates the direction of the relationship between -1.00 and+1.00. Variables may be positively or negatively correlated. A positive correlation indicates a direct positive relationship between two variables. A negative correlation, on the other hand, indicates an inverse, negative relationship between two variables (Ruud & Eric, 2012). Table 15: below clearly show that the relationship between two variables will be negligible, low, moderate, substantial, or very strong.

Table 15: Strength of the correlation coefficient

Correlation	Strength of the correlation
coefficient(r)	
From 0.01 up to 0.09	Negligible association
From 0.10 up to 0.29	Low association
From 0.30 up to 0.49	Moderate association
From0.50 upto0.69	Substantial association
From 0.70 and above	Very strong association

Source: (Joe, Atherton, Williams & KhataJabor, 2011)

Determining the degree of association between the selected internal factors mission, adaptability, consistency and involvement) and employees' commitment is the main purpose of conducting an analysis using Pearson correlation. So, in this section the first five hypotheses were tested

Table 16: Correlation for organization culture dimension

#### **Correlations**

		EM	MI	AP	CN	IV
EM	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	157				
MI	Pearson Correlation	.741**	1			
	Sig. (2-tailed)	0.000				
	N	157	157			
AP	Pearson Correlation	.661**	.563**	1		
	Sig. (2-tailed)	0.000	0.000			
	N	157	157	157		
CN	Pearson Correlation	.780**	.501**	.381**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
	N	157	157	157	157	
IV	Pearson Correlation	.689**	.590**	.498**	.378**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	157	157	157	157	157
**. Corr	elation is significant at the	e 0.01 level (2-tailed).		-		

Source: SPSS Survey 2024

The correlation analysis table presents the Pearson correlation coefficients among five variables: Employee commitment dependent variable (EM) and the four independent variables: Mission (MI), adaptability (AP), consistency (CN), and involvement (IV). All correlations are significant at the 0.01 Level (2-tailed), indicating strong relationship between these variables.

Hypothesis 1: There is a positive and significant relationship between mission (MI) and employees' commitment (EM).

• The Pearson correlation coefficient of .741\*\* indicates a strong positive relationship between the mission and employees' commitment. The significance value (p-value) of 0.000 is less than 0.01, indicating that this correlation is statistically significant at the 0.01 level. The researcher concluded that H1 is supported, as there is a strong, positive, and significant relationship between the mission and employees' commitment.

Hypothesis 2: There is a positive and significant relationship between adaptability (AP) and employees' commitment (EM).

• The Pearson correlation coefficient of .661\*\* suggests a strong positive relationship between adaptability and employees' commitment. The significance value of 0.000 indicates that this correlation is statistically significant at the 0.01 level. The researcher concluded that H2 is supported, as there is a strong, positive, and

significant relationship between adaptability and employees' commitment.

Hypothesis 3: There is a positive and significant relationship between consistency (CN) and employees' commitment (EM).

• The Pearson correlation coefficient of .780\*\* denotes a very strong positive relationship between consistency and employees' commitment. The significance value of 0.000 confirms that this correlation is statistically significant at the 0.01 level. The researcher concluded that H3 is supported, as there is a very strong, positive, and significant relationship between consistency and employees' commitment

Hypothesis 4: There is a positive and significant relationship between involvement (IV) and employees' commitment (EM).

• The Pearson correlation coefficient of .689\*\* indicates a strong positive relationship between involvement and employees' commitment. The significance value of 0.000 shows that this correlation is statistically significant at the 0.01 level. The researcher concluded that H4 is supported, as there is a strong, positive, and significant relationship between involvement and employees' commitment

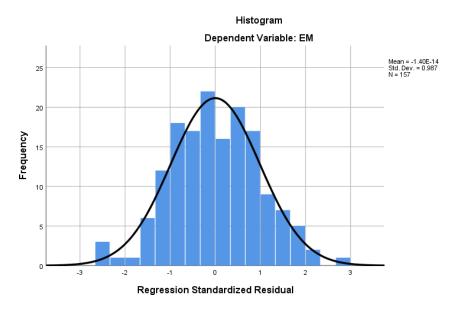
All four hypotheses (H1, H2, H3, and H4) are supported by the data. Each independent variable (mission, adaptability, consistency, and involvement) shows a strong, positive, and significant relationship with employees' commitment, as evidenced by high Pearson correlation coefficients and significance values well below the 0.01 threshold.

#### 4.5 Tests of Assumption of Regression Analysis

In the descriptive statistics section, the study presented the mean, standard deviation, minimum and maximum values for both dependent and independent variables. Additionally, this section includes tests for the classical linear regression model (CLRM) assumptions. Before testing the significance of the regression slopes and analyzing the results, checks were conducted on the average value of the error term, normality, linearity, multi collinearity, autocorrelation and homoscedasticity test. These tests were performed to identify any potential data misspecifications and to ensure the quality of the research.

#### **4.5.1 Normality Test**

When analyzing data using SPSS, it is important to check for normality of the distribution of the dependent variable and the residuals to ensure that the assumptions of the statistical tests are being met. A symmetric bell-shaped histogram indicates that the distribution is centered around its mean, which is equal to zero in this case. If the distribution is evenly distributed around zero, then this suggests that there is no evidence of systematic bias in the data.

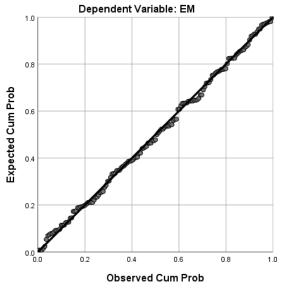


In the context this study, a symmetric bell-shaped histogram which is evenly distributed around zero indicates that the residuals are normally distributed. This is because the normal distribution is characterized by a symmetric, bell-shaped curve that is centered on its mean. Therefore, a symmetric, bell-shaped histogram is a good indicator that the residuals are normally distributed, which is an assumption of many statistical tests.

#### 4.5.2 Linearity test

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. To determine the relationship between the dependent variable employee commitment and the independent variables (mission, adaptability, consistency and involvement) linear plots of the regression residuals through SPSS software had been used.

Normal P-P Plot of Regression Standardized Residual



The p plot of residuals discloses that there is no large deviation in the range of the residuals. As we look from left to right on the figure it looks like almost all residuals lay on the linear straight line. Therefore, this tells us the relationship between the predictor variables (mission, adaptability, consistency and involvement) and the dependent variable employee commitment is linear.

#### **4.5.3** Multi-Collinearity Test

The primary concern is that as the degree of multi collinearity increases, the regression model estimates of the coefficients become unstable and the standard errors for the coefficients can get wildly inflated. As a rule of thumb, a variable whose VIF values are greater than 10 may merit further investigation. Tolerance, defined as 1/VIF, is used by many researchers to check on the degree of collinearity. A tolerance value lower than 0.1 is comparable to a VIF of 10. It means that the variable could be considered as a linear combination of other independent variables. As it was depicted in the following Table 10: there is no the problem of multi collinearity since the VIF values are less than 10 and 1/VIF values are greater than 0.1.

Table 17: Multi Collinarity Test

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

		Collinearity Statistics	
	Model	Tolerance	VIF
1	(Constant)		
2	MI	0.501	1.995
3	AP	0.633	1.581
4	CN	0.729	1.372
5	IV	0.607	1.647

a. Dependent Variable: EM

Source: SPSS Survey 2024

#### 4.5.4 Autocorrelation

The assumption autocorrelation assumes that in the multiple linear regressions the errors are independent of each other. i.e. The errors are not correlated (Hultema & Laraway, 2006). The assumption is tested by using Durbin – Watson statistic to determine whether the strong correlation exists among the residuals. As a rule of thumb, the DW (Durbin – Watson) statistic should be between the range of 1.5 and 2.5 for the independent observation that is acceptable (Garson, 2012).

Table 18: Autocorrelation

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.933ª	0.87	0.867	0.16543	1.974

a. Predictors: (Constant), IV, CN, AP, MI

b. Dependent Variable: EM

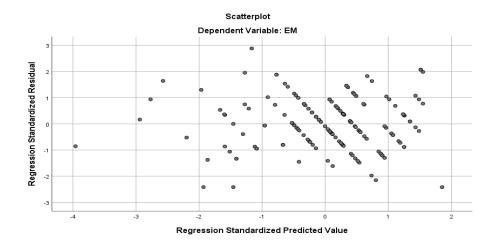
Source: SPSS Survey 2024

So that, the autocorrelation test table, the value of Durbin – Watson statistic is 1.974 and between acceptable ranges.

#### 4.5.5 Homoscedasticity Test

The assumption of homoscedasticity is crucial for a linear regression model. It refers to a situation where the error term (i.e., random disturbance in the relationship between the independent and dependent variables) remains constant across all values of the independent variables. This assumption can be verified using a scatter plot. The scatter plot displays the predicted values of the model against the residuals. As the predicted values increase, the variation in the residuals should remain approximately consistent. If the graph appears as a

random array of dots, it indicates that the model is homoscedastic.



## 4.6 Multiple Regression Analysis

Regression analysis is a systematic method that can be used to investigate the effect of one or more predictor variables on dependent variable. That is, it allows us to make statements about how well one or more independent variables will predict the value of a dependent variable. Specifically, this multiple regression was conducted in order to investigate the effect overall bundle of selected determinant factors on employee commitment which is clearly stated at hypothesis. Further, regression analysis helps the researcher to understand how the typical value of the dependent variable changes when any one of the independent variables is held fixed (Julie and Pallant, 2016). R-Squared is a measure of fit where the value ranges from 1, where all variance is explained, to 0 where none of the variance is explained. Of course, how good a score is will be dependent upon your use case, but in general R-Squared values would be interpreted as:

Table 19: Interpretation for R-Square value

R-Squared value	Interpretation
0.75 - 1	Significant amount of variance explained
0.5 - 0.75	Good amount of variance explained
0.25 - 0.5	Small amount of variance explained
0 - 0.25	Little to no variance explained

Source: (Julie and Pallant, 2016)

Table 20: Model summery

	Model Summary <sup>b</sup>							
Model	R	R Square		Adjusted R Square	Std. Error of the Estimate			
1	.933ª		0.87	0.867	0.16543			
a. Predictors: (Constant), IV, CN, AP, MI								
b. Depend	ent Variable	: EM						

The model summary provides an overview of the regression analysis conducted. The R-squared value of 0.87 indicates that approximately 87% of the variability in the dependent variable (employee commitment) can be explained by the independent variables (involvement, consistency, adaptability, mission) included in the model. The adjusted R-squared value, which adjusts for the number of predictors in the model, is very close to the R-squared value, suggesting that the model's explanatory power remains consistent even with the addition of predictors. The standard error of the estimate is 0.16543, indicating the average deviation of the observed values from the predicted values by the model. The inclusion of involvement, consistency, adaptability, mission as predictors significantly contributes to explaining employee commitment, as indicated by the high R-squared value. Overall, the model demonstrates strong predictive capability in explaining the variation in the dependent variable, employee commitment, based on the specified independent variables

ANOVA analysis is normally used to compare the mean score of more than two groups or variables. It is also called analysis of variance because it compares the variance between groups. (pallant, 2005)

Table 21: ANOVA

ANOVA <sup>a</sup>									
Model	Sum of Squares	df	Mean Square	F	Sig.				
Regression	27.917	4	6.979	255.010		.000b			
Residual	4.160	152	0.027						
Total	32.077	156							
a. Dependent Variable: EM									
b. Predictors: (Constant), IV, CN, AP, MI									

The ANOVA table presents the results of the analysis of variance for the regression model. The model's F-statistic of 255.010 with a corresponding p-value of .000 indicates that the overall regression model is statistically significant, suggesting that at least one of the predictors (involvement, consistency, adaptability, mission) has a non-zero effect on the dependent variable (employee commitment). Additionally, the sum of squares values indicates that a significant portion of the total variation in the dependent variable is explained by the regression model, with a total sum of squares of 32.077. This implies that the model provides a good fit to the data, and the inclusion of the predictors (involvement, consistency, adaptability, and mission) significantly contributes to explaining the variance in the dependent variable, employee commitment.

## **4.6 Regression Coefficients**

The coefficient value in a regression analysis represents the amount of change in the dependent variable for a one unit change in the independent variable, while holding all other independent variables constant. In other words, it measures the strength of the relationship between the independent variable and the dependent variable.

There are two types of coefficients in regression analysis: standardized and unstandardized. Unstandardized coefficients, also known as beta coefficients, represent the amount of change in the dependent variable per unit change in the independent variable. Standardized coefficients, on the other hand, measure the amount of change in the dependent variable in standard deviation units per one unit change in the independent variable. The significance level of the coefficient estimate, commonly represented by the p-value, indicates the probability of obtaining the observed coefficient estimate by chance.

Table 22: Beta Coefficients

	Coefficients <sup>a</sup>										
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.						
Model	В	Std. Error	Beta								
(Constant)	0.367	0.122		3.013	0.003						
MI	0.176	0.034	0.214	5.185	0.000						
AP	0.186	0.031	0.221	6.022	0.000						
CN	0.328	0.023	0.487	14.239	0.000						
IV	0.244	0.034	0.269	7.172	0.000						
a. Dependent Variable: EM											

From the above table 22, we can easily compare the relative contribution of each of the different variables by taking the beta value under the unstandardized coefficients. The higher the beta value, the strongest its contribution becomes. Accordingly, Consistency (Beta=.328) makes the strongest unique contribution to explaining the dependent variable, followed by Involvement (B=.244), then adaptability (B=.186). On the other hand, mission is low contributors to explaining the dependent variable with beta values of 0. 176. When we see the statistical significance of each variable from the above coefficients table 22, Consistency, Involvement, Mission and Adaptability (Sig. = .000) which have a statistically significant contribution (Sig<.05) for the prediction of the dependent variable.

Employee commitment = 0.367 + Involvement 0.244 + Consistency 0.328 + Adaptability 0.186 + Mission 0.176 +  $\epsilon$ 

#### **Interpretation for the above equation**

- For every unit increase in the value of the organization's mission, setting all other predictor variables to be constant, the value of the response variable, employees' commitment (EM), will increase by 0.176 units or 17.6%.
- For every unit increase in the value of adaptability, setting all other predictor variables to be constant, the value of the response variable, employees' commitment (EM), will increase by 0.186 units or 18.6%.
- For every unit increase in the value of consistency, setting all other predictor variables to be constant, the value of the response variable, employees' commitment (EM), will increase by 0.328 units or 32.8%
- For every unit increase in the value of involvement, setting all other predictor variables to be constant, the value of the response variable, employees' commitment (EM), will increase by 0.244 units or 24.4%.

These interpretations suggest that each independent variable positively impacts employees' commitment, with consistency having the most significant effect. A unit increase in consistency leads to a 32.8% increase in employees' commitment, while a unit increase in mission, adaptability, and involvement results in 17.6%, 18.6%, and 24.4% increases in employees' commitment, respectively.

Table 23: Summery of the overall outcome of the research hypothesis

Hypothesis	Coefficient	(P<0.05)	Decision
H1: There is positive and significant relationship between mission and employees commitment	0.214	0.000	Accept
H2: There is positive and significant relationship between adaptability and employees commitment	0.221	0.000	Accept
H3: There is positive and significant relationship between consistency and employee commitment	0.487	0.000	Accept
H4: There is positive and significant relationship between involvement and employee commitment	0.269	0.000	Accept

#### 4.7 Discussion

The aim of this study was to test the effect of organizational culture on employee commitment of Ethio-Nippon Technical Company Share Company. The result of correlation and regression analysis shows that Involvement, Consistency, Adaptability and Mission have positive effect on the employees" commitment. This finding was supported by Meseret (2019), who conducted in the case of Ethiopian Airlines, Addis Ababa, from 331 employees, which suggested that there was statistically significant positive relationship between all the four organizational dimensions (i.e. involvement, consistency, adaptability and mission) and employees' commitment.

According to Nongo and Ikyanyon, (2012) findings who have indicated that there was a significant relationship between all the components of organizational culture including adaptability, involvement, consistency, mission and organizational commitment Saadat, Marjani&Momeni (2012). Whose research finding shows that consistency has significant relationship with organizational commitment, this study found the same result.

Wadhwa and Verghese (2015) investigated the relationship between organizational culture and employee commitment. The study emphasized that a strong organizational culture positively impacts employee commitment by fostering a sense of belonging and shared purpose. The study identified key cultural traits involvement, consistency, adaptability, mission as critical factors that enhance employee commitment. The study concluded that organizations that actively engage employees in decision-making processes and maintain a supportive and adaptive culture are more likely to achieve higher levels of employee commitment. This alignment of organizational values and employee expectations creates a cohesive and motivated workforce.

## CHAPTER FIVE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This research had an aim of investigating the effect of selected organization cultural traits which are Involvement, Consistency, Adaptability and Mission on employees' Commitment. This was done by investigating the relationship between each determinant factors and employees' Commitment using correlation analysis and regression analysis to determine the extent of change in employees' Commitment due to the selected cultural traits

## **5.1 Summary of finding**

- Pearson coefficients implies that the four factors measuring organizational culture were all positively related with employees commitment within the range of 0.661 to 0.780, all were significant at p<0.01 level.
- The result of multiple regression analysis, indicate that R2 .867 shows that 86.7% of the variation of employees commitment can be predicted by the independent variables involvement, consistency, adaptability and mission. It indicates that employees' commitment is influenced by 86.7%.of organizational culture in ENITCO. The remaining 13.3% of variation of employee's commitment can be clarified by other variables
- The ANOVA table shows that the p- value for statistics (.000) is less than the significance level 0.05 (p< 0.05). This is to mean the model is acceptable from a statistical perspective.
- Consistency is the most contributing organizational culture traits in the prediction of employee commitment with beta value .328. The other three organizational culture traits, in their descending order of standardized coefficients, are involvement (B=.244), Adaptability (B=.186) and mission (B=.176).
- Statistically significant of the four organizational culture shows there is relationship between them and the dependent variable (employee commitment) in which p <0.05.</li>
   Accordingly, alternative hypotheses related to Consistency, involvement, mission, and adaptability were accepted.

#### **5.2 Conclusion**

The study aimed to identify the effect of organizational cultures on employee commitment based on Denison cultural dimensions of mission, involvement, consistency and adaptability with employee commitment at Ethio-Nippon Technical Company Share Company. The analysis, based on data collected from 157 respondents, provided significant insights into how various cultural traits influence employee commitment.

- The result of multiple regression analysis indicates Consistency had stronger positive and statistically significant correlation with employee commitment. This suggests that a stable and predictable work environment, where policies and procedures are consistently applied, significantly enhances employee commitment.
- Next to consistency Mission has a positive and significant impact on employee commitment. Employees who perceive the mission as clear and inspiring are more likely to feel motivated and aligned with the organization's goals.
- Involvement in decision-making processes and having a sense of ownership over their
  work showed a significant positive relationship with commitment. Highlighting the
  importance of involving employees in organizational processes to boost their
  commitment.
- Adaptability also showed a significant positive relationship with employee commitment. The ability of the organization to respond to changes and the flexibility it provides to employees enhances their sense of belonging and commitment.

Overall, the study confirmed that mission, adaptability, consistency, and involvement are critical cultural traits that significantly influence employee commitment.

#### **5.3 Recommendations**

Depending on the findings of the study and conclusions made, the researcher came up with some important recommendations which would help the organization to focus on organizational culture that can largely as follows

- Based on the research finding to enhance mission clarity and communication, Ethio-Nippon Technical Company Share Company should ensure that all employees are well-informed about the organization's mission. Regular updates on the strategic direction and how individual roles contribute to achieving the mission are essential. Additionally, conducting workshops and training sessions will help employees better understand and internalize the mission, thereby aligning their efforts with organizational goals.
- Based on the research finding to foster adaptability, Ethio-Nippon Technical Company Share Company should cultivate a culture that values flexibility and responsiveness to change. This can be achieved by offering training programs that enhance employees' adaptability skills and implementing feedback mechanisms to promptly identify and address areas needing improvement. Encouraging such a dynamic environment will help the organization stay agile and responsive to internal and external changes.
- Based on the research finding to maintain consistency, Ethio-Nippon Technical Company Share Company should develop and enforce clear policies and procedures that are uniformly applied throughout the organization. Ensuring transparency in decision-making processes will build trust and reliability among employees. Additionally, regularly reviewing and updating policies will help maintain their relevance and effectiveness, fostering a stable and trustworthy organizational environment.
- Based on the research finding to increase employee involvement, Ethio-Nippon
  Technical Company Share Company should create opportunities for employees to
  participate in decision-making processes and problem-solving activities through
  suggestion schemes. Recognizing and rewarding employee contributions will
  reinforce their sense of ownership and commitment, ultimately enhancing their
  engagement and investment in the organization's success.

By implementing these recommendations, Ethio-Nippon Technical Company Share Company can strengthen its organizational culture, thereby enhancing employee commitment and overall organizational performance. The findings of this study provide a roadmap for building a committed workforce that is aligned with the organization's goals and objectives

## Reference

- Allen, N., & Meyer, J. P. (1996). Affective, continuance, and normative commitment to the organization: An examination of construct validity. *Journal of Vocational Behavior*, 49(3), 252-276.
- Armstrong, M. (2006). *A handbook of human resource management practice*. London: Kogan Page Limited. (pp.19-22).
- Assye, B. (2021). The effect of organizational culture on employees' commitment: In the case of National College (p. 57).
- Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture* (pp. 89-102).
- Coffey, V., Trew, A., & Trigunarsyah, B. (2012). Organizational culture in airworthiness management programs: Developing a measurement model. (p. 61).
- Deal, T. E., & Kennedy, A. A. (1983). Culture: A new look through old lenses. *Journal of Applied Behavioral Sciences*, 19, 498-506.
- Denison, D. R., & Mishra, A. K. (1995). Toward a theory of organizational culture and effectiveness. *Organization Science*, 6(2), 204-223.
- Denison, R. D., & Neale, S. W. (2011). *Denison organizational survey*. Washington: Denison Consulting, LLC.
- Dolan, S., & Lingham, T. (2012). *Introduction to international organizational behavior*. Logan Ltd.

- Ghorbanhosseini, M. (2013). The effect of organizational culture, teamwork, andorganizational development on organizational commitment: The mediating role of human capital. *International Journal of Engineering and Science*, 2(4), 1019-1025.
- Hakim, A. S. (2015). Effect of organizational culture, organizational commitment to performance: Study in hospital of District South Konawe of Southeast Sulawesi. *The International Journal of Engineering and Science (IJES)*, 33-41.
- Hofstede, G., Neuijen, B., Ohayv, D. D., & Sanders, G. (1990). Measuring organizational cultures: A qualitative and quantitative study across twenty cases. *Administrative Science Quarterly*, 35(2), 286-316.
- Jaros, S. (2007). Meyer and Allen model of organizational commitment: Measurement issues.

  The Icfai Journal of Organizational Behavior.
- Getachew, M. (2019). The effect of organizational culture on employees' commitment: In the case of Ethiopian Airlines (p. 66).
- Yimer, M. (2021). The effect of organizational culture on employee commitment: In case of Ethiopian Islamic Affairs Supreme Court (p. 38).
- Nelson, D. L., & Quick, J. C. (2011). *Understanding organizational behavior*. Belmont, CA: Cengage South-Western.
- Nelson, D. L., & Quick, J. C. (2013). *Organizational behavior* (pp. 115-139). New Jersey: Pearson Education.
- Nongo, E. S., & Ikyanyon, D. N. (2012). The influence of corporate culture on employee commitment to the organization. *International Journal of Business and Management*,

7(22), 21-28.

- Schein, E. H. (1992). *Organizational culture and leadership: A dynamic view*. San Francisco: Jossey-Bass.
- Shoaib, M., & et al. (2013). Effect of culture medium on herbicidal potential of metabolites of Trichoderma species against Parthenium hysterophorus (pp. 119-124).
- Wadhwa, D. S., & Verghese, M. (2015). The impact of employee empowerment on job satisfaction and organizational commitment: An empirical investigation with special reference to selected cement industry in Chhattisgarh. *International Journal of Management and Social Science*, 3, 280-286.
- Werega, A. (2019). The effect of organizational culture on employee commitment: In case of the Commercial Bank of Ethiopia (p. 57).
- Wambui, L. N., & Gichanga, L. (2017). Impact of organizational culture on organizational commitment. *Strategic Journal of Business & Change Management*, 5(2), 1-25.

#### **APPENDIX**

# ST. MARY'S UNIVERSITY School of Graduate Studies(MBA) School of Business Questionnaire to be filled by the ENITCO

Dear Participant, My name is MekidsYosef, I am a graduate student at St. Marry University, Currently, and i am undertaking a research to identify the effect of organizational culture on employee's commitment. The result of the study will assist the case organization (ENITCO) by determining which type of organizational culture has greater effect on employees" commitment and to adjust its focus on the most important organizational culture type. Please do not write your name or contact address on the questionnaire. Thank you in advance for your kind cooperation. **Part I:** Demography of Respondents (Please put (✓) mark in the x that best describes 1. Sex of respondents: Female Male 38 - 47 48 and above 2. Age: 18 - 2728- 37 3. Highest educational level obtained: ☐ Diploma / Level IV ☐ First Degree ☐ Masters and above 4. How long have you been in this organization?  $\square$  Below 1 -5 year  $\square$  6 -10 years  $\square$  11 and above years 5. Marital Status;

☐ Widow

☐ Married ☐ Divorce

Single

6. Employment Group:	Management	■ Non-Management
----------------------	------------	------------------

# Part II: Opinion Survey on organizational Culture on employees' commitment

**Instruction**: Please indicate the degree of your agreement/disagreement with the following statements associated with the four traits of organizational culture; Involvement, Consistency, Adaptability and Mission in ENITCO. Put a tick mark  $(\Box)$  in front of the following itemsusing the 5 likert scale as shown below.

# **Rating Scale**

1=Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree and 5=Strongly Agree.

#### **I.INVOLVEMENT**

S/N	Statements	Rating Scale				
,		1	1 2 3 4		5	
1	Information is widely shared so that employees can get the information they need					
2	The organization inspired the staff that they are to participate in the process decision making					
3	I feel comfortable expressing my ideas during discussions about strategic objective					
4	The capabilities of employees are viewed as an important source of competitive advantage					
5	The planning process in our organization involves everyone to some degree					

# **II CONSISTENCY**

S/N	Statements		Rating Scale			
5,11	Suttements	1 2 3 4	4	5		
1	The organization enforces its rules and regulations fairly and consistently					
2	There is a clear agreement regarding the right way and the wrong way to do things					
3	There is an ethical code that guides employee behavior and tells right from wrong					
4	As an employee, I am given assignments that are consistent with my strengths, interests and opportunities					
5	When policies change, they are communicated clearly too all employees					

# **III.ADAPTABILITY**

S/N	Statements		Rating Scale			
		1	1 2 3	4	5	
1	The organization invests in training and development					
	Programs to help employees keep their skills up-to-date.					
2	The organization is flexible and can adapt to changes in					
	the external environment					
3	Employees are encouraged to come up with new ideas					
	and solutions to problems					
4	Employees understand customer's wants and needs					
5	The organization respond to competitors actions and					
	other changes in the business Environment					

# III. MISSION

S/N	Statement	Rating Scale	cale			
,	S	1	2	3	4	5
1	The organization mission is inspiring and motivates me to do my best work					
2	I feel that my work contributes to the overall success of The organization.					
3	I am regularly informed about changes in organization strategic direction					
4	I have a clear understanding of how my role impacts the Success of the organization.					
5	The Organization strategic direction is clear to me					

# IV. Employee commitment

S/N	Statement	Rating Scale			cale	
0,11	S	1	2	3	4	5
1	Often I find it difficult to agree with this organization's					
	Policies on important matters relating to its employees?					
2	The organization's mission and values resonate strongly					
	with my personal beliefs?					
3	Working at ENITCO motivates me to consistently put in					
	My best effort?					
4	Looking back on my career choices, I am very happy					
	With my decision to work for ENITCO?					
5	I actively promote the organization's positive reputation					
	to my network					