ORGANIZATIONAL CULTURE OF COMMERCIAL BANK OF ETHIOPIA IN ADDIS ABABA

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Abstract

An organizational culture is a system of shared beliefs and attitudes of its members. However, organizational culture has been an area in which conceptual work and scholars in organizational management have provided guidance for mangers as the culture improves its effectiveness. Every organization is assumed to have its own culture - organizational culture, which is hidden and difficult to identify. The purpose of this study was to to assess and to analyze organizational culture which has been in practice at the Commercial Bank of Ethiopia in its current situation. In this study, cross-sectional descriptive survey design was used. Moreover, semi-structured interviews of qualitative research method were employed by the researcher. The total sample size was 60 employees drawn from the Head Office of the Commercial Bank of Ethiopia. Structured questionnaires, interview guides, as well as focus group discussion schedule were employed to collect primary data from the sampled respondents, key informants and the group discussants respectively. In addition, the secondary data were collected from relevant, potential documents located in different resources centers, including the Commercial Bank of Ethiopia using documentary analyses. The quantitative data collected was analyzed manually using descriptive statistical technique and presented as frequency distributions in terms of frequencies and percentages In addition, the qualitative data were analyzed using content analysis. Fifty-four percent of the respondents believed that the Bank's workers strongly shared its vision, and sixty-three percent of them did not strongly share the Bank's procedures, rules and regulations. The majority of the study participants rated the workers' commitment and their involvement in the decision making process as weak, and stated lack of role clarity in the Bank. In addition, there were lack of openness of information flow in all directions and internal communications, transparency, openness and fairness in making decision, accountability, consistency, as well as the Officials did not treat everyone similarly in the Commercial Bank of Ethiopia. However, there was strong feeling of belongingness to the group in

the Bank. Organizational celebrations were also found to be the dominant organizational culture in the Bank. Generally, negativistic cultural values (such as strong subjectivity, highly centralized values, weak working relationships and mistrust) among colleagues were found in the Commercial Bank of Ethiopia. The dominant organizational culture in the current situation of the CBE is composed of organizational directions, like shared vision, strategies and policies, clarity of objectives, shared procedures, rules and regulation were found to be slightly stronger than the rest of cultural values considered in the study. Therefore, the General Manager of the Bank should create awareness regarding proper organizational cultures through various training workshops, meetings and celebrations. In addition to these, the Bank should work with different national and international management consultants on how to change the current organizational culture so that the Bank may improve and develop better cultural values that may contribute to its overall performance. By and large, the concerned Officials and stakeholders should develop a system which brings about cultural changes in the Bank and then these endeavours may create better working conditions and enabling environment.

Introduction

In 1980s, scholars in organization management began paying series attention to the concept of culture. Organizational practice had led researchers and scholars to get focused mainly on documenting, explaining and building models of organizational phenomena that were already tried in the field of management. However, organizational culture has been an area in which conceptual work and scholars have provided guidance for mangers as they have searched for ways to improve the effectiveness of organizations (Cameron & Quinn, 1999, p. 156).

The word "culture" has been derived metaphorically from the idea of "cultivation", the process of tilling and developing land. When one talks about culture, s/he is typically referring to the pattern of development reflected in society's system of knowledge, ideology, values, laws, social norms and day to day rituals (Chandan, 1994, p. 402).

An organizational culture is thus a system of shared beliefs and attitudes of members. It is also known as "corporate culture", consists of norms, values and unwritten rule conduct of organization, as well as management styles priority, beliefs and interpersonal behaviours that prevail. Together, they create a climate that influences how well people communicate, plan and make decisions (Chandan, 1994, p. 410).

Organizational culture, according to Shien (1989, p. 273), is an idea in the field of organizational studies and management which describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organization. It has been defined as, "the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders that are outside of the organization.

Organizational values which are also known as

> [B]eliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds of standards of behaviour organizational members should use to achieve these goals. From organizational values, one may develop organizational norms, guidelines or expectations that describe appropriate kinds of behaviour by employees in particular situations and control the behaviour of organizational members towards one another (Hill & Jones, 2001, p. 95).

As known, organizational culture has major impact on the performance of organizations and especially on the quality work life experienced by the employees at all levels of the organizational hierarchy. However, of all other management issues, organizational culture has been greatly overlooked. In organization, culture has a dominant influence on people's behaviour and, hence, on their work attitude.

The Commercial Bank of Ethiopia is expected to maintain good organizational culture with its employees by retaining competent and motivated employees. But, the Bank's management has not made a conscious and planned effort to manage its culture in a well coordinated way that brings about organizational excellence. However, professionals show that there have been multi-dimensional problems on the part of the employees at CBE. For example, the employees do not communicate with each other efficiently and have less cooperation with each other, there is also a high burden of tasks which may lead them to be dissatisfied with their jobs. These problems may be related to the existence of poor organizational culture or not in the Commercial Bank of Ethiopia (Shimelis, 2010).

Thus, the Commercial Bank of Ethiopia (CBE) requires a practice of good organizational culture. By deliberately planning and consciously setting up culture in an organization, management can lay the very basic foundation for success. On the other hand, organizational culture is not same in business firm of one sort or another. Thus, this study aimed at investigating the dominant organizational culture that would influence the performance of the Commercial Bank of Ethiopia (CBE) and identifying issues related to dominant organizational characteristics, leadership, training and development mechanisms, as well as strategic emphasis.

Statement of the Problem

Every organization is assumed to have its own culture. However, organizational culture is hidden and difficult to identify. According to Schien (1989, p. 275), culture does not reveal itself easily. It is clearly there, but to articulate it and to describe it requires great patience and effort.

Organizations develop a brilliant strategy and then fail to execute; they embark on a major change that does not get successfully implemented or takes too long. A leader who has sat at the executive table, where good decisions are made; agreement is achieved; commitments are made; s/he may watch, get perplexed, as little or nothing happens. Creative idea and innovative plans become stymied by bureaucratic process and energy draining efforts. In most cases, the cause of all these is the absence of a performance culture (Reid & Hubbel, 2005, p. 125). Several empirical studies have also supported the existence of positive link between organizational culture and performance (Kotter & Keskett, 1992, P. 202).

Hence, a high degree of organizational performance is related to an organization, which has a strong culture with well integrated and effective set of values, beliefs and behaviours (Cameron & Quinn, 1999, P 160).

Therefore, the practice of organizational culture would get due attention as other aspects of the organizational problems in government banks. Thus, this study focused on the assessment of organizational culture practices in Commercial Bank of Ethiopia in Addis Ababa.

In order to assess current organizational culture in the Bank, the student researcher posed and attempted to answer the following basic questions: (1)What are the dominant cultures at CBE in the current situation? (2) What are the positive and negative cultural values in the Bank? (3) What are the contributions of current organizational culture on the performance of the Commercial Bank of Ethiopia? (4) What measures should be taken and improvements should be made to promote desired culture in the Bank?

The general objective of this study was to assess and to analyze organizational culture which has been in practice at the Commercial Bank

of Ethiopia in its current situations. Specifically, the study tried to (i) assess the existing dominant culture(s) at the Commercial Bank of Ethiopia in its current situation; (ii) identify the positive and negative cultural values in the CBE; (iii) to examine the contributions of the current organizational culture(s) in the Bank on its performance; (iv) identify necessary measures and improvements that should be taken to promote desired organizational culture(s) in the Bank.

It is believed that the findings of the study will have significant contributions in that they may be used as inputs for business firms policy makers, the practitioners and as reference material in the knowledge reservoir of the organizational management. The findings of the study also may trigger other further studies in different socio-economic contexts at macro-, meso- and micro-levels in Addis Ababa, Ethiopia.

The scope of the study was delimited to the Commercial Bank of Ethiopia's Head Office due to time and other technical reasons. The study focused on the core values that are shared by the majority of the Bank's members and one of the visible organizational cultures, about organizational structure. As a result, this study would not attempt to study the sub-cultures that might exist in different divisions of the Bank because of time and other constraints. Commercial Bank of Ethiopia has many branch offices. However, the study was delimited to the Commercial Bank of Ethiopia employees and managers who were working in the Head Office. It is convenient to conduct the study and get relevant information from; the Commercial Bank of Ethiopia employees and managers working in the head office. The employees who were involved in this study as sources of data were those employees who could read and understand English and served more than three years in the CBE. This is because these employees were believed to have a better chance of understanding the Head Office of the Bank's culture. The time frame of the Study regarding

organizational culture at head office was delimited to the four consecutive years; from the year March, 2008 until March, 2012.

Operational Definitions

- **Organizational Culture** is a pattern of beliefs and expectations shared by organizational members.

- **Culture** is a set of ideas, beliefs and ways of behaving of a particular organization or group of people (Macmillan English Dictionary, 2006, p. 338).

- **Belief** is a strong feeling that something exists or is true. It represents the individual's perceptions of reality (Macmillan English Dictionary, 2006, p. 113).

- **Value** is a situation or a pattern of behavior that is usual or expected (Macmillan English Dictionary, 2006, p. 1588).

- **Norm** is beliefs about what is right and wrong and what is important in life (Macmillan English Dictionary, 2006:963).

Review of Related Literature

This part of the study generally dealt with the theoretical, as well as empirical evidence of the organizational culture. The literature review begins with the definition and characteristics of organizational culture, then to make the concept of organizational culture more clear, levels and types of organizational culture, dimensions of culture and managing organizational culture.

Culture is elusive, intangible, implicit, and taken for granted. But every organization develops a core set of assumptions, understandings, and

implicit rules that govern day-to-day behaviour in work place (Robbins, 2005, p. 102). Culture is both an important concept, and an inclusive one. The word culture is derived from the Latin, meaning to till the soil (Hotsede, 1994, p. 95). The term "culture" originally comes from social anthropology to represent, in a very broad and holistic sense, the qualities of specific human group that are passed from one generation to the next (Kotter & Heskett, 1992, p. 3). Even though the concept is borrowed from anthropology though anthropologists disagree among themselves what culture means (Smirich, 1983, p. 175). There are more than 300 definitions of the concept of culture.

However, formal definitions of culture focus on ideologies, norms, customs, shared values and beliefs which characterize an organization. Jaques (1952), for example, defines culture as the "customary and traditional way of thinking and doing things, which is shared to greater or lesser degree by all members, and which new members must learn and at least partially accept in order to be accepted" Jaques (1952, p. 251).

A more modern definition depicts culture as the 'software of mind'. That is, 'the collective programming of the mind which distinguishes the members of one group or category of people from another (Hofsede, 1994, p. 5). According to him, culture is learned rather than inherited (unlike personality which is partly inherited and partly learned) and human nature which is entirely inherited. Perhaps, yet how is this 'software' written, and who writes it?

'Culture' is distinct from 'climate'. Climate concerns the relatively tangible aspects of organization, such as decision making procedures and official channels of communication. Culture, in contrast, concerns the

relatively intangible deep structure of organization. Culture centers upon shared meaning, the negotiation of meaning, and the symbolic world that result from interaction (Denison, 1996, p. 175).

The American Heritage Dictionary defines "culture", more formally as "the totality of socially transmitted behavior patterns, arts, beliefs, institutions, and all other products of human work and thought characteristics of a community or population" (Kotter & Heskett 1992, p. 4).

Cameran and Quinn (1999, p. 14) argue that organizational culture refers to the taken for granted values, underlying assumptions which are present in an organization. It reflects the prevailing ideology that people carry inside their heads. It also conveys sense of identity to employees, provides unwritten and, often unspoken guidelines for how to get along in the organization and enhances the stability of social system that they experience.

Hoy and Miskel (2008, p. 125) argue that the notion of culture brings with it the conceptual complexity and confusion. As there is no intact definition for culture from social anthropology, one may find numerous and diverse definitions of the concept.

Therefore, there are many definitions of organizational culture. Ouchi (1981, p. 41), for instance, defines organizational culture as "symbols, ceremonies, and myths that communicate the underlying values and beliefs of what that organization to its employees." Culture is viewed as organization ideology or "the traditions and beliefs of an organization that distinguish it from other organizations and infuse a certain life into the skeleton of its structure" (Mintzberg, 1989, p. 98). Shien (1992, p.

111), however, argues that the culture should be reserved for a "deeper level of basic assumptions, values, and beliefs" that become shared and taken for granted as the organization continues to be successful.

Hoy and Miskel (2008127) conclude that organizational culture is a system of shared orientations that has held the unit together and give it a distinctive identity. But substantial disagreement arises about what are shared – norms, values, philosophies, perspectives, beliefs, expectations, attitudes, myths, or ceremonies. Another problem is determining the intensity of hared orientation of organizational members. Fro example, a question: 'Do organizations have a basic culture or much culture?' Moreover, there is disagreement on the extent to which organizational culture is conscious and overt or unconscious and covert.

Supporting the idea that culture is something shared, Robbis (2005, p. 75) also states that there seems to be wide agreement that organizational culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations.

Luenburg and Ornstein (1991, p. 151) present the same idea that culture is somewhat shared. They state that the culture of an organization is all the beliefs, feelings, behaviours, and symbols which are characteristics of an organization. More specifically, organizational culture is defined as shared philosophies, ideologies, feelings, assumptions, expectations, attitudes, norms, and values.

All of the definitions listed above revolve around what organizational members have in common. Thus, it can be said that organizational culture

is a bound that holds members together; it is what makes them think and act as one. For the purpose of this study, the student researcher adopted the definition of organizational culture provided by Luenburg and Ornstein (2009) because it is found that the definition has encompassed most aspects of organizational culture and some other detailed ones.

Organizational culture also has its own characteristics. These include: seven primary characteristics which in aggregate may capture the essence of an organization's culture. Accordingly, these are:

> (1) Innovation and risk taking – is the degree to which employees are encouraged to innovation and take risks; (2) attention to detail refers to the degree to which employees are expected to exhibit precision, analysis, and attention to detail; (3) outcome orientation is the degree to which management focus on results or outcomes rather than on the techniques and process used to achieve those outcomes; (4) people orientation is the degree to which management decision take in to consideration the effect of outcomes on people within the organization; (5) team orientation – the degrees to which work activities are organized around teams rather than individuals; (6) aggressiveness is the degree to which peoples are aggressive and competitive rather than easy going; and (7) stabilit*y* is the degree to which organizational activities emphasizes maintaining the status question in contrast to growth . Robbins (2005, p. 181).

Each of these characteristics, according to Robbins, exists on a continuum from low to high. If one tries to appraise the organization on those seven characteristics, then they give a composite picture of the organizations culture. This picture becomes the basis for feelings of shared understanding that the members shave about organization, how

thing are done in it, and the way members are supposed to behave (2005:185).

Luenberg and Ornstein, (1991, p. 91), on the other hand, present completely different perspective concerning characteristics of an organization. They state that while there is considerable variation in the definitions of organizational culture, it appears that most organizations contain the following characteristics: observed behavioural regularities when organizational members interact; they use common language, terminology, and rituals and ceremonies related to difference and demeanor. The same authors continue and state organizations also consist of such elements of culture as:

> **Norms** are standards of behavior evolve in work groups, such as 'a fair days work for a faire days pay.' The impact of work group behavior, sanctioned by group norms, result in standards and yardsticks; **Dominated values** - an organization espouses and expects its members to share major values. Typical examples in schools are high performance level of faculty and students, low absence and dropout rates, and high efficiency; **Philosophy** - policies guide an organizations belief different how employee and clients are to be treated. For example, most schools districts have statements of philosophy or mission statements; **Rules** - guidelines exist for getting along in the organization, or the "ropes" that a newcomer must learn in order to become an accepted member; **Feelings** - This is an overall atmosphere that is an organization by physical layout and the way in which members interact to clients or other outsiders.

None of the aforementioned characteristics by itself represents the essence of organizational culture. However, those characteristics taken collectively reflect and give meanings to the concept of organizational culture (Luenburg & Ornstein, 1991, p. 96).

According to the aforementioned authors, the culture of an organization further includes organizational structure, motivation, leadership, decision – making, communications and change. The authors note that, to better understand this concept, one can consider organizational culture within the context of social system theory, which is a theory being characterized by inputs, a transformation process, outputs, external environment, and feedback.

Luenburg and Ornstein argue that organizations import energy from the environment in the form of information, people, and materials. The imported energy undergoes a transformation designed to channel behavior toward organizational goals and fulfill members' needs.

Administrative process (e.g. motivation, leadership, decision making, communication and change) and organizational structures (i.e. job description, selection systems, evaluation systems, control systems, and reward systems) have a significant impact on organizational culture and vice versa. These advance the process, as well as the organizational structures export a product into the external environment.

In a bank, the output may be a profit and customer's satisfaction. Not only the organization influences but also is a influenced by the external environment. Then, the social system uses feed back in it as an attempt to examine its present culture or to create a new culture (Luenburg & Ornstein, 1991, p. 96).

Concerning levels and types of organizational culture, scholars in the field state:

Organizational culture has two levels, which differ in terms of their visibility and their resistance to change. These are, in turn, deeper (less visible level), and more visible level. At deeper and less visible level, culture refers to values that are shared by people in a group and that tend to persist overtime even when group membership changes. At this level, culture can be extremely difficult to change, in part because group members are often unaware of many of the values that bind them together. At the more visible level, culture represents the behavior patterns or style or an organization that new employees are automatically encouraged by their fellow employees. According to authors, these for examples are; people in one group have for years been "hard workers" those in other "are very friendly" to strangers and those in third always wear very "conservative cloths". Culture, in this sense, is still tough to change but not nearly as difficult as at the level of basic values (Kotter and Heskett, 1992, pp. 3-4).

In addition to that, there are invisible shared values and group behaviour norms which are important concerns and goals that are shared by most people in a group, that tends to shape behaviour, and that often persist overtime even with changes in a group memberships. The managers, for example, care about customs executive, like long-term debt. Group behaviour norms are common or pervasive ways of acting that are found in a group and that persist because members tend to behave in ways that teach these group-based rules.

Cameron and Quinn (1999, p. 270), on the other hand, view culture as the broadest and at a less general level. According to them, there are many kinds or levels of culture that affect individual or organizational behaviour. At broadest level, a global culture (such as a world religion's culture or the culture of eastern hemisphere) would be the highest level. At a less general level, there are sub groups, such as gender – based

cultures (i.e. distinctive ways in which men and women view the world, occupational culture, industry cultures).

Culture is manifested in norms, shared values, and basic assumptions in which each is occurring at different levels of depth and abstraction. Norms are also communicated to participants by stories and ceremonies that provide visible and potent example of what the organization stands for. Sometimes, stories about people are created to reinforce the basic norms of the organization (Hoy & Miskel, 2008, p. 111).

Concerning shared beliefs and values, the above-stated authors state, at middle level of abstraction, culture is defined as shared beliefs and values. Values are beliefs of what is desirable they are reflections of the underlying assumption of culture, and lie at the next level of analysis. Values of ten define what members used do to be successful in an organization. When one asks people to explain why they behave the way they do, s/he may begin to discover the central values of the organization. Shared values define the character of the organization and give an organization a sense of identity. If the members of the organization know that their organization stands for, and if they know what standards they should uphold; they are most likely to make decisions that will support those standards. They are also more likely to feel part of the organization and, thus, this organizational life has important meaning to them (Hoy and Miskel, 2008, p. 108).

Finally, at its deepest level, culture is a collective manifestation of tacit assumptions. When members of an organization share a view of the world around them and their place in that world, culture exists. That is, a pattern of basic assumptions has been invited, discovered, or developed

by the organizations as it learned to cope to its problems of external adaption and internal integration. This pattern has worked well enough to be considered valid and it is taught to new members as a correct way to perceive, think, and feel in relation to those problems. From this perspective, the key to understanding organizational culture is to decipher the tacit assumptions members share and to discover how these assumptions fit together into a cultural pattern or paradigm. Tacit assumptions are abstract premises about the nature of human relations, human nature, truth, reality, and environment (Dyer, 1985 cited in Hoy & Miskel, 2008, p. 110).

More specifically, culture is represented by artifacts (Kroeva & Kluckhohn, 1963, p. 201), espoused values (Martin, 1992; Martin et al. 2004, p.4) and basic (deep) assumptions (Smircich, 1983, p. 339). Understanding these fundamental levels of culture is absolutely crucial according to Randall Grayson (1992, p. 301).

In addition to levels, there are different types of culture such as dominant, counter, strong, weak, hierarchy, clan, market and adhocracy in organizations.

For Robbins (2005), a dominant culture expresses the core values that are shared by a majority of the organizations members. When people talk about organizational culture, they are referring to its dominant culture.

Counter cultures are a pattern of values and beliefs that sharply contradict the dominant social norms, values and behaviour patterns. These counter cultures tend to emerge when individuals or group strongly feel that the existing organizational culture is too rigid and does not support their creativity or style of operations (Chandan, 1994, p. 22).

Citing Martin and Siehel, Drummnd (2000, p. 56) states that countercultures are a threat to the dominant culture. Organizations which grow by merger and acquisition sometimes discover that they have created counter cultures strong enough to undermine the organization. According to them, counter – cultures are often led informally by charismatic personalities. Drummond further suggests that, organizations may try to control counter cultures by allowing them limited autonomy. Organizations seldom tolerate leaders of counter cultures in definitely.

All firms have multiple cultures known as subcultures which are usually associated with different financial groups or geographic locations (Kotter and Heskett, 1992, p. 8). According to Lunenburg and Ornstein, (1991, p. 75) large and complex organizations do not typically manifest single homogeneous beliefs, values, and behavior patterns. In other words, there may be more than one culture in an organization – subcultures.

According to Chandan (1994, p. 28), while there is a typical and unique culture within each organization, there is usually a sub culture within a particular group or department with its own pattern of values and philosophy. These, in turn, are inconsistent to the values of the larger culture of the organization itself. Therefore, when one intends to examine organizations from a cultural perspective, it is important to include these tub cultures because they seem to be stronger in groups with high performance expectations and special projects groups within the organization than other groups. This is especially true in functionally structured organizations and matrix type organizational structures where different functional cultures coexist to the dominant organizational culture (Chandan, 1994, p. 28).

Regarding clan culture, Cameron and Quinn, (1999, p. 273) argue that, some basic associations in clan culture are that the environment can best be managed through team work and employee's development, customers are best thought of as partners. Thus, the organization is in the business of developing a human work environment, and the mangers task is the management of the organization which is to empower employees and to facilitate their participation, commitment and loyalty. The clan culture is typified by friendly place to work where people share a lot of themselves. It is like an extended family. Leaders are thought of as mentors and, perhaps, even as parent figures.

According to the above-mentioned scholars, the adhocracy culture is characterized by dynamic entrepreneurial and creative work place. People stick their necks out and take risks. Effective leadership is also visionary, innovative and risk oriented. Therefore, the glue that holds the organization together is commitment to experimentation and innovation.

The emphasis is on being at the leading edge of knowledge, products and services. Readiness for change and meeting new challenges are important. The long-term of organizations emphasis is on rapid growth and acquiring new resources. Success means producing unique and original products and services, according to Cameron and Quinn (1999, p. 175).

The above-stated authors further confirm that those four culture types characterize different organizations. Hierarchy culture, for example, characterizes large organizations and government agencies which can be evidenced by large members of standardized procedures and multiple hierarchical levels seen in such organizations. Adhocracy culture characterizes organizational form that is most responsive to the hyper

turbulent and hyper accelerating conditions that increasingly typify the organizational world of twenty – first century.

Hofsted (1980, p. 11), regarding the management of organizational culture, states that managers have to "manage" the perception of employees of organizational culture as major changes is made. They could modify organizational culture through stories, rituals and myths. The management could also attribute new meanings to important company events. However, changing old norms and values is a time consuming process, but the benefits might make it work.

A dynamic climate is created though the cumulative efforts of managerial actions, technology and initiatives from the employees themselves. Working together towards a change in the product line, structure or processes, facilitates the creation of a new ethos. Continuous self assessment and organizational development (OD) interventions help bring about a change in organizational culture when emphasis on customer and stockholders is a significant focus. To sum up, culture in any organizations must be managed effectively to be successful.

Research Design and Methodology

The study design used in this research was cross-sectional descriptive survey. This is because it describes the actual events or situation as they exist. Moreover, semi-structured interviews of qualitative research method were employed by the researcher.

The total number of target population in the Head Office of the Commercial Bank of Ethiopia was 200. To distribute questionnaires, to conduct interviews and focus group discussions, 30% of the population

size was taken as sample size for the study which made the sample size 60 people. The sampling elements were composed of the Director of the Bank for semi-structured interview, four people (young and aged employees and two Human Resource Managers) for focus group discussion was taken by using purposive sampling technique, to generate general picture of the current Organizational Culture in the Commercial Bank of Ethiopia. A total of 55 employees filled in the questionnaires distributed properly and returned to the student researcher.

Structured questionnaires, interview guide, as well as focus group discussion schedule were employed to collect primary data from the sampled respondents, key informants and the group discussants respectively. In addition, the secondary data were collected from documentary analysis of relevant, positional documents located in different resources centers, including the Commercial Bank of Ethiopia.

Regarding the procedures of primary data collection, the structured questionnaires which consisted of both closed- and open-ended questions were distributed to the sampled employees of the Bank. Moreover, semi-interviews were conducted with the Bank's Manger, Human Resources Manager and focus group discussion was conducted with employees of the Bank to gather data from their point of view about the organizational culture(s) in the Commercial Bank of Ethiopia.

In order to collect the qualitative data from the key informants in the study, the researcher arranged the time after they had accomplished their daily tasks at the Commercial Bank of Ethiopia. On top of these, secondary data related to the organizational culture were collected using documentary analysis matrix.

The quantitative data collected was analyzed manually using descriptive statistical technique and presented as frequency distributions in terms of frequencies and percentages. Afterwards, these percentages were interpreted in the light of the study objectives. In addition, the qualitative data were analyzed using content analysis.

Data Presentation, Analysis and Interpretation

The objective of the study was to assess the current organizational culture and its practice in the Commercial Bank of Ethiopia. This chapter presents data, analysis and interpretation of the data gathered from both quantitative and qualitative studies. The findings of the study are organized into major themes, such as socio-demographic characteristics, dominant organizational culture, negative cultural values in the Bank, contributions of the current organizational culture to the Bank's performance, as well as practices of the organizational culture in the Commercial Bank of Ethiopia.

Socio-demographic Characteristics of the Respondents

In order to assess the organizational culture and its practice at the Head Office of the Commercial Bank of Ethiopia, the student researcher distributed a total of fifty-five standard questionnaires and then a total of forty-two instruments were returned. Therefore, the response rate was the 76.4%. The data analysis thus continued accordingly.

The study participants were dominated by male respondents. As shown in Table 1, a total of 27/64.0%) were males, while 15(36.0%) were females. Disaggregated by age, about two-third (64.0%) of them were young adults. A total of 17(40.0%) were in the age bracket of 26-30 and 10(24.0%) were

in the age category which ranges from 18 to 25 years. Therefore, the respondents in the Commercial Bank of Ethiopia were males whose ages were found the age bracket of 18-30 years which was composed of young adults.

It is indicated that almost all of the respondents were found to be either diploma or bachelor's degree holders. About three-fifth (62.0%) of the held diploma in one type of discipline or another, whereas 15(36.0%) of the respondents were found to be graduates of bachelor's degree in those disciplines which may be relevant for baking business.

Table 1. Gender, Age and Education Background of the Respondents

No.	Item	f	(%)
1	**Gender**		
	Male	27	64.0
	Female	15	36.0
	Total	**42**	**100.0**
2	**Age category**		
	18 – 25	10	24.0
	26 – 30	17	40.0
	31 – 35	5	12.0
	36 – 40	5	12.0
	41 – 45	2	5.0
	46 – 50	2	5.0
	>50	1	2.0
	Total	**42**	**100.0**
3	**Educational background**		
	Diploma	26	62.0
	Degree	15	36.0
	Master's Degree	1	2.0
	Above Master's Degree	0	0.0
	Total	**42**	**100.0**

SOURCE: Own study results, 2012.

As illustrated in Table 1, current position and work experience of employee respondents. About half (47.0%) of the workers in the study were accounts with work experience which ranged from 11 to 15 years. This shows that the majority of employees who were working in at Head Office the Commercial Bank of Ethiopia are accountants with relatively short length of work experience.

Table 2. Distribution of the Respondent Current Position and Work Experience in the Commercial Bank of Ethiopia

4	**Current Position**	**f**	**%**
	Accountant	20	47.0
	Administrator	2	5.0
	Internal Auditor	7	17.0
	Other(s)	13	31.0
	Total	**42**	**100.0**
5	**Work Experience**	**f**	**%**
	Below 4 years	12	29.0
	4 – 9 years	10	24.0
	10 – 15 years	14	33.0
	16 – 21 years	5	12.0
	>21 years	1	2.0
	Total	**42**	**100.0**

SOURCE: Own survey, 2012.

With regard to employees' work experience, as indicated in Table 2, a total of 14 employees in the study which accounted for one-third (thirty-three percent) had work experience of 11 to 15 years. In addition, twenty-nine percent of the respondents were found to be with work experience of less

than five years in the Bank. Thus, one may deduce that the majority of employees have been working in the Bank for not more than 15 years. Because the majority of the employees worked less than a decade, they lacked work experience in the Commercial "Bank of Ethiopia and, thus, they were not familiar enough with the Bank's organizational culture and its actual practices.

Dominant Organizational Culture in the Bank

Table 3 shows that more than half or half of the respondents were found to rate the Bank's shared vision as strong (54.0%), the shared strategies and policy as strong (50.0%), the clarity of objectives of the Bank as strong (50.0%), but the shared procedures, rules and regulations were rated at satisfactory level (50.0%). Therefore, the organizational directions of the Commercial Bank of Ethiopia are in the right position but it requires some more works which should be performed by concerned bodies at different levels in the system in order to improve some of its weaknesses.

The sampled employees of the Bank also assessed and rated its composition, dynamic and synergy as shown in the Table 4 below. There was significant strong evaluation of the Commercial Bank's internal composition, dynamic and synergy. A total of 14(47.0%) employees in the study rated the commitment of the team formed among Bank/s employees as strong, 15(50.0%) of them were found to rate the employees' openness to information flow as satisfactory, strong team spirit was found among the workers of the Bank (14(47.0%), the belongingness to the group among the workers fo the Bank was rated as strong by a total of 17(57.0%), and the Bank's act in involving the team in decision making was evaluated as satisfactory by 12(40.0%) respondents. Based on the findings of the study, one may deduce that the composition, dynamic and synergy of the

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Commercial Bank of Ethiopia are strong. However, the Bank should once again assess the issues under investigation further and come up with plausible interventions which could boast its composition, dynamic and synergy. Therefore, the Commercial Bank of Ethiopia should focus its efforts to improve existing team composition based on outputs of various studies and on share experiences from other similar business oriented institutions within or outside the country.

Table 3. Rate of Organizational Directions in the Bank

2.1 How do you rate the following organizational directions in your Bank?	Responses							
	Strong		**Satisfactory**		**Weak**		**Total**	
	f	%	f	%	f	%	f	%
Shared vision	16	54.0	10	33.0	4	13.0	**30**	**100.0**
Shared strategies and policy	15	50.0	12	40.0	3	1.0	**30**	**100.0**
Clarity of objectives	15	50.0	13	43.0	2	7.0	**30**	**100.0**
Shared procedures rules and regulations	11	37.0	15	50.0	4	13.0	**30**	**100.0**
Total	**57**	**48.0**	**50**	**42.0**	**13**	**10.0**	**120**	**100.0**

SOURCE: Own study results, 2012.

The trends of internal communications were not in their right conditions. Based on the items responded on the internal communications of the respondents, a total of 14(47.0%) rated the commitment of the team as satisfactory, 14(47.0%) respondents evaluated the role clarity as strong, 13(44.0%) of the sampled staff rated the openness and trust as weak, 13(43.0%) evaluated the act of treating everyone similarly as weak,

15(50.0%) of them rated the information flow in all directions in the Bank as satisfactory, and 14(47.0%) of sampled employees were found to rate the practice of transparency as weak. These indicate that the employees never trust each other and the absence of transparency among each other which, in turn, develop gossips and roomers on all Organizational activities of the Bank. Thus, these deviance behaviours need interventions for immediate behavioural change among the employees.

Table 4. Rate of Composition, Dynamic and Synergy in the CBE

2.2 How do you rate your Bank's composition, dynamic and synergy in the following attributes?	Responses							
	Strong		Satisfactory		Weak		Total	
	f	%	f	%	f	%	f	%
Commitment of the team	9	30.0	14	47.0	7	23.0	30	100.0
Role clarity	14	47.0	10	33.0	6	20.0	30	100.0
Openness to information flow	8	27.0	15	50.0	7	23.0	30	100.0
Team spirit	14	47.0	10	33.0	6	20.0	30	100.0
Belongingness to the group	17	57.0	9	30.0	4	13.0	30	100.0
Involving the team in decision making	10	33.0	12	40.0	8	27.0	30	100.0
Total	**72**	**40.0**	**70**	**38.9**	**38**	**21.1**	**180**	**100.0**

SOURCE: Own study results, 2013.

To this end, the Commercial Bank of Ethiopia should bring about those changes by creating transparent methods and principles in hiring, promoting employees and by doing a lot to improve the internal communications

through by arranging discussion and get-together programs. The overall evaluation of the sampled respondents shows that the internal communications in the Bank were weak.

Table 5. Rate of Internal Communication of the CBE

2.3 How do you rate the internal communication of your Bank in following attributes?	Responses							
	Strong		Satisfactory		Weak		Total	
	f	%	f	%	f	%	f	%
Openness and trust	7	23.0	10	33.0	13	44.0	**30**	**100.0**
Treat everyone similarly	9	30.0	8	27.0	13	43.0	**30**	**100.0**
Information flow in all directions	8	27.0	15	50.0	7	23.0	**30**	**100.0**
Transparency	10	33.0	6	20.0	14	47.0	**30**	**100.0**
Total	**34**	**28.3**	**39**	**32.5**	**47**	**39.2**	**120**	**100.0**

SOURCE: Own survey outputs, 2012

As the above table clearly shows, item 2.4, about decision making process deals with in four items which will describe by each items. In relation to transparency and openness; 11% of respondents said strong, 23% said satisfactory and 60% of respondents said weak.

Accountability of the decision making process was rated by the respondents as illustrated in Table 6. A total of 14(47.0%) said that accountability of the decision making process was strong, 18(60.0%) of the employees in the study evaluated the transparency and openness as weak and 12(40.0%) rated the fairness of the decision making process as satisfactory, while 12(40.0%) of them evaluated the consistency of the decision making as strong. In general, the decision making process of the Commercial Bank of Ethiopia is

weak by taking into the overall evaluation of the indicators. The employees of the Bank are not satisfied with the Bank's decision making process because the decision makers are not transparent, accountable, fair and consistent. These are highly discouraging on the part of the employees. Thus, the Bank should improve the decision making process by making the process participatory in many ways.

Table 6. Rate of the Attributes of Decision Making Process in the CBE

2.4 How do you rate the following attributes of decision making process in your Bank?	Responses							
	Strong		Satisfactory		Weak		Total	
	f	%	f	%	f	%	**f**	**%**
Transparency and openness	5	17.0	7	23.0	18	60.0	**30**	**100.0**
Accountability	14	47.0	10	33.0	6	20.0	**30**	**100.0**
Fairness	8	27.0	12	40.0	10	33.0	**30**	**100.0**
Consistency	12	40.0	8	27.0	10	33.0	**30**	**100.0**
Total	**39**	**32.5**	**37**	**30.8**	**44**	**36.7**	**120**	**100.0**

SOURCE: Own study, 2012.

As shown Table 7, the Commercial Bank of Ethiopia organized and held Organizational celebration events when there was anniversary and the goals were believed to be achieved more than when a new staff member(s) joined the Organization and there was annual holiday. A total of 25(83.3%), 20(66.7%(, 7(23.3%) and 5(16.7%) of the sampled employees stated that the Bank held Organizational events when there is anniversary, the goals are achieved, a staff moves to its mission, a new staff join the Organization, and

there is annual holiday respectively. This indicates that the organizational celebration events of victories in order to have funs in the Bank is weak, especially on annual holidays, when new staff join and when the Bank moves to its mission.

Table 7. Distribution of the Occurrence of Celebration of Events at CBE

2.5 On which of the following event(s), does organizational celebration occur?	Response	
	f	%
Goals are achieved	20	66.7
There is anniversary	25	83.3
A staff moves to mission	10	33.3
A new staff join the Organization	7	23.3
There is annual holiday	5	16.7

SOURCE: Own survey, 2012.

Table 8 illustrates there is strong negative cultural values among the employees of the Head Office of the Commercial Bank of Ethiopia. Specifically, a total of 20(67.0%), 18(60.0%), 16(53.0%), and 15(50.0%) of the respondents expressed there was strong mistrust among colleagues, subjectivity, highly centralized and weak working relationships in that given order. Therefore, there are strong negative cultural values in the Bank. This shows that in the Commercial Bank of Ethiopia there is the highest level of negative cultural value. One can deduce that the negative culture will be reflected on performance, job satisfaction and on the attitudes of the employees towards the Organization. Thus, the mangers should eliminate or

reduce those negative cultures by practicing the positive cultures for Organizational excellence.

Table 8. Distribution of the Existence of Negative Cultural Values

2.6 How do you rate the extent of existence of the following negative cultural values in your Bank?	Responses							
	Strong		Satisfactory		Weak		Total	
	f	%	f	%	f	%	f	%
Subjectivity	18	60.0	7	23.0	5	17.0	30	100.0
Highly centralized	16	53.0	6	20.0	8	27.0	30	100.0
Weak working relationships	15	50.0	10	33.0	5	17.0	30	100.0
Mistrust among colleagues	20	67.0	4	13.0	6	20.0	30	100.0
Total	**69**	**58.0**	**27**	**22.0**	**24**	**20.0**	**120**	**100.0**

SOURCE: Own study findings, 2012.

Table 9 indicates that there are weak contributions of the existing current Organizational culture in the Commercial Bank of Ethiopia to its performance. A total of 22(74.0%) of the respondents rated the practice of staff empowerment by the Bank as weak, and 21(70.0%) of them stated that there was weak act of creating trust among colleagues.

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Table 9. Rate of the Contribution of current Organizational Culture to CBE's Performance

How do you rate Current Organizational Culture Contribution to the following Bank's Performance?	Responses							
	Strong		Satisfactory		Weak		Total	
	f	%	f	%	f	%	f	%
Promoting accountability	3	10.0	7	23.0	20	67.0	**30**	**100.0**
Enhancement of fairness	2	7.0	9	30.0	19	63.0	**30**	**100.0**
Creating trust among colleagues	3	10.0	6	20.0	21	70.0	**30**	**100.0**
Commitment to the Organization	2	6.0	8	27.0	20	67.0	**30**	**100.0**
Good working relationship	5	17.0	7	23.0	18	60.0	**30**	**100.0**
Empowerment of staff	4	13.0	4	13.0	22	74.0	**30**	**100.0**
Job satisfaction	4	13.0	6	20.0	20	67.0	**30**	**100.0**
Total	**23**	**11.0**	**47**	**22.0**	**140**	**67.0**	**210**	**100.0**

SOURCE: Own survey results, 2012.

In addition, 20(67.0%) of the sampled employees were found to be unsatisfied with their jobs assigned, expressed the practice of weak promoting accountability on the part of the Bank, and stated the presence of weak commitment to the Organization. Similarly, a total of 19(63.0%) of the respondents argued that there was weak attempt of enhancement of fairness

and weak working relationships among the staff of the Head Office of the Bank.

Based on those empirical observations, one can confidently deduce that organizational culture in its positive attributes can provide many contributions to all activities of the Organization, unlike the case of the Head office of the Commercial Bank of Ethiopia. The findings of the qualitative study also substantiate the results of the quantitative study. One of the informants has to say as a suggestion: "The Bank's General Manager should motivate employees using different mechanisms, such as fair treatment of employees." Two other employees further suggested similar opinions when they stated that the Managers at different levels of the Bank should exercise open decision making.

The remaining one respondent said that: "[I]n the Commercial Bank of Ethiopia, there should be relationships among its employees and managers in different positions." From this, one can conclude that employees need to develop good organizational cultures so that the managers may engage in equal treatment of all workers. They also desire, in their Organization, to practice openness in their process of decision making. An employee also wants to have relationship with the Bank's Managers in different positions."

As to the practices of organizational culture in the Commercial Bank of Ethiopia, one of the Senior Officials at the apex of the Bank came up with the following views: "In the Bank, there are both positive and negative cultural values, as well as working environment which may force all actors in the setting to keep the Organization together and the workers to have commitment to the Bank's vision, mission, core values, strategies, goals, objectives and activities."

Regarding positive organizational cultures of the Bank, the same above-stated informant reflected: "Among other things, there is acceptance of mistakes for learning, standards to solve different problems and for participating the concerned parties in a given task. These are the major positive cultures which have been in practice in the Bank since years."

With regard to negative organizational cultures, the same aforementioned key informant continued to express his agreement as follows: "In the Bank, the is a practice of giving priority over personal benefits and lack of recognition for efficient employees." He believed that, "the working environment in the Bank is not friendly and unattractive for creativity because of the nature of tasks that are routinely performed and there is also work burden on employees. Consequently, there exists lack of friendly work relationships among workers in the Organization."

Against this backdrop, in connection with social cohesion in the Bank, the same Senior Officials of the Bank has to continue as follows as he confirmed:" The major force that has kept Organization's workers together is its rules and tradition." Regarding the commitment of the employees in the Bank, the same informant said that," employees are less committed to the Organization's objectives and they stay in the Bank until they get work experience and then to find other jobs."

Concerning the positive and negative cultural values in the Commercial Bank of Ethiopia, almost all of the FGD participants agreed on the fact that, "the positive cultural values are mostly punctuality and respecting organizational rules and regulations." In relation to the negative cultural values, the focus group discussants raised many issues based on their different attitudes, perspectives and ideas. Among the FGD participants, the experienced and aged discussant agreed on by stating, "There is lack of

social life and weak team spirit in the Bank." On the part of the young participant in the FGD, when he said that, "there is lack of fairness and subjectivity in promoting employees." One of the interviewees in the Department of Human Resources also believed that," even if there is a reward system in the Bank, there is lack of rewarding those better performing employees in different functional units of the Commercial Bank of Ethiopia."

Based on the findings of semi-structured interviews and focus group discussions, the student researcher believes that there is lack of commitment, job satisfaction and subjectivity elements of the Organizational culture in the Bank. This implies that the Commercial Bank of Ethiopia has lacked the practice of implementing major components of organizational culture which may contribute to the Bank's overall performance.

Summary, Conclusion and Recommendation

The main objective of the study was to assess the practice of organizational culture in the Commercial Bank of Ethiopia. In order to achieve both the general and specific objectives of the study, the researcher reviewed and discussed related conceptual/theoretical and empirical literature, used cross-sectional descriptive survey design and quantitative, as well as qualitative research methods. Standard questionnaire, interview guide and focus group discussion schedule of checklist were used to generate quantitative and qualitative data from the respective sources. In order to analyze the quantitative data collected, the researcher used descriptive statistical techniques, such as frequency distribution, as well as measures of central tendency. In addition, the researcher employed content analysis of the qualitative data analysis. Based on these data analyses, the summary, conclusions and recommendations of the study are presented as follows:

Summary

To generalize the opinion of employees on organizational direction, more than half (54%) of employees believed that the workers of the Bank strongly shared its vision. Regarding the shared strategies, policies and objectives of the bank, half of the respondents (50%) expressed that the employees did not strongly share them. However, more than three-fifth (63%) of the sampled employees said that shared procedures, rules and regulations among them were found not to be strong enough.

Among the composition, dynamic and synergy in the Commercial Bank of Ethiopia, the majority of them rated the commitment of the team as weak but satisfactory this accounted about 70%. Concerning the role clarity, more than half about half (53%) of respondents expressed that the role clarity was not strong. Regarding openness to information flow, majority of respondents (73%) believed that it was not strong and only 27% of the respondent believed that it was strong. Regarding team spirit as 53% of employee respondents showed that the commitments of the team and role clarity were insufficient and not strong.

Regarding belongingness to the group, more than half, 17(57%) of respondents said that it was strong, and the remaining said as it is not strong. Regarding involving the team in decision making, more than two-third (67%) of employee respondents said that involving the team in decision making was not strong.

To generalize on nature of the third component of dominant culture in the Bank, i.e. internal communications among the workers which are expressed in terms of openness and trust. The significant majority of the respondents

(77% of them) believed that openness and trust in the Organization was not strong enough.

Majority (70%) of the respondents said that the Officials were found to "treat everyone similarly" approach was not strong in the Bank. With regard to the extent of information flow in all directions, the majority (73%) of the respondents agreed on that it was not strong. Regarding transparency in the Bank, more than two-third (67%) of the employees in the study confirmed that transparency in their Organization was not strong.

In order to summarize employees' responses on the decision making process as dominant organizational culture, the significant majority (83%) of the respondents believed that transparency and openness in decision making process were not strong enough. With regard to accountability, more than half (53%) of the employees stated that accountability in the Bank was not strong. The majority (73%) of the respondents argued that fairness in the decision making was not strong as needed. Regarding consistency, three-fifth (60%) of them expressed that there was no strong consistency in the Commercial Bank of Ethiopia.

As to organizational celebration as a dominant culture, one-quarter of the respondents confirmed that organizational celebration occurred when there was anniversary when the Bank's goals are achieved, when a new staff joins the Organization, when staff moves to mission, and when there are annual holidays in the Ethiopia.

Regarding the extent of the existence of negative cultural values in the Bank about three-fifth (58%) of the individuals in the study stated that there was strong subjectivity, highly centralized, weak working relationships and mistrust among colleagues in the Commercial Bank of Ethiopia. As regards

the extent of mistrust among colleagues, four-fifth (80%) of employees in the study believed that there was the highest level of mistrust among colleagues in the Bank.

In general, the findings showed that the dominant culture in the current situation of the Commercial Bank of Ethiopia was composed of organizational direction of the Bank. More specifically; shared vision, strategies and policies, clarity of objectives, shared procedures, rules and regulation were found to be slightly stronger than the rest of cultural values considered in the study.

With regard to whether or not the organizational culture contributes to the performance of the Commercial Bank of Ethiopia, about two-third (67%) expressed that current organizational culture did not strongly promote the Bank's accountability. Regarding the enhancement of fairness in the Bank, a little bit more than three-fifth (63%) of the employees in the survey argued that the current organizational culture had less contribution for the enhancement of fairness. A significant majority (70%) of respondents believed that the current organizational culture in the Bank was found to make less contribution to create trust among colleagues which, in turn, lent its share to the overall performance of the Commercial Bank of Ethiopia. In connection with the workers' commitment to the Organization, a bit more than two-third (67%) of them believed that the existing culture in the Bank was not strong to contribute to the Bank's performance to achieve its commitment set. In regard to good working relationships among the workers of the Bank, three-fifth (60%) of the respondents in the study were in view of that the existing organizational culture in the Commercial Bank of Ethiopia did not strongly contribute to its performance in creating good working relationships.

In addition, the empowerment of staff of the Bank was not strong; according to about three-fourth (74%) of the respondents. A bit more than two-third (67%) of the employees in the study expressed that lack of strong commitment on the part of the Officials in the CBE to create enabling working environment which may result in job satisfaction on the part of them. Based on these major findings of the study, the researcher draws the following conclusions and then suggests plausible recommendations for action and further study.

Conclusion

Based on the above major findings, the following conclusions are drawn:

- According to the findings, shared vision, shared strategies, and policies, clarity of objectives, and shared procedures, rules and regulations in the Bank is moderately strong. From this, one can conclude that the organizational direction of the Bank is rated at satisfactory level. But the General Manager of the Bank should exert the highest potential to attain the highest level of clear organizational direction.

- Composition, dynamic and synergy help a company to get better efficiency in achieving organizational goal in team rather than perform in individual and to build better relationship with employee. However, the company's practice regarding the commitment of the team, role clarity, openness to information flow, team spirit, belongingness to the group and to involve the team in decision making are generally weak. From these, one can infer that there is weak composition, dynamic and synergy which, in turn, affect the efficiency of the Commercial Bank of Ethiopia.

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- In relation to internal communication, openness and trust, the "treat everyone similarly" approach, the extent of information flow in all direction and the extent of transparency are generally weak. From these findings, one can generalize that there is lack of internal communication which may lead to the employees' low level of commitment to their tasks and to Organization's culture in general.

- In any organization the decision making process is attractive if there is transparency, openness accountability, fairness and consistency. However, the decision making process in the Commercial Bank of Ethiopia lacks those issues. From these, one can conclude that there is weak decision making process which may lead both the employees and the bank to be inefficient.

- The research findings show that in the Bank there is subjectivity, highly centralized, weak working relationships and mistrust among colleagues. From these findings, one can conclude that there are negative cultural values in the Bank which have potentials in making the employees and the Organization as a whole. Inefficient.

- Organizational culture in its positive attributes can provide many contributions in increasing the performance of the organization. However, the findings of this study indicate that the current organizational culture in the Bank has weak contribution in promoting accountability, commitment to the organization, in creating good working relationship, empowerment of staff and to enhance job satisfaction. From these results, one can conclude that the current organizational cultures in the Commercial Bank of Ethiopia are not strong enough to enhance its overall performance.

Recommendations

In view of the above-stated conclusions, the following constructive recommendations are made in the hope that they would minimize problems.

- The current organizational culture of the Bank as stated in the conclusion regarding shared vision, shared strategy and policies, clarity of objectives, shared procedures, rules and regulations are moderately strong. However, every organization should be strong in its direction otherwise, employees of the Bank will become careless, inefficient and they will substitute organizational interest with individual interest. These may lead to lower level of performance of the Organization. Therefore, the Bank needs to clarify and to mainstream its vision, strategies, policies, objectives, procedures, rules and regulations to employees using different approaches, such as arranging different seminars and distributing different brochures.

- As stated in the finding; composition, dynamic and synergy in the company are generally weak. So, the student researcher advises the manager of the bank to improve those cultural components in using teams as the central device to coordinate work activities. These may achieve when the managers involve the team in decision making and give rewards to the group rather than its members. Because, those mechanisms enhance the commitment, satisfaction, participation level of members, and also it facilitate awareness about ongoing activities in the organization.

- The current internal communication of CBE is weak. These allow the Organization's employees to develop insecurity and it may lower the productivity of workers. To reduce these problems, the General

Manager of the Bank should communicate transparently for every employee in a fair manner and should develop information flow in all directions of the Company and in obtaining ideas and suggestions from employees and giving feedback for employees and creating communications between different Departments in the Commercial Bank of Ethiopia. Moreover, fairness and trust among colleagues will be consistently increased by setting and implementing rules and regulations among the staff.

- The Commercial Bank of Ethiopia also has a weakness in decision making process. More specifically, transparency, accountability, fairness and consistency are generally weak in this Bank. It is known that the Managers in different positions of the CBE are the most important persons to address those problems to eliminate or reduce those problems. Thus, the student researcher recommend that these Managers of the Bank who are holding different positions should develop transparency and openness, should be accountable for their mandate in decision making process, should address the solution for the given problem on time and they should exhibit consistent behaviour regardless of the situations they may face.

- It is known that people join together and establish secondary groups, like organizations in order to satisfy their psychological needs, social needs, etc. However, the CBE has a weakness in arranging vacation for employees to enhance their relationships which may lead to low level of the employee's productivity which, in turn, affect the improved organizational performance as a whole. Therefore, the General Manager of the Commercial Bank of Ethiopia should practise organizational celebration when new staff joins the

organization and should arrange get-together programmes to increase social relationships among the employees.

- The General Manager of the Bank should create awareness regarding organizational culture through various training workshops, meetings and celebrations. In addition to these, the Bank should work with different national and international management consultants on how to change the current organizational culture.

- In general, the current negative cultural values which are present in the Bank, such as subjectivity, highly centralized, weak working relationships and mistrust among colleagues should be minimized by clarifying the stated job descriptions, providing them with all the necessary inputs which are needed to perform their given tasks, in consistently implementing rules and regulations among the staff, in providing them with all privileges to the staff without any discrimination and without violating of the existing rules and regulations and by applying performance-based management or giving reward to and social recognition for those employees who have performed better than their colleagues in the Commercial Bank of Ethiopia.

- Based on the above-mentioned recommendations, the Commercial Bank of Ethiopia should improve and develop better cultural values that may contribute to its overall performance. By and large, the concerned Officials and stakeholders should develop a system which brings about cultural changes in the Bank and then these endeavours may create better working conditions and enabling environment.

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