



St. Mary's University ቅዱስ ግርጌም ዩኒቨርሲቲ  
committed to excellence

ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES

EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEE  
PERFORMANCE: (A CASE STUDY OF DEVELOPMENT BANK OF  
ETHIOPIA)

BY

GETENET ABATE ALEMU

ADVISOR TIRUNEH LEGESSE (Ass. Professor)

JUNE, 2021

ADDIS ABABA, ETHIOPIA

**EFFECT OF ORGANIZATIONAL CULTURE  
ON EMPLOYEE PERFORMANCE: A CASE STUDY OF  
DEVELOPMENT BANK OF ETHIOPIA**

**BY**

**GETENET ABATE ALEMU**

**A RESEARCH THESIS SUBMITTED TO ST. MARYS UNIVERSITY,  
SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF  
THE REQUIREMENT OF MASTER OF BUSINESS  
ADMINISTRATION**

**JUNE, 2021**

**ADDIS ABABA, ETHIOPIA**

ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

THE EFFECT OF EFFECT OF ORGANIZATIONAL CULTURE  
ON EMPLOYEE PERFORMANCE: A CASE STUDY OF  
DEVELOPMENT BANK OF ETHIOPIA

BY

GETENET ABATE

APPROVED BY A BOARD OF EXAMINERS:

_____	_____	_____
Dean Graduate Studies	Signature	Date
_____	_____	_____
Advisor	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date

## DECLARATION

I, Getenet Abate hereby declare that this study entitled “effect of organizational culture. On employee performance: a case study of development bank of Ethiopia” is my own work. All information in this document has been obtained and presented in accordance with Academic rules and ethical conduct.

Student Researcher

---

Getenet Abate

Date: June14/2021

## **ENDORSEMENT**

This thesis, titled “Effect of organizational culture on employee performance: a case study of development bank of Ethiopia” has been submitted to St’Mary university, school of graduate studies for MBA program with my approval as a university advisor.

---

Advisor

---

Signature

---

Date

## TABLE OF CONTENTSPAGES

<i>ACKNOWLEDGMENTS</i> .....	<i>i</i>
<i>ACRONYMS/ABBREVIATION</i> .....	<i>ii</i>
<i>LIST OF TABLES</i> .....	<i>iii</i>
<i>LIST OF FIGURES</i> .....	<i>iv</i>
<i>ABSTRACT</i> .....	<i>v</i>
<b>CHAPTER ONE</b> .....	<b>1</b>
<b>INTRODCUTION</b> .....	<b>1</b>
1.1. Background of the study .....	1
1.1.1. Background of the Organization .....	2
1.2. Statement of the Problem.....	3
1.3. Research Questions .....	4
1.4. Research Objective .....	4
1.4.1. General Objectives .....	4
1.4.2. Specific Objectives .....	4
1.5. Research Hypothesis .....	5
1.6. Significance of the Study .....	5
1.7. The Scope of the Study .....	5
1.8. Limitation of the Study .....	6
1.9. Definition of Terms.....	6
1.10. Organization of the Study .....	6
<b>CHAPTER TWO</b> .....	<b>8</b>
<b>REVIEW OF RELATED LITERATURE</b> .....	<b>8</b>
2.1. Theoretical Review .....	8
2.1.1. Definition of Organizational Culture and Employees’ Performance .....	8
2.1.2. The Relationship between Organizational Culture and Employees’ Performance .....	10
2.1.3. Importance of Organizational Culture .....	11
2.2. Key Features of Organizational Culture .....	12

2.3.	MODELS OF ORGANIZATIONAL CULTURE .....	13
2.3.1.	DEAL AND KENNEDY MODEL .....	13
2.3.2.	CHARLES HANDY CONCEPT .....	13
2.3.3.	EDGAR SCHEIN MODEL .....	14
2.3.4.	DENISON MODEL .....	14
2.4.	EMPLOYEE PERFORMANCE .....	17
2.4.1.	FACTORS AFFECTING EMPLOYEE PERFORMANCE .....	18
2.5.	EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEES' PERFORMANCE ...	20
2.6.	EMPIRICAL LITERATURE REVIEW .....	21
2.7.	CONCEPTUAL FRAME WORK .....	23
<b>Chapter three</b> .....		<b>24</b>
<b>Research Methodology</b> .....		<b>24</b>
3.1.	RESEARCH DESIGN .....	24
3.2.	RESEARCH APPROACH .....	25
3.3.	Population And Sample Size Determination .....	25
3.3.1.	Population .....	25
3.3.2.	Sampling Method And Sample Size .....	26
3.4.	METHODS OF DATA COLLECTION .....	28
3.4.1.	DATA COLLECTION INSTRUMENTS .....	28
3.4.2.	DATA COLLECTION PROCEDURE .....	28
3.5.	DATA PROCESSING AND ANALYSIS .....	28
3.6.	Validity Test .....	29
3.7.	Reliability Test .....	29
3.8.	Ethical Considerations .....	29
<b>CHAPTER FOUR</b> .....		<b>30</b>
<b>RESULT AND INTEROPERATION</b> .....		<b>30</b>
4.1.	Data Processing .....	31
4.2.	Demographics Respondents .....	31
4.3.	Descriptive Analysis on Organizational Culture .....	32
4.3.1.	All Variables [Independent and dependent variables] .....	33
4.4.	CORRELATION ANALYSIS .....	34
4.5.	REGRESSION ANALYSIS .....	36
4.5.1.	Multi Collinearity Assumption Test .....	37
4.5.2.	NORMALITY TEST FOR RESIDUALS .....	38
4.5.3.	Autocorrelation Assumption Test .....	39

4.5.4. Linearity Test.....	39
4.5.5. Heteroscedasticity Test.....	40
4.5.6. ANOVA Model fit.....	41
4.6. REGRESSION RESULT AND DISCUSSION.....	42
4.7. Hypothesis Testing.....	45
4.7.1. Summary of Hypotheses Result.....	46
<b>CHAPTER FIVE.....</b>	<b>48</b>
<b>SUMMARY OF FINDING, CONCLUSION AND RECOMMENDATION.....</b>	<b>49</b>
5.1. Summary of Major Finding.....	49
5.2. Conclusion of the Study.....	51
5.3. Recommendation.....	52
5.4. Direction for future research.....	53
<b>Reference.....</b>	<b>54</b>

## ACKNOWLEDGMENTS

First and foremost, I would like to express my deepest gratitude to the Almighty God for his blessing and for making every step of my life possible. Secondly, I am greatly indebted to thank My Advisor **Tiruneh Legesse (Asst. Professor)** for his unreserved attention to correct my report and advising me for the better improvement of this thesis. Thirdly, I am very grateful to thank all members of my family for everything they have done for me up to this moment. Moreover, I would like to acknowledge the participants and individuals who have been contributing to the study for their willingness, participation, and valuable information. My best appreciation goes to Mr. Tewodros Tadewos, Misrak Demessie, Anteneh Ayalew and Habtamu Tadesse, Staffs who were supportive throughout the thesis preparation and for giving me Courage. Last but not least I would like to thank Development Bank of Ethiopia staffs for their assistance by providing the required documents and information for my study.

Finally, those individuals who have been contributing a lot for the entire work deserve to be acknowledged.

Thank you!!

Getenet Abate

## ACRONYMS/ABBREVIATION

EP: Employ performance

OC: Organizational culture

IDOC: Involvement dimension of organizational culture

CDOC: Consistency dimension of organizational culture

ADOC: Adaptability dimension of organizational culture

MDOC: Mission dimension of organizational culture

DBE: Development Bank of Ethiopia

SPSS: Statistical package for social sciences

## LIST OF TABLES

<i>Table 4.1 Demographic respondent</i> .....	31
<i>Table 4.2: Mean and Standard deviation Descriptive statistics result</i> .....	33
<i>Table 4.3: Correlations among variables</i> .....	34
<i>Table 4.4 Multi Collinearly assumption test</i> .....	37
<i>Table 4.5: Durban-Watsun [Auto correlation assumption Test result]</i> .....	38
<i>Table 4.6: Model fit [ANOVA<sup>a1</sup></i> .....	41
<i>Table 4.7: Model Summary [independent variables as predictors to Employee perfomance</i> .....	42
<i>Table 4.8: Coefficients</i> .....	43
<i>Table 4.9: Summary of Hypotheses Testing</i> .....	46

## LIST OF FIGURES

<i>Figure 1: Conceptual Framework of the Study .....</i>	<i>24</i>
<i>Figure 2: Normality Test for Residuals .....</i>	<i>37</i>
<i>Figure 3: Normal p-p plot of regression.....</i>	<i>39</i>
<i>Figure 4 .Hetroscedasticity.....</i>	<i>40</i>

## ABSTRACT

*This study was conducted mainly to assess and analyse the effect of organizational culture on employee performance (the case of Development bank of Ethiopia) to make it more competitive in the local and global financial sector and banking industry. The research used primary data through distributing questionnaire to development bank of Ethiopia head office workers. Explanatory and descriptive research design and quantitative type of research approach was used. A population of 250 workers were purposively selected from core directorates of the bank and using the sample size formula of Uma Sekaran (2003) 154 samples were made ready and were distributed to members of core directorates and from the distributed 154 questionnaires 147 (95.4 %) respondents completed and returned the questionnaire. Quantitative research approach and explanatory and descriptive research designs were utilized. So, using the returned questionnaires from each respondent, the quantitative data were coded and data entry was made and analysed using SPSS 23 statistical tools including descriptive and inferential statistics. Both Pearson's correlation and multi linear Regression analysis were used. The findings of the study explained on this research through descriptive, correlation and regression analysis. The detail of these results: the mean value of involvement dimension of organizational culture, consistency dimension of organizational culture, adaptability dimension of organizational culture, mission dimension of organizational culture and employee performance are recorded figuratively respectively. And the correlation result of each independent variables with respect to dependent variables produced on this study these are Involvement with Employee performance, consistency with Employee performance, adaptability with employee performance, and mission trait with employee performance has r values of all positive with mission trait the highest positive higher r-value. At the end regression analysis of coefficients presented and the result of  $\beta$  value of Involvement dimension, consistency dimension, adaptability dimension and mission dimension are listed in figures respectively; showing as  $\beta$  value of all independent variables are positive. This implies that independent variables have positive effect on employee performance and also the Hypothesis result of this study show three independent variables rejected /Notes supported and the significant value [P-Value] above 0.05 with the exception Mission dimension. Generally this report would identify the general issues of organizational culture traits mainly involvement dimension, consistency dimension, adaptability dimension, mission dimension and their level of effects and relationships on employee performance of development Bank of Ethiopia. From all the above findings it is recommended that those insignificant traits like involvement, consistency and adaptability has to be corrected by the bank, whereas Mission dimension since it shows significant effect it has to be maintained by making sure that those in leadership positions are conversant with the organizations mission and to understand help others to understand those cultures of strategic intent and direction.*

**Key Words:** *organizational culture, involvement dimension, consistency dimension, adaptability dimension, mission and Employee performance.*

# CHAPTER ONE

## INTRODCUTION

### 1.1. Background of the study

Earlier researches conducted on organization culture i.e., the antecedents of this research can be traced to the origins of social science. Understanding the contributions of other social science disciplines is particularly important in the case of organization culture. Because of the debates that continue in these areas reflect differences in historical research of traditions (Griffin & Moorhead, 2014)

Now a days great interest with organizational culture began in the 1970s and early 1980s with the work of (Peters and Waterman, 1982; Deal and Kennedy, 1982; and Kanter, 1983). However, academics had drawn attention to the notion of culture operating at the organizational or unit level much earlier. Nevertheless, despite the emphasis given to this concept for the last 50 years, there remain considerable debate and contention surrounding the nature of and the value of studying organizational culture (Brooks, 2006).

Raduan (2008) observes that, a high degree of employee performance is related a culture with well-integrated and effective set of values, beliefs and behaviours. However, many researchers concur that culture would remain linked with superior performance only if the culture is able to adapt to changes in environmental conditions. Furthermore, the culture must not only be extensively shared, but it must also have unique qualities, which cannot be imitated (Awadh *et al*, 2013).

Banks are people centric and make use of predominantly knowledge of workers and at the same time the banking industry is one of the sectors with stiff competition and because of this, highly technical skills and high level of understanding between workers is needed (Petcharak, 2012, Dwintaric, 2012).

There are different ways of classifying organizational culture. In this study, organizational culture is conceptualized along four primary characteristics. These are Involvement Trait, Consistency Trait, Adaptability Trait, and Mission Trait. To develop an organization that has the competitive advantage of value-based, the management needs to pay attention to its organizational culture, because organizational culture is a set of values, beliefs and attitudes among members of the organization that adds to employees' performance and consistency of behavior (Hakim, 2015).

Employees are one of the most important determinants and leading factors that determine the success of an organization in a competitive environment. This is especially true for service organizations like banks that rely heavily on their good behaviour of employees to provide courteous services to their customers in this competitive environment.

This study therefore took into consideration how organizational culture adapts overtime tirelessly to cope up with such dynamic changes and meet the varying demand of employees and their adaptability to working culture to improve the actual performance of the employees of case bank. Therefore, a supportive culture as pointed out by Ritchie (2000) is considered as a motivational instrument promoting employees to perform smoothly and ensures better productivity. Therefore, this study sought to examine the effect of organizational culture on employee performance among Development bank of Ethiopia.

### **1.1.1. Background of the Organization**

The development bank of Ethiopia (DBE) is one of the financial institutions engaged in providing short-, medium- and long-term development credits. DBE's distinguishes feature is its "project" based lending tradition. Project financed by the Bank are carefully selected and prepared through appraised, closely supervised and systematically evaluated. Since its establishment in 1909, the bank has been playing a significant role in promoting overall economic development of the country.

In long years of existence, DBE has established recognition at national and international levels. Nationally, it is the sole Bank with reputable experience in long term investment financing. Internationally, and it is recognized as an important on leading channel for development program financed by bilateral and/or multilateral sources.

#### **Vision of DBE**

"To be a state of art development bank that help to achieve Ethiopia's Economic transformation vision by 2030.

#### **Mission of DBE**

“The Development Bank of Ethiopia is a specialized financial institution established to promote the national development agenda through development finance and close technical support to viable projects from the priority areas of the government by mobilizing fund from domestic and foreign sources while ensuring its sustainability. The Bank earnestly believes that these highly valued objectives can best be served through continuous capacity building, customer focus and concern to the wider environment.

Source: Company profile

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

Employee performance, in relation to organizational culture of the banking industry has received little attention – a lot of the academic researchers in this area have focused on employee performance in relation to organizational culture of other sectors like telecommunication, transport. Despite the plethora of studies on organizational culture in the last few decades, there is no research conducted to assess causal relationship between organizational culture and employee’s performance considering development bank of Ethiopia.

Empirical studies shows that even though a lot of attention has been given in exploring the extent of the relationship between organizational culture and employees’ performance (Ojo, 2010; Omniyi, Salau, &Fadugba, 2014), still there are literature gaps which were identified by authors (Omoregbe&Umemezia, 2017).

No matter how this topic is rich in studies, many researchers concur on the fact that there is no agreement on the precise nature of the relationship between corporate culture and employee performance. Because of these conflicting results, the question of whether corporate culture improves or worsens employee’s performance is still worthy of further research (Ojo 2009).

Furthermore, Ogbonna and Harris (2000) declare that despite many research works done in this area and contributions from various fields, there is no generally acceptable causal relationship between organizational culture and employees’ performance. Despite the existence of these studies, This means that the effect of organization culture on employee’s performance in the banking industry has received substantial research attention in Ethiopia. But contextually there is limited research output which centre Development Bank operating in the industry. Wonishet (2013) indicated the effect of organizational culture on employee performance taking variables such as powerculture,achievement culture, role culture, and support culture which are of variables which have shortcomings on explaining the detailbehaviour of the

group. Many studies have been performed in the developed countries and very little has been done in developing countries such as Ethiopia, especially in the banking industry. Therefore, the above-mentioned key issues have initiated the researcher to investigate the effect of organizational cultures on employees' performance with new variable constructs which were not considered by other researchers. The researcher uses the Denison's model of dimensions of organizational culture i.e. such as involvement, consistency, adaptability and Mission, which are known to test behaviour of a group in any organization therefore the researcher utilized this model of organizational culture dimension to test the group behaviour of the case bank related with its employees performance.

### **1.3. Research Questions**

The study will answer the following basic research questions:

1. What is the effect of adaptability trait on employee performance of the case bank?
2. Is there a positive relationship between of Mission trait and bank's employee performance?
3. To what extent do consistency trait affect employee performance of the case bank?
4. What is the effect of involvement trait on employee performance of DBE?
5. Which dimensions of organizational culture is most significantly affecting employee's performance of the bank?

### **1.4. Research Objective**

#### **1.4.1. General Objectives**

The general objective of the study is to examine the effect of organizational culture on employee performance of Development Bank of Ethiopia.

#### **1.4.2. Specific Objectives**

The specific objectives of the study are:

- i. To identify the effect of Adaptability trait on employee performance of the case bank
- ii. To check whether mission trait has a positive relationship with employ performance of the case bank or not
- iii. To examine the effect of consistency trait on employee performance of the case bank

- iv. To test the effect of involvement trait on employee performance of the case bank
- v. To verify the most dominant organizational culture trait which will have significant effect on employee performance of the case bank.

## **1.5. Research Hypothesis**

To provide answers to the research questions the following hypotheses will be tested in this research.

- **Ha1:** Adaptability trait has positive and significant influence on employee performance.
- **Ha2:** Mission trait has positive and significant influence on employee performance.
- **Ha3:** Consistency trait has positive and significant influence on case bank performance.
- **Ha4:** Involvement trait has positive and significant influence on case bank employee performance.

## **1.6. Significance of the Study**

Corporate culture is an important component in the field of organizational behaviour and business ethics. This study will create more insight and greater need for organizational members like different level DBE line managers, Directors, and Team managers to better understand the context of corporate culture and its effect on employee performance.

The information that will be obtained will be useful to the Government and research institutions that may want to advance the knowledge and literature on intellectual capital.

It may also add to literature on the subject as reference material and stimulate further research in the area. This study may be very valuable to the area of study of Corporate Cultures and Management in financial institutions and banks in Ethiopia. The study will be useful to academicians as it may provide information that can be used as a basis for further research. The study will also propose areas for further research which will be very important to researchers who will easily get to know what needs to be done in the area of study.

## **1.7. The Scope of the Study**

This study mainly focused on examining the effect of Organizational culture on employee performance. The independent variables of the study are involvement trait, consistency trait, adaptability trait and mission trait. The dependent variable is employee performance. Even though the study of organizational culture is very vital or crucial and need to be seen at industry level, to conduct the study with limited time, and

budget constraint, the scope of this study is limited to investigation of effect of organizational culture on employee performance by taking the case of only Core Directorates which are very vital for the existence of the bank i.e Project Appraisal Directorate (PAD) ,project Rehabilitation and Loan Recovery directorate (PRLR) and Customer Relationship and Management (CRMD) of selected head office staffs with a population of 90,118 and 42 respectively a total of 250 population of Development Bank of Ethiopia head office staffs were selected purposively and since it was difficult and to take data from all population due to time and budget as well as un willingness of some members to fill questionnaire I was forced to reduce the sample size using the formula of umaserkar (2003). To sample size of 154 only and questioners were distributed to only 154 respondents and 147 of them returned the questionnaire in a one-week period of time

## **1.8. Limitation of the Study**

There were a few difficulties to complete this research; one of the limitations is the field of organizational culture and its effect in an organization has emerged in past recent decades, besides to this The study is limited to focus only on employees who are under Head Office even if the bank has huge number of employees in all the twelve districts and branches both in Addis and outlying area, this is due to the fact that the concept of Organizational culture is a high level strategic concept and it is assumed that it is more familiar to employees who are near to issues related to the conception, development and execution of strategic matter

## **1.9. Definition of Terms**

**Involvement:** Involvement as a cultural dimension is defined as a regular participation of employees in deciding how their work is done, making suggestions for improvement, goal-setting, planning, and monitoring of their performance (Macleod and Brady, 2008)

**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

**Adaptability:** adaptability, depicts the ability of the organization in translating the demands of the business environment into action through creating change, customer focus and organizational learning environment. Adaptability deals with translating the demands of the business environment into action

**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

## **1.10. Organization of the Study**

This research paper consists of five chapters. The content of each chapter is summarized as follows:

Chapter 1 of the study presented background of the study, background of the organization, statement of the problem, research questions, research objective, significance of the study, scope of the study, limitation of the study, definition of terms, and organization of the study.

Chapter 2 of the study is composed of related literature review on organizational culture and employee performance with its relationship and effect. In addition, it includes empirical review made on previous studies on organizational culture on employee performance and conceptual framework.

Chapter 3 deals with the research methodology that is used, and it encompasses introduction, descriptions of the study geographic area, research design and approach, target population, data type and data sources, data collection instrument and data analysis.

Chapter 4 describe the finding of analysis and interpretation of the study with subtopics introduction, response rate, demographic presentation, analysis on the three types of organizational culture, employee performance, and the interpretation on the relationship of organizational culture and employee performance.

At the end Chapter 5 highlighted the implications based on the results; it will include summary of major findings, conclusions, recommendations and finally suggestion for further research.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

This chapter incorporates a review of relevant literature on the following issues: definition of organizational culture and employees' performance, relationship between organizational culture, importance of organizational culture, Models of organizational culture, Employee performance, and the effect of organizational culture on employees' performance and empirical literature review about culture and conceptual frame work .

#### **2.1. Theoretical Review**

##### **2.1.1. Definition of Organizational Culture and Employees' Performance**

###### **2.1.1.1. Organizational Culture**

There is no single definition for organizational culture. The topic has been studied from a variety of perspectives ranging from disciplines such as anthropology and sociology, to the applied disciplines of organizational behavior, management science, and organizational commitment. The following definitions are views of authors from the applied sciences disciplines and are more relevant to the scope of this research document.

Schein (1999) defines culture as a pattern of shared basic assumptions that the group learned as it solves problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.

Collins and Porras (2000) stated that organizational culture refers to a system of shared meaning held by members that distinguish one organization from other organizations. They believe that these shared meanings are a set of key characteristics, and that the organization values and the essence of an organizations culture can be captured in seven primary characteristics. These characteristics are: innovation and risk – taking, attention to detail, outcome orientation, People orientation, Team orientation, Aggressiveness and Stability. Organizational culture can be defined as the system of values, beliefs, assumptions, or norms that have long been in force, agreed upon and followed by the members of an organization as a code of conduct and solving problems in the organization (Sutrisno, 2011).

Upon close examination of the definitions, it can be assumed that there exists a general agreement that organizational culture comprises common beliefs, attitudes, and values. These values help employees to understand how they should act in their organization.

According to Stephen (2009), organizational culture is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid. Also called corporate culture, it's shown in:

- The ways the organization conducts its business, treats employees, customers, and the wider community,
- The extent to which freedom is allowed in decision making, developing new ideas, and personal expression,
- How power and information flow through its hierarchy, and
- How committed employees are towards collective objectives.

#### **2.1.1.2. Employee Performance**

Employees' performance is defined as the ability of employees to perform a given task in way that is applicable to achieve organizational objectives (Hakim, 2015)

Existence of employees in an organization determines the success and continuation of all activities of the organization in order to achieve organizational goals (Charles, Kenneth and Bernard, 1991). Therefore, the management needs to provide strong support in motivating employees to work in a professional manner so that employees can achieve performance in line with their expectations of an organizations.

Employee performance is the contribution of both positive and negative given individuals in the organization (Ivancevich, 2008). Another author Noor (2012) stated that individual performance is the foundation for the organizations' performance. Therefore, in order to create effective management, understanding the performance of employees is very important. Matis and Jacson (2002) revealed that, good performance for individuals and groups should be at the center of attention in an effort to boost the performance of the organization. So, we can say that good performance is one of the objectives of the organization in achieving high productivity.

Organizational culture influences employees' performance as it brings people together to accomplish goals. Many companies have developed new ways of accomplishing goals. This new culture of setting goals gives

employees of the company defined strategies with everyone working toward the same objectives and/or goals. The more people there are working together to accomplish a goal the more goals that can be accomplished. This in turn increases performance thus creating more products to market (Stephen and Timothy, 2013 and Adnan, 2015).

To measure the level of success or performance of the employees, an organization can use several approaches. Benardin and Russle (1995) proposed six primary performance characteristics that can be used to measure performance, namely: (a) quality, is the degree to which the process or the results of the implementation of near-perfection or close to the expected goals; (b) quantity, the amount produced, for example, the amount of dollars, units, and the cycle of the activities carried out; (c) timeliness, is the extent to which an activity is completed at a desired time; (d) cost effectiveness, is the degree to which the use of organizational resources (human, financial, technological and material) is maximized to achieve results or loss of each unit reduction in resource use; (e) need for supervision, is the degree to which a worker can perform a job function without requiring the supervision of a supervisor to prevent actions that are less desirable;

(f) Interpersonal impact, the degree to which employees maintain dignity, good name, and cooperation among colleagues and subordinates.

### **2.1.2. The Relationship between Organizational Culture and Employees' Performance**

Earlier studies indicated a relationship between organizational culture and employees' performance. Cohesive business cultures are thought to support higher productivity, improve employee morale, affect work attitudes and encourage employee commitment (Ojo, 2009 and Hakim 2015).

In consequence organizational culture directs and controls management behavior which affects performance through decision making, problem solving and strategy formulation. So, a better understanding of the concept would allow people in organizations to solve problems and improve employee performance.

The employee performance would be considered as backbone of an organization as it leads to its development effectively. The loyalty of employee relies upon knowledge and awareness of culture that improves behavior and then performance of employees.

### **2.1.3. Importance of Organizational Culture**

Organizational culture contributes to the proper functioning, fostering communication, socialization of new members, creating trust and adoption of common means in order to achieve objectives. The withdrawal of a member is strongly felt because any new employee requires resources, time and much perseverance.

Organizational culture is an important framework and teaches the employee what is accepted and what is not in the organization. The behavior of the bosses and of the colleagues represents a significant milestone for a new employee because he reports his expectations, ideas and attitudes to it. If between the formal and informal elements exist big differences, then the employees' perception will be conflictual and it will be most likely to have as a result a predominant adaptation to the informal structure and the manifestation of an inappropriate behavior with unfavorable results for the company (Lowe and Media, 2004).

According to Robins and Judge (2015) organizational culture gives the following importance:

#### **1. Unity**

A shared organizational culture helps to unite employees of different demographics. Many employees within an organization come from different backgrounds, families and traditions and have their own cultures. Having a shared culture at the workplace gives them a sense of unity and understanding towards one another, promoting better communication and less conflict. In addition, a shared organizational culture promotes equality by ensuring no employee is neglected at the workplace and that each is treated equally.

#### **2. Loyalty**

Organizational culture helps to keep employees motivated and loyal to the management of the organization. If employees view themselves as part of their organization's culture, they are more eager to want to contribute to the entity's success. They feel a higher sense of accomplishment for being a part of an organization they care about and work harder without having to be coerced.

### 3. Competition

Healthy competition among employees is one of the results of a shared organizational culture. Employees strive to perform at their best to earn recognition and appreciation from their superiors. This in turn increases the quality of their work, which helps the organization prosper and flourish.

### 4. Direction

Guidelines contribute to organizational culture. They provide employees with a sense of direction and expectations that keep employees on task. Each employee understands what his roles and responsibilities are and how to accomplish tasks prior to established deadlines.

### 5. Identity

An organization's culture defines its identity. An entity's way of doing business is perceived by both the individuals who comprise the organization as well as its clients and customers, and it is determined by its culture. The values and beliefs of an organization contribute to the brand image by which it becomes known and respected.

## **2.2. Key Features of Organizational Culture**

Robbins and Judge (2015) identified that organizational culture has key features which identify it from different constructs of an organization. These key features help members and to identify their culture. The key features of culture are as follows:

1. Culture is shared by the members of the organization.
2. Culture helps members of the organization solve and understand the things that the organization encounters, both internally and externally.
3. Because the assumptions, beliefs, and expectations that make up culture have worked over time, members of the organization believe they are valid. Therefore, they are taught to people who join the organization.
4. These assumptions, beliefs, and expectations strongly influences how people perceive, think, feel, and behave within the organization.

## **2.3. MODELS OF ORGANIZATIONAL CULTURE**

Different researchers develop models on organizational culture which incorporate different traits or behaviors driven by beliefs and assumptions that create an organizational culture. Dolan and Lingham (2012) have summarized some of the principal organizational culture models as Deal and Kennedy Model, Charles Handy Concept and Edgar Schein Model. In addition to the three models, a detail on Denison model of organization culture is also part of this section. Common to all model of culture and the linkages to organizational success assert that values of employees need to be aligned with vision and mission of the company.

### **2.3.1. DEAL AND KENNEDY MODEL**

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

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

### **2.3.2. CHARLES HANDY CONCEPT**

The second model that Dolan and Lingham (2012) discussed in detail is Charles Handy Model. This model is based on Organizational structure to classify organizational culture in to four: Power Culture,

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

### **2.3.3. EDGAR SCHEIN MODEL**

The organizational culture model that Dolan and Lingham (2012) tried to summarize is Edgar Schein Model. This organizational culture model is described by three cognitive levels of organizational culture. At the first and most cursory level of Schein's model is organizational attributes that can be seen, felt and heard by the uninitiated observer. These includes facilities, offices, furnishings, visible awards and recognition, the way that its members dress, and how each person visibly interacts with each other and with organizational outsiders. The next level deals with the perceived culture of an organization's members. At this level, company slogans, mission statements and other operational belief are often expressed, and local and personal values are widely expressed within the organization. Finally, the third and deepest level depicts the organization's tacit assumptions. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Many of these „unspoken rules' exist without the conscious knowledge of the membership. The above three models encompass organizational culture traits from psychological or personality perspective and mainly the third is designed and created within the academic environment which uses non-business language. To the contrary, Denison organizational culture model, which will be discussed in the subsequent paragraphs, is behaviorally based that are designed and created within the business environment. And it is applicable to all levels of the organization in which business language is used to examine business results.

### **2.3.4. DENISON MODEL**

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

### **Involvement**

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

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

### **Consistency**

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

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

Coordination and integration, agreement and core values are indices of the consistency trait. Accordingly, coordination and integration clarify ability of different functions and units of the organization to work together well to achieve common goals. Organizational boundaries do not interfere with getting work done. The second indices are 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.

## **Adaptability**

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

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

Organizations hold a system of norms and beliefs that support the organization's capacity to receive, interpret, and translate signals from its environment into internal behavioral changes that increase its chances for survival, growth, and development. The indices of the adaptability trait are creating change, customer focus and organizational Learning.

Creating change deals with the ability of organization to create adaptive ways to meet changing needs. So organization will be able to read the business environment, quickly react to current trends, and anticipate future changes. Customer focus is the second indices which focus on the organization understanding and reaction to its customer and anticipation to future needs.

Lastly, organizational learning reflected when on organization receives, translates, and interprets signals from the environment into opportunities for encouraging innovation, gaining knowledge and developing capabilities.

## **Mission**

The last trait is mission whereby organizations devise meaningful long-term direction and

Organization with this trait clearly defines Strategic direction, Vision, Goals and Objectives of the company. Mission involves defining a meaningful long-term direction for the organization. A mission provides purpose and meaning by defining a social role and external goals for the organization. It provides a clear direction and goals that serve to define an appropriate course of action for the organization and its members. A sense of mission allows an organization to shape current behavior by envisioning a desired future state.

Strategic direction, vision and intent, goals and objectives are the indices of the mission trait.

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

## **2.4. EMPLOYEE PERFORMANCE**

The word 'performance' can be used to describe different aspects such as societal performance, organizational performance, employee performance, and individual performance etc. In the organizational context, performance is usually defined as the extent to which an organizational member contributes to achieving the goals of the organization. Employee's performance means the ability of employees to attain goals either personal or organizational by using resources efficiently and effectively (Daft, 2000). Employee performance is originally what an employee does or does not and how those activities were executed. It plays an important role for organizational performance.

Employee performance at the workplace is a major concern for the organizations irrespective of all the factors and conditions. As such, employees are considered very important assets to their organizations (Qureshi and Ramay, 2006). Good performance by employees of an organization leads to a good organizational performance which ultimately makes an organization more successful and effective and the vice versa (Armstrong, 2009).

From Deadrick and Gardner's (1997) points, employee performance could be defined as the record of outcomes achieved, for each job function, during a specified period of time. If viewed in this way, performance is represented as a distribution of outcomes achieved, and performance could be measured by using a variety of parameters which describe an employee's pattern of performance over time. Performance is a main multidimensional build aimed to get results and has a strong link to planned objectives of an organization (Mwita, 2000).

Different studies related to employee performance variables were carried out in the past. A study (Murphy & Kroeker, 1988) defines employee performance as a function of the individual's performances on the specific tasks that comprise standard job descriptions, and declares that it is also affected by variables such

as maintaining good interpersonal relations, absenteeism and withdrawal behaviors, substance abuse and other behaviors that increase hazards at the workplace (Murphy, 1989). A study (Befort, 2003) indicates that the essence of job performance relies on the demands of job, the goals and the mission of the organization and the beliefs of the organization about which behaviour are mostly valued.

### **2.4.1. FACTORS AFFECTING EMPLOYEE PERFORMANCE**

According to some researchers and practitioners, there are certain factors individually and collectively effect on the performance of employees in a positive or negative way.

#### **Leadership**

Leadership is a process whereby an individual influence a group of individuals to achieve common goals (Northouse, 2007).

Leadership style is the combination of attitude and behavior of a leader, which leads to certain patterns in dealing with the followers (Dubrin, 2004). The leadership style within an organization has a bearing on encouraging or inhibiting employee's performance (Armstrong & Murlis 2004; Cronje et al 2001).

#### **Coaching**

Coaching has become an important technique to improve performance (Champathes, 2006). It is not a one-way communication and proves to be a two-way communication where coaches identify what can be improved and how it can be improved. Further coaching addresses the belief and behaviours that hinder performance (Toit, 2007). It can be further seen that coaching is all about helping someone else to improve performance (Starr, 2004).

#### **Empowerment**

Duvall (1999) defines success as achievement, accomplishment and attainment which is consequence of empowerment as follows: (1) Individual success in form of employee's role performance, (2) Organizational success which is achieved as members of the organization accomplish collective organizational goals and

objectives, and (3) As organizational members share a mutually beneficial and satisfying work experience meeting both social and personal growth needs. Further, empowerment had significant positive correlations with both performance and satisfaction (Bartram and Casimir, 2007). And specifically, empowerment was more strongly correlated with the in-role performance of followers than with satisfaction with the leader.

## **Participation**

In Chen and Tjosvold research 2006, they revealed that participation management is about involving employees in the decision making process where the employees feel that they have the opportunity to discuss problems and can influence organizational decisions. Employee will be motivated because management considers them as partners in contributing to organizational success instead of being seen as mere subordinates and therefore will avoid engaging into counterproductive behaviours hence improved performance through timely achievement of organizational goals and objectives (Carrel, Kuzmits & Elbert, 1989).

## **Organizational Culture**

Organizational Culture is common values and behaviours of the people that considered as a tool leads to the successful achievement of organization goals (Schein, 1990). Strong culture in the organization is very helpful to enhance the performance of the employees that leads to the goal achievement and increase the overall performance of the organization (Deal and Kennedy, 1982). According to the Stewart (2010), norms and values of organizational culture highly effect on those who are directly or indirectly involved with the organization. These norms are invisible but have a great impact on the performance of employees and profitability. The most important characteristic is shared value. A strong organizational culture supports adaptation and develops organization's employee performance by motivating employees toward a shared goal and objective and finally shaping and channelling employees' behavior to that specific direction should be at the top of operational and functional strategies (Daft, 1984). Shared value of employees is one of the basic components of organizational culture (Smit and Cronje, 1992; Hellriegel, 1998). Schein (1994) clarifies that value which is a set of social norms that define the rules or framework for social interaction

and communication behaviors of society's members, is a reflection of causal culture assumptions. Academics and practitioners argue that the performance of an organization is dependent on the degree to which the values of the culture are widely shared (Peters and Waterman, 1982). Similarly, it is widely argued that shared and strongly held values enable management to predict employee reactions to certain strategic options and by reducing these values, the consequences maybe undesirable (Ogbonna, 1993).

## **2.5. EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEES' PERFORMANCE**

The effects of organizational culture are many and varied Obviously, the effects of organizational culture vary depending on whether the company's culture is strong or weak. But there are some generalities that apply. The positive effects that occur when a company makes an intensive effort to establish a strong positive organizational culture at the work place would be reflected in different ways.

Many workers spend more and more time at work if they are happy with the settings of their organizational environment or the working conditions. The old saying goes that a happy worker is a productive worker, and this is one of the positive effects of organizational culture (Hakim, 2015).

Workers enjoy work and want to be interested in whatever going on that day, or long term goals. Being part of something meaningful that the worker enjoys makes the whole experience of work better, which makes them more productive.

A strong organizational culture should help to provide this setting. A strong organization focuses on the environment it creates for its workers because this helps and encourages a more efficient and productive company. Focusing on building and sustaining organizational culture shows employees that they are considered an important part of the company. This type of company generally has the best response from its employees and this also has a much better chance of achieving its goals.

There are five major reasons for wanting to create an appropriate and positive culture for organizations:

1. A strong organizational culture will attract high level talent.
2. A strong organizational culture will help to keep your top level talent.
3. A strong culture creates energy and momentum.
4. A strong and successful organizational culture should alter the employee's view of work
5. A strong and positive organizational culture helps in make everyone more efficient and successful.

## 2.6. EMPIRICAL LITERATURE REVIEW

After a long era of research on organizational culture, scholars have established abundant links between organizational culture and performance. In 1980s early organizational researchers find unambiguous link between organizational culture and performance. Researchers like Peters & Waterman (1982); Deal & Kennedy (1982); Sadri & Lees (2001) and Thompson (2002) stated that strong organizational culture is a primary determinant in creating better employee performance.

It has been argued that organizational culture might have a critical influence on enhancing employees' performance and quality (Siehl and Martin, 1990).

The role of organizational culture is argued to be critical in enhancing employees' performance. Kotter and Heskett (1992) studied the relationship between organizational culture and performance and their research came to four important conclusions:

1. Organizational culture is able to impact significantly on an organization's long term economic performance.
2. Organizational culture's importance as a factor in determining organizational success or failure will increase in the next ten years.
3. It is common and easy to develop organizational cultures that reduce an organization's long term financial performance; and
4. Organizational culture can be changed to be more productive, even though organizational culture is difficult to change.

Klein et al. (1995) in his findings positioned organizational culture as the core of organization's activities which has aggregate impact on its overall effectiveness and the quality of its products and services.

As Djokosantoso (2003) if the cultural component is implemented in any organization, it can be said that the organization has organizational culture because he argued that organizational culture is a pattern of the entire good atmosphere all material or behavior that traditionally has been adopted by the community as members of problem-solving. Also the findings of Sofia and Mohd (2012) mentioned in (Fakhar, Zahid and Mohammed, 2013) assured that the values, beliefs, and norms that held the organization has a significant impact on the way employees' perform their activities in the organization.

Ojo (2009) examined various concepts on organizational culture and attempted to ascertain the importance of the relationship between organizational culture and employees' performance in business context. The study adopted survey research design and chose Nigerian employees in commercial banking industry as population of his study. The researcher's findings drawn that organizational culture plays a vital role in an organization's general performance.

Luthans in Adnan (2015) after his investigation concluded that organizational norms and values guide the behavior of members of the organization in performing a given task. Adnan (2015) studied the relationship between organizational culture and employees' performance. He measured the implementation of organizational culture using the seven key characteristics specifically: innovation and risk taking, attention to detail, people orientation, outcome orientation, team orientation, aggressiveness and stability stated by Stephen and Timothy (2013) and employees' performance using the variables quality, quantity, timeliness, cost effectiveness, need for supervision and interpersonal impact suggested by Bernard and Russle (1995) and also found that culture has a strong and positive influence on the behavior and effectiveness of employees' performance.

Another research conducted on organizational culture on employee performance is by Bethelhem H/Gebriel (2017). She conducted the research on JSI Research and Training Institute, Inc., one of the international non-government organizations, Ethiopia. Both inferential and descriptive analyses are used to see the relationship and effect of independent variables on dependent variable. Based on the analysis, there is a positive and significant relationship between the three variables of organizational culture and employee performance

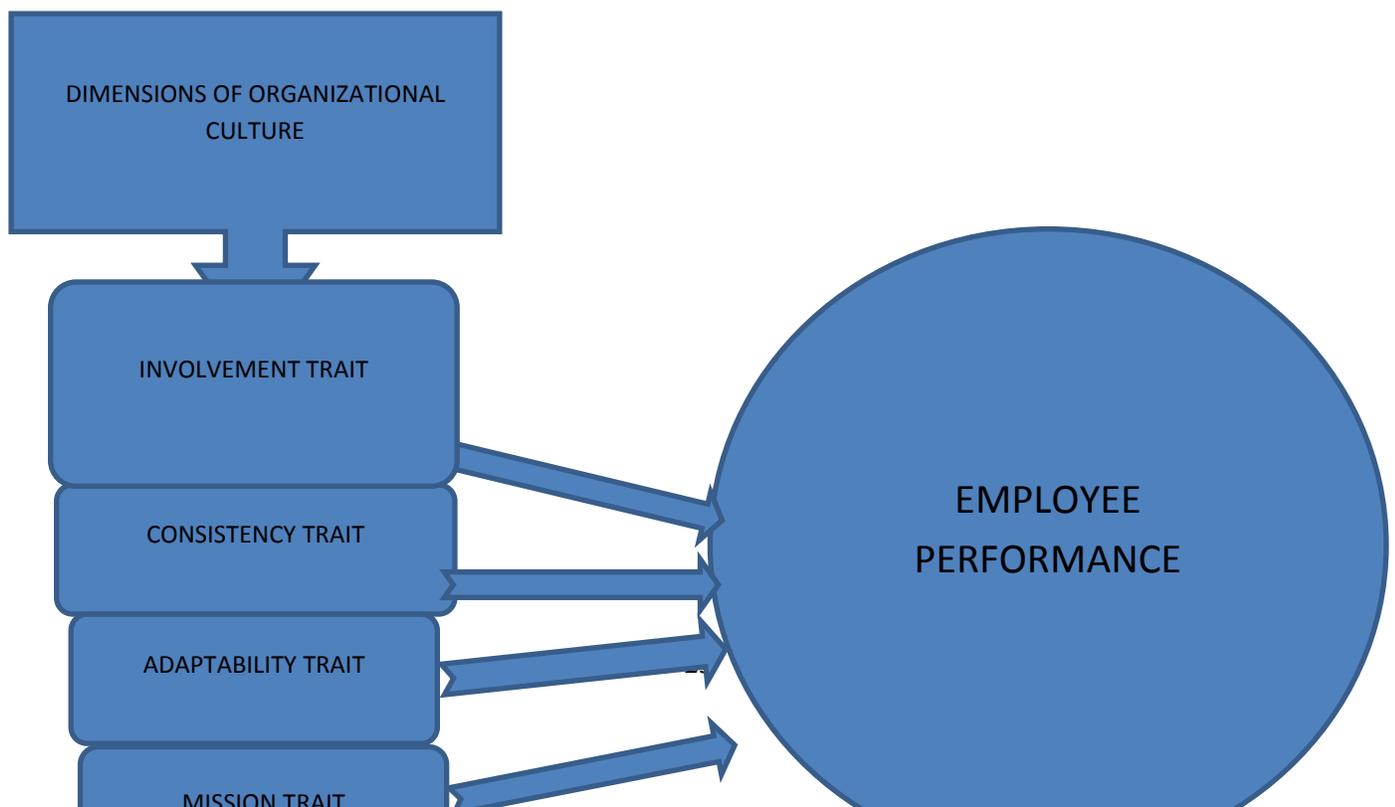
## 2.7. CONCEPTUAL FRAME WORK

It is obvious that, there are different models and frameworks for organizational culture, for this research Denison's organizational culture model is preferred. The reasons for adoption of this model as a conceptual framework are as follows: The basis of the model is that it tests the behaviour of group, it is applicable to all of the hierarchy levels from viewpoint of the measuring indices and measurement of organizational culture dimensions, it is a detailed model. This model has a direct impact on organizational culture and provides a novel framework over the other organizational culture models and lastly the Denison's model has been extensively employed by various organizations in other countries in order to diagnose organizational culture.

**Figure 1: Conceptual framework**

**Independent Variables**

**Dependent Variable**



**SOURCE :ADAPTED FROM DANIELDENISONS MODEL OF 1990**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

Business research is the application of the scientific method in searching for the truth about business phenomena. Business research is more than conducting surveys. This process includes idea and theory development, problem definition, searching and collecting information, analysing and interpreting collect data, and communicating the findings and their implications to end user (Zikmund, 2014). Hence, this chapter were discussed the research methodology of the study. It deals with the research approach, design, research population and sampling determination, data collection and analysis methods employed to answer the research questions.

#### **3.1. RESEARCH DESIGN.**

According to Singh (2006), research design is essentially a statement of the objective of the inquiry and the strategies for collecting the evidence, analyzing the evidence, and reporting the findings. With the view to address its objectives, the study used quantitative method. With respect to research design explanatory research design was adopted. Structured questionnaire was used to collect explanatory data and analyze the effect of organizational culture on employee performance.

The Researcher used **Explanatory and Descriptive Research** Design to examine the effect of organizational culture on employee performance within employees of selected directorates of head office in Development Bank of Ethiopia. the above explanatory type of design is appropriate for this research because it helps in order to identify the extent and nature of cause-and-effect relationships. Explanatory /causal

studies focus on an analysis of a situation or a specific problem to explain the patterns of relationships between variables.

## **3.2. RESEARCH APPROACH**

The research adopted **quantitative approach** and this approach has been used to quantify the respondents' evaluation following the effect of organizational culture on employee performance Development bank of Ethiopia. by way of generating numerical data or data that can be transformed into useable statistics. The approach is selected because it is reliable & objective compared to qualitative approach and it looks at relationships between variables and can establish cause and effect in highly controlled circumstances

## **3.3. Population And Sample Size Determination**

### **3.3.1. Population**

According to Kitchenham (2002), population represents the group or the individuals to whom the survey applies. In other words, populations contain those group or individuals who are in a position to answer the questions and to whom results of the survey apply.

Development bank of Ethiopia currently has 12 districts and 77 branches in Ethiopia including districts and head office. All branches of the bank are not on the same level in all aspects of the bank operation. On the bases volume of loan limitation, type of bank services and number of employees from higher level to lower level, the bank has classified as head office (corporate level), District and under each district there are different branches of the bank which are graded as A, B and C Branches. Thus, in the current study the populations for this study only consider the head office (corporate level) workers in Addis Ababa.

### 3.3.2. Sampling Method and Sample Size

#### 3.3.2.1. Sampling Technique

Ser no	Name of core directorate	No of total workers in each directorate	No of questionnaires distributed questionnaire	No of questionnaire returned
1	PAD	89	58	56
2	PRLR	16	10	9
3	CRMD	145	86	82
	Total population	250	154	147

The total required populations are taken from employees of three core

directorates at head office i.e. From the most vital directorates for the existence of the bank i.e. Directorates of the project appraisal directorate (PAD), project Rehabilitation and Loan Recovery Directorate (PRLR) and customer relation management directorate (CRMD) with 89, 16 and 145 respectively totaling 250 employees were purposively selected. Since it is very expensive in terms of money and time to collect data from all these employees, so that the researcher used sample size determination formula of umasekarer (2003) to determine a sample which is representative for the total population and **154** respondents were the sample size numbers ready for questionnaires.

**Table 3.1**

### 3.3.2.2. SAMPLE SIZE DETERMINATION

Uma Sekarar (2003) provides a simplified formula to calculate sample sizes of finite population, which will be used by the researcher to determine the sample size for this study. A 95% confidence level is assumed for this formula to determine the sample size, at  $e=0.05$  and the sample size is determined by the following formula.

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

where 'n' is the required sample size,

N is the population size and

E is the level of percision

Applying the above formula,  $n = \frac{250}{1+250(0.05)^2} = 153.84=154$  rounding to nearest integer. Hence the sample size for this research will be 154 employees from three core directorates of head office Development Bank of Ethiopia were purposively selected. Therefore, samples of 154 employees made ready for questionnaires.

### **3.4. METHODS OF DATA COLLECTION**

The study used quantitative data. The quantitative data are the objective items which were collected through questionnaires. Regarding the data source, the study used primary and secondary sources. Primary source of data are employees of the sampled at head office selected core directorates and secondary data like policy, procedure, annual reports, and magazine were used to support the facts acquired through primary data.

#### **3.4.1. DATA COLLECTION INSTRUMENTS**

The main tool for data collection was questionnaire. A questionnaire is a formalized set of questions for obtaining information from respondents that translate the researcher's information needs into a set of specific questions that respondents are willing and able to answer.

For the purpose of data collection, the researcher used closed-ended questionnaires. Closed-ended questionnaires were prepared by considering organizational culture dimensions and banks employees' performance.

#### **3.4.2. DATA COLLECTION PROCEDURE**

A self-administered, structured questionnaire will be used to gather data from employees. The researcher validating 154 questioners were distributed and 147 were returned for the study.

### **3.5. DATA PROCESSING AND ANALYSIS**

After collecting data from primary sources, it will be appropriately checked. In addition to that in-house editing will be made by the researcher to detect errors committed by respondents during completing the questionnaires. Then the edited data was coded and manually entered in the computer. The collected data was computed through the help of SPSS version 23.

In the study both qualitative and quantitative methods of data analysis techniques were employed. Since quantitative method is appropriate to examine the relationship between two or more variables in the study. Analysis of data in this research will be done by using statistical tools like frequency, mean, standard deviation, correlation, and multiple regressions. A descriptive analysis was used for demographic factors such as gender, age, marital status, educational level, and for how long has been the employees served in the bank.

### 3.6. Validity Test

The clarity of the instrument items to the respondents was established to enhance the instrument's validity. According to Sekaran (2003), validity is the most critical criterion and indicates the degree by which the sample of test items represents the content the test is designed to measure. To establish the validity of the research, instrument the researcher utilized opinions of experts in the field of study especially the feedback obtained from the advisor of this research, who assessed and reviewed the appropriateness of questions and the scales of measurement. Moreover, pilot test was made to check the questionnaires.

### 3.7. Reliability Test

To study consistency of the data collected, reliability test was done on the data collected on each statement. Reliability test was made using Cronbach's alpha; we can say a measuring instrument is reliable if it provides consistent results (Kothari, 2004). In the study a very high Cronbach's alpha value was realized (the more it tends to 1 the better it is); as per spas version 23 result the table below which proves that the data is highly reliable.

Table 3.2. Reliability Statistic

Variables	Cronbach's Alpha	N of Items
Involvement dimension of organizational culture	.765	8
Consistency dimension of organizational culture	.818	8
Adaptability dimension of organizational culture	.825	8
Mission dimension of organizational culture	.769	8
Employee Performance	.715	8

Source: Own Survey Result, 2021

As per the above table the average reliability test result is 0.78 this implies that the data collected was reliable.

### 3.8. Ethical Considerations

The researcher will observe the principles of ethical issues like confidentiality and dignity of the participants, integrity, on no account plagiarism, and never fabricating and destroying data. The research

took at most precaution before undertaking the research and informs the participants in the study about the objectives of the study, and is consciously consider ethical issues in seeking.

Consent, avoiding deception, maintaining confidentiality, respecting the privacy, and protecting the anonymity of all respondents. A researcher will consider these points because the law of ethics on research condemns conducting a research without the consensus of the respondents forthe above listed reasons.

## **CHAPTER FOUR**

### **RESULT AND INTERPRETATION**

This chapter presents the results of the analysis of questionnaires and have three main section .In the first part discuss about demographic related, on the second section the researcher discuss about descriptive and at the end inferential analysis [ correlation and regression] analysis discusses .The target population for this study was head office of Development of Ethiopia and 154 respondents were selected from the employees of head office of Development of Ethiopia . And from the distributed 154 questionnaires 147respondents returned.

Response Rate =  $\frac{\text{Number of respondents that cooperated}}{\text{Total number of questionnaires distributed}} = \frac{147}{154} = 95.2 \%$

154

#### 4.1. Data Processing

The completed questionnaires were coded in excel and inserted into SPSS version 23. This software program was used to analyse the data. Descriptive statistical analysis used to reduce large amount of data to summarize frequencies, means and standard deviations. Based on the descriptive statistics the collected data for each question and respondents were summarized and addition to this to analysis the data the researcher used regression and correlation analysis with the support of this software package.

#### 4.2. Demographics Respondents

**Table 4.1. Demographic dataof respondents**

<b>Male and Female</b>					
		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Valid</b>	<b>male</b>	<b>89</b>	<b>60.5</b>	<b>60.5</b>	<b>60.5</b>
	<b>Female</b>	<b>58</b>	<b>39.5</b>	<b>39.5</b>	<b>100.0</b>
	<b>Total</b>	<b>147</b>	<b>100.0</b>	<b>100.0</b>	
<b>Age [in years]</b>					
		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Valid</b>	<b>18-25</b>	<b>8</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>
	26-35 Years	44	29.9	29.9	35.4
	36-45	51	34.7	34.7	70.1
	Above 45	44	29.9	29.9	100.0
	Total	147	100.0	100.0	
<b>Educational Level</b>					
		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Valid</b>	Certificate	2	1.4	1.4	1.4
	Diploma	8	5.4	5.4	6.8
	BA/BSC	99	67.3	67.3	74.1
	MA/MSC	34	23.1	23.1	97.3
	PHD	4	2.7	2.7	100.0
	Total	147	100.0	100.0	
<b>Work Experience at Development bank of Ethiopia</b>					

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-2 Years	17	11.6	11.6	11.6
	3-5 years	90	61.2	61.2	72.8
	6-8 years	20	13.6	13.6	86.4
	9-10 Years	14	9.5	9.5	95.9
	Above 10 Years	6	4.1	4.1	100.0
	Total	147	100.0	100.0	

**Source: Own Survey result, 2021**

From the total 147 respondents 58 (39.5 %) of them are Female respondent and 89 (60.5 %) of them respondent is male, this implies that male respondent greater than Female.

As indicated in Table 4.2 most of the respondents were categorized under BA/B.Sc. holders are 99 about (67.3 %). MA/MSc holders are 34 (23.1 %), PhD holders are four (2.7 %), Diploma holders are 8 (5.4 %), certificate holders are 2 in number (1.4 %), of the total valid respondents.

From this we can assume that because of this level of academic position the respondents have better understanding of dimensions of organizational culture traits. Hence, the response could be reliable.

As indicated in Table 4.2 Work experience data in the bank reveals that of the 147 valid respondents 90 (61.2 %) were reported to have service year of for 3– 5 years, 20 (13.6 %) worked from 6 to 8 years, 14 (9.5 %) served the bank for 9 – 10 years and 6 (4.1 %) worked above ten years. From this it is possible to say that the respondents were aware about their organization cultures dimensions because 88.4 % of respondent have worked in the Development bank of Ethiopia within a range of three to ten years.

### **4.3. Descriptive Analysis on Organizational Culture**

In order to understand the organizational culture at Development Bank of Ethiopia, employees were asked to give their level of agreement to statements with regard to the four dimensions. Employees rating in five points of Likert scale are then analysed with descriptive statistics of mean and standard deviation. A 5-point Likert scale was used to rate the various indicators whereby 1 point was accorded to ‘Strongly Agree’, 2 points as ‘Agree’, 3-point as ‘Neutral’, 4-point as ‘Disagree’, and 5-point as ‘Strongly Disagree’. The

analysis results are presented in subsequent tables each deals with one dimension of organizational culture at Development Bank of Ethiopia.

**Table 4.2. Descriptive statistics result Mean and Standard Deviation**

<b>Variables</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
Involvement dimension of organizational culture	147	2.8879	.57711
Consistency dimension of organizational culture	147	3.0400	.66063
Adaptability dimension of organizational culture	147	3.1973	.69071
Mission dimension of organizational culture	147	3.0689	.65519
Employ Performance Average	147	3.0372	
Valid N (listwise)	147		

**Source: Own survey result, 2021**

#### **4.3.1. All Variables [Independent and dependent variables]**

The respondents were asked about their Response on effect of organizational Culture and employee performance case of Development bank of Ethiopia. As described in the below table 4.2. Indicated that all five dependent and independent variables the mean and standard deviation result. These five variables i.e. IDOC /involvement dimension of organizational culture /, CDOC /Consistency dimension of organizational culture, ADOC, /Adaptability dimension of organizational culture, MDOC, /Mission dimension of organizational culture indicate the extent organizational culture in terms of Employee performance.

As presented in table 4.2 it is understood that the mean values of all variables were between 2.8879 and 3.1973. the average mean value of all variables is 3.03728, and this implies that above half of respondents agreed that organizational culture positively affected enhancing better employee performance results which in turn depicted increased organizational output through inculcating better organizational culture. in addition, the dispersion of respondents indicates, there was coherent agreement among sample staff

requested that the organizational culture in development bank of Ethiopia contributed to satisfactory employee performance.

#### 4.4. CORRELATION ANALYSIS

Table 4.3.: Correlations among variables

##### Correlations

		IDOC	CDOC	ADOC	MDOC	EP
Involvement dimension of organizational culture	Pearson	1	.782**	.688**	.582**	.526**
	Correlation					
	Sig. (2-tailed)					
	N	147	147	147	147	147
Consistency dimension of organizational culture	Pearson	.782**	1	.798**	.706**	.621**
	Correlation					

	Sig. (2-tailed)	.000		.000	.000	.000
	N	147	147	147	147	147
Adaptability dimension of organizational culture	Pearson Correlation	.688**	.798**	1	.805**	.687**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	147	147	147	147	147
Mission dimension of organizational culture	Pearson Correlation	.582**	.706**	.805**	1	.750**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	147	147	147	147	147
Employee Performance	Pearson Correlation	.526**	.621**	.687**	.750**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	147	147	147	147	147

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

**Source: Own survey result, 2021**

Correlation test is showing the strength of the association or the relationship between the variables involved. Inter- correlations coefficients (r) were calculated by means of Pearson's product moment and Pearson's correlation was used to investigate the interrelations amongst the variables.

According to Cohen (1988), r 0.10 to 0.29 may indicted as low degree of correlation, r 0.30 to 0.49 may be indicting a moderate degree of and r result from 0.50 to 1.00 assigned as a high degree of correlation.

From the correlation analysis, all Variables culture dimensions are found to have positive correlation with the employees' performance. The mission dimension is the most related to employee performance with  $r=0.750$ , followed by Adaptability Dismission  $r=0.687$  and then, the consistency dimension with  $r=0.621$ . Mission, and Adaptability Dimension have strong positive relationship with employee performance. The involvement dimension is also relatively strong related to employee performance with  $r=0.526$ . These strong positive relationships indicate that the employee performance has increased due to the adequate level practice of organization culture at Development Bank of Ethiopia. As per the above table 4.3 correlation among variables indicates that all correlation results are positive. This implies that among variables they

have positive relationship. As per the above table correlation result the relation between and among variables is above 0.5 this implies that there is availability of strong relationship between or among variables.

All the above correlation coefficients interpretations are based on Pallent (2003) way of determining the strength of the relationship. Accordingly,

- If  $r = 1.00$  perfectly positive correlation
- If  $r = -1.00$  perfectly negative correlation
- If  $r = 0.00$  no relationship
- If  $r = 0.10$  to  $r = 0.29$  or  $r = -0.10$  to  $-0.29$  weak relationship
- If  $r = 0.30$  to  $r = 0.49$  or  $r = -0.30$  to  $-0.49$  moderate relationship
- If  $r = 0.50$  to  $r = 1$  or  $r = -0.50$  to  $-1$  strong relationship

#### **4.5. REGRESSION ANALYSIS**

Multi Linear regression was conducted to identify cause and effect between independent and dependent variables. And Regression analysis was used to estimate or predict the effect of independent variable on dependent variable. The significance level of 0.05 with 95% confidence interval was used. The dependent variable was Employee performance, and the independent variables include involvement dimension of organisational culture, Consistency dimension of organisational culture, Adaptability dimension of organisational culture and Mission dimension of organisational culture. The reason for using regression analysis was to assess the direct effect of Organizational culture on Employee performance development bank of Ethiopia.

### Common Assumption Tests:

The following are common assumption tests of multi linear regression done on this study.

#### 4.5.1. Multi Collinearity Assumption Test

According to [Cochran,1977] stated that presence of multi collinearly can be detected by just looking at variance inflation factor [VIF] value of each explanatory variable .That is ,if VIF is more than 10 ,then, it signifies that there is interdependent among independent variable but all variables less than 10 it have no interdependence among variables .Or in other round Multi Collinearity occurs when independent variables in the regression model are more highly correlated with each other than with the dependent variable .Tolerance value and variation inflation factor [VIF] for each in dependent variables determines Multi Collinearity.

Multi Collinearity is problem and exists when tolerance is below 0.10 and average VIF is larger than 10. The multi collinearity test conducted showed that multi collinearity was not problem because tolerance value was not below 0.10 for each in dependent variable and variation inflation factor for each independent variable was not great than 10.

TABLE 4.4 MULTI COLLINEARLY ASSUMPTION TEST

#### Coefficients

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
IDOC	.376	2.656
CDOC	.252	3.960
ADOC	.241	4.151

MDOC	.341	2.932
------	------	-------

a. Dependent Variable: Employee performance

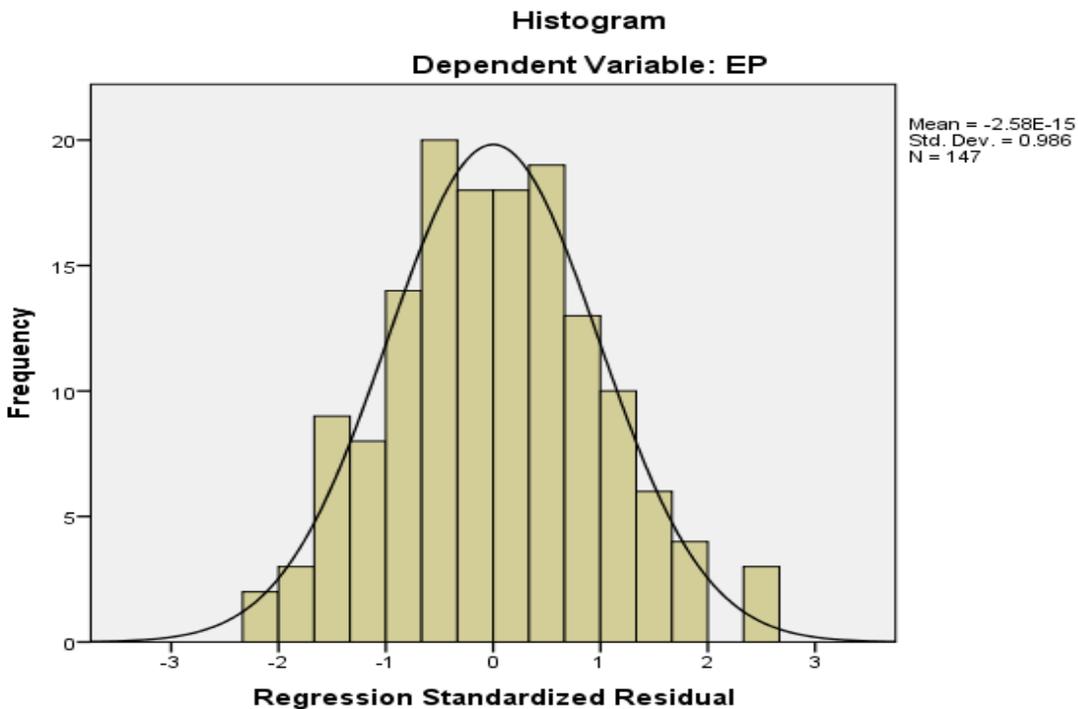
Source: Own survey result, 2021

The above table 4.5 indicates that the VIF values for Involvement dimension of organizational culture, Consistency dimension of organizational culture, Adaptability dimension of organizational culture, and Mission dimension of organizational culture, are below 10, tolerance result above 0.10 and this result indicates that there is no interdependence among independent variables. Hence, the Multi collinearity assumption is fulfilled in the study.

#### 4.5.2. NORMALITY TEST FOR RESIDUALS

This study is a test for normality assumption and is offered graphically as follows.

Figure 2: Normality Test for Residuals



Source: Own survey result, 2021

If the residuals are normally distributed, the histogram should be bell-shaped Bryman,(1988).Therefore, from the above figure, the histogram is bell-shaped; this implies that the residuals are normally distributed. Once the Normality assumption is fulfilled.

### 4.5.3. Autocorrelation Assumption Test

The Durbin-Watson statistic is a number that test for autocorrelation in the residuals from a statistical regression analysis. The Durbin-Watson statistics always between 0 and 4. The value 2 means that there is no autocorrelation in the sample of the study. Values approaching 0 indicate positive auto correlation and values toward 4 indicates negative autocorrelation [Bryman, 1988].

Table 4.5: Durban-Watson [Auto correlation assumption Test result]

#### Model Summary

Model	Durbin-Watson
1	1.908

a. Predictors: (Constant), MDOC, IDOC, CDOC, ADOC

b. Dependent Variable: EP

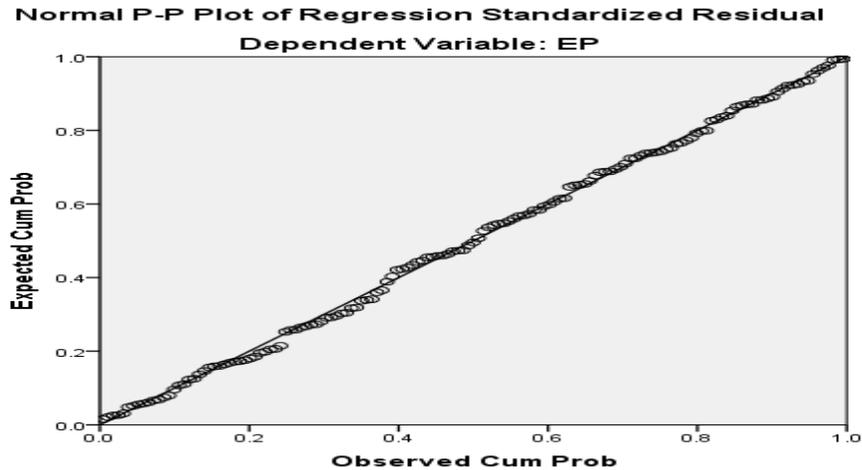
**Source: Own survey result, 2021**

From the above table 4.5indicates that the value Durbin-Watson Statistic result 1.908. Thus, this study has tested for assumption of autocorrelation and there is no autocorrelation from the above result. Therefore, the autocorrelation assumption is fulfilled.

### 4.5.4. Linearity Test

Linearity refers to the degree to which the change in the dependent variables is related to the change in the independent variables. The best test for normally distribute error is Normal probability plot of the residuals. If the distribution is normal, the points on such a plot should fall close to the diagonal reference line. Therefore, the below p-p plot approximately fails close to the diagonal reference line. Thus, it fulfils the linearity assumption of linear regression.

Figure 3: Normal p-p plot of regression



Source: Own survey result, 2021

#### 4.5.5. Heteroscedasticity Test

Heteroscedasticity is usually defined as some variation of the phrase “non-constant error variance”, or the idea that, once the predictors have been included in the regression model, the remaining residual variability changes as a function of something that is not in the model (Cohen, West, & Aiken, 2007; Field, 2009; Fox, 1997; Kutner, Nachtsheim, & Neter, 2004).

If the model errors are not purely random, further action needs to be taken in order to understand or correct this source of dependency. Sometimes this dependency can be readily identified, such as the presence of clustering within a multilevel modelling framework or in repeated-measures analysis. In each case, there is an extraneous feature of the research design that makes each observation more related to others than what would be prescribed by the model.

EMPLOYEE PERFORMANCE

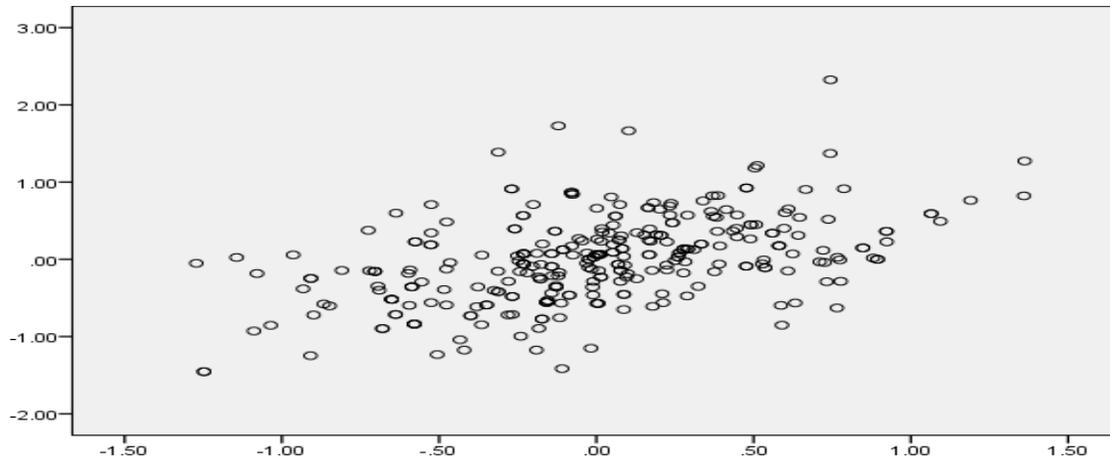


Figure 4.4 Scatter Plot diagram for testing Heteroscedasticity

**Source: Own survey result, 2021**

It is evident from figure 4.4 that the scatter plots is diffused and are not following some defined patterns of any type, which indicate absence of Heteroscedasticity, showing residuals are random in nature. Similar operations are undertaken for every independent variable with the outcome revealing random residual distribution.

#### 4.5.6. ANOVA Model fit

**TABLE 4.6 ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.751	4	7.188	50.309	.000 <sup>b</sup>

Residual	20.288	142	.143		
Total	49.038	146			

a. Dependent Variable: EP

b. Predictors: (Constant), MDOC, IDOC, CDOC, ADOC

**Source: Own survey result, 2021**

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

The test hypotheses are:

HO: The model is not a good fit

H1: The model is a good fit

$\alpha = 0.05$

From the table 4.6 is ANOVA test, it is noticed that F value of 50.309 is significant at the 0.000 level. Therefore, from the result, it can be concluded that the model is a good fit. Since, the P-value [SIG] 0.000 is less than  $\alpha = 0.05$  this result indicates a linear between the dependent variables and the independent variables. Therefore, as per the above table ANOVA result the model is appropriate.

## 4.6. REGRESSION RESULT AND DISCUSSION

Regression analysis applied to examine and investigate the effect of organizational culture on employee performance of development bank of Ethiopia. The coefficient of determination  $R^2$  is the measure of proportion of the variance of dependent variables, and the mean that is explained by independent or predictor variables [Saccani, 2007].

Table 4.7: Model Summary [independent variables as predictors to Employee performance]

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.766 <sup>a</sup>	.586	.575	.37798

a. Predictors: (Constant), MDOC, IDOC, CDOC, ADOC

b. Dependent Variable: EP(Employee performance)

**Source: Own survey result, 2021**

Table 4.7 presents the model summary which states that **employee performance** as a function of Mission dimension of organizational culture, Involvement dimension of organizational culture, Consistency dimension of organizational culture, and Adaptability dimension. On the above model summary R Square value indicated that the independent variables explained the dependent variable by 58.6%. This result implies Organizational culture or element dimensions accounted for 58.6% of the variance in employee performance.

**Table 4.8: Coefficients**

Model	Coefficients						
	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF

(Constant)	.767	.174		4.419	.000		
Involvement dimension of organizational culture	.036	.088	.036	.404	.687	.376	2.656
Consistency dimension of organizational culture	.074	.094	.084	.786	.433	.252	3.960
Adaptability dimension of organizational culture	.134	.092	.159	1.450	.149	.241	4.151
Mission dimension of organizational culture	.479	.082	.541	5.855	.000	.341	2.932

a. Dependent Variable: Employee performance

**Source: Own survey result, 2021**

Regression equation is stated as:

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \dots + \beta_k X + e_i$$

Where:

- $\beta_0$  = point of intercept
- Y = the Employee performance of development Bank of Ethiopia
- $X_k$  = Organizational Culture of element in Development bank of Ethiopia
- $B_k$  = slope of the line
- $e_i$  = error term

As per the above table 4.8 the explained regression equation is stated as:

- $\text{Employee performance} = 0.767 + 0.036 * \text{IDOC} + 0.074 * \text{CDOC} + 0.134 * \text{ADOC} + 0.479 * \text{MDOC}$ :
- Where IDOC = involvement dimension of employee performance, = CDOC = Consistency dimension of organizational culture, IDOC = Involvement dimension of organizational culture and MDOC = Mission dimension of organizational culture

Based on linear regression analysis, the table above reveals the Effect of each Organizational Culture element, i.e. the Effect of IDOC, CDOC, ADOC, and MDOC on Employee performance Development Bank of Ethiopia of are 0.036, 0.074, 0.134 and 0.479, respectively. By examining this  $\beta$  weight of data analysis result and level of significant, the finding shows that IDOC, CDOC, and ADOC have no greater effect on EP

Development Bank of Ethiopia on the other hand internal MDOC greater effect on EP. And this implies that the predicted change in the dependent variable for every unit increase in that predictor.

This signifies a one percent increase in the value of IDOC; the EP of Development Bank of Ethiopia will increase by 0.036 percent provided that other variables remain constant the same is true for other variables for CDOC and ADOC. Therefore, we can conclude that IDOC, CDOC and ADOC havenotstatistically significant effect on Employee performance of Development bank of Ethiopia. On the other hand, the  $\beta$  value of IDOC, CDOC and ADOC is 0.036, 0.074, and 0.134 respectively and the significance level is greater than 0.05. Therefore, we can conclude that three independent variables have a no significant effect on EP but on the other hand MDOC have a significant effect on Employ Performance of development bank of Ethiopia because of high Beta value is 0.474 as per the table 4.9 result and also the p-value less than 0.05.

Generally, the main purpose of this study is to analyse the effect of Organizational Culture dimensions or traits on Employee Performance of Development bank of Ethiopia. From the above data analysis, Organizational Culture elements which are, IDOC, CDOC, ADOC and MDOC has effect on employee performance at 5 % level of significance.

#### **4.7. Hypothesis Testing**

The purpose of the hypothesis was to analyse whether the independent variables [IDOC, CDOC, ADOC and MDOC] has a significant effect on dependent variable [Employee performance]. And one of the most commonly used methods in statical decision making is hypothesis testing.

The hypothesis test includes two hypotheses: the null hypothesis [denoted by  $H_0$ ] and the alternative hypothesis [donated by  $H_a$ ]. The null hypothesis is the initial claim and is often specified using previous research or common knowledge. The alternative hypothesis is sometimes referred to as the research Hypothesis.

The decision-making process for Hypothesis test can be based on the probability value [p-value] for the given test that is:

- If the p-value is less than or equal to a predetermined 0.05 level of significance, then we reject the null hypothesis and claim support for the alternative hypothesis.

- If the P- value is greater than 0.05 level of significance value, we fail to reject the null hypothesis and cannot claim support for the alternative hypothesis.

Based on this the researcher developed four hypotheses to check the effect of organizational culture on employee performance

At the 5% significance level, determine if the model is useful for predicting the response bases on this Hypothesis analysis implemented:

Ho: independent variables do not have a significant Effect on EP

Ha: independent variables have a significant Effect on EP.

The Significance Level  $\alpha = 0.05$  and Reject the null hypothesis if  $p\text{-value} \leq 0.05$ .

The ANOVA table 4.8 shows that (Test Statistic and p-value),  $F = 50.309$ ,  $p\text{-value} < 0.05$  since  $p\text{-value} \leq 0.05$ , we rejected the null hypothesis.

At the  $\alpha = 0.05$  level of significance, evidence to conclude that all independent variables are useful for predicting EP ; therefore the model is useful and accepted the alternative hypothesis; as per table 4.9 Beta result all variables are positive Beta value and with the exception Mission dimensional of independent variables the rest independent variables Significance level greater than 0.05 this implies that IDOC ,CDOC AND ADOC sharing has no significant effect on EP and there is evidence to accept the null hypothesis and to Reject the alternative hypothesis but on the other hand as per the above Coefficients[ 4.9] table result there is no evidence to reject alternative hypothesis of MDOC because of positive and highest Beta value because the significant value less than 0.05 on EP .

#### **4.7.1. Summary of Hypotheses Result**

Table 4.9: Summary of Hypotheses Testing

Type	Hypothesis	Result	Reason
Ha1	IDOC have no significant effect on employ performance	Not supported	B=0.036 ,P>0.05
Ho 2	CDOC have no significant effect on employ performance	Not Supported	B=0.074,P>0.05
Ho3	ADOC have no significant effect on employ performance	Not Supported	B=0.134, P>0.05
Ho4	MDOC have no significant effect on employee performance	supported	B=0.474, P<0.05

**Source: Own survey result, 2021**

As per pervious study and literature and organizational culture framework developed in this study proposes that organizational cultural traits have a direct impact on the employee performance of an organization.

Okechuku (2014) made a study on the ‘‘ Organizational Culture and Employee Performance in the National Agency for Food and Drugs Administration and Control (NAFDAC) in Nigeria’’. It assumes that a positive organizational culture will enhance employee’s performance. The three major findings of the research were NAFDAC’s organizational culture of decentralization provide employees with greater intrinsic rewards than other traditional means of governance, there is a significant relationship between organizational culture and increased employees’ commitment in NAFDAC and the last research result was there is a significant relationship between organizational culture and increased employees’ productivity in NAFDAC.

Ojo (2009) analysed and assesses empirically the impact of corporate culture on employee job performance as well as organizational productivity using Nigerian banking industry as the case study. He tried to ascertain if organizational culture affects employee job performance, and to formulate recommendations regarding corporate culture and employee job performance. He came out with the result that majority of the respondents strongly agrees that corporate culture has effect on employee job performance, and that majority of the employees’ respondents agree that corporate culture has effect determines the productivity level of the organization. As per pervious study and literature and organizational culture framework developed in this study proposes that Organizational culture practice has a direct impact on the overall

Employee performance of an organization. Organizational culture dimension traits are expected to increase an organization's efficiency through developing each member of the group to think and motivated to work for the success of the banks mission by involving in every needed task of the organization by owning or by developing sense of ownership. Bases on this study hypothesis result shows that all independent variables hypotheses result supported with the exception of adaptability dimension. Because all independent variables result less than 0.05 but on the other hand adaptability dimension significant Coefficient value above 0.05 because of the Hypothesis result not supported. This was aligning the above previous study arguments with the exception of adaptability.

## **CHAPTER FIVE**

# SUMMARY OF FINDING, CONCLUSION AND RECOMMENDATION

## 5.1. Summary of Major Finding

A research was carried out in order to find out the effect of organizational culture traits on employee performance of development bank of Ethiopia head quarter.

Explanatory and descriptive research designs were employed, and data were collected from 147 Development Bank of Ethiopia Head Quarter employees. In line with the set objectives the following are the major finding of the study:

147 Development bank of Ethiopia employees were participated on the study where 60.5 % of the respondents were male and the rest were 39.5 % female respondents and the majority of the respondents these means 90.4 % were Degree and MA/MSc holders apart from these the very majority of the respondents service year in Development bank of Ethiopia were 3 years and above and at the end the other hand the majority of respondents working as on or above officer level in general this data showed that how much of the respondent are align with organizational culture dimensions and positions, educational level and years worked are matter to determine the organizational culture traits and employee performance of development bank of Ethiopia

From finding of quantitative or Correlation result showed as among or between dependent [employee performance] and independent variables [involvement dimension, consistency dimension, adaptability dimension and mission dimension] have positive relationship.

From the findings of Pearson's correlation result the detail are here under:

In general, From the Pearson correlation analysis; employee performance was found to have a strong positive correlation with the Mission dimension ( $r=0.750$ ,  $P<0.01$ ), followed by moderate positive correlation with the three remaining organizational culture dimensions: adaptability dimension with ( $r=0.687$ ,  $P<0.01$ ), consistency dimension ( $r=0.621$ ,  $P<0.01$ ), and involvement dimension ( $r=0.526$ ,  $P<0.01$ ),

Finding from Regression analysis result:

The Regression coefficient result of involvement dimension in development bank of Ethiopia was indicated as (B=0.036, P>0.05) sig.687 implying a **3.6** percent increase in an employ performance is due to change in involvement cultural practice but since the significant coefficient is greater than 0.05 hence the hypothesis HA1 is not supported or rejected.

The consistency regression coefficient result was defined with B= (0.074, P>0.05). sig0.433 which infers that **7.4** percent of increase in employ performance is explained by a change in consistency trait and 92.6 percent increase in variable is explained by other factors since the coefficient B=(0.074) is above p-value of 0.05 the hypothesis is rejected.

The Adaptability culture Dimension of Development bank of Ethiopia has Beta coefficient with (B=0.134, P>0.05). sig 0.149 in this relation Adaptability culture could only be able to explain employ performance with **13.4** percent which is insignificant and also the coefficient i.e. (0.149) is above p-value of 0.05 thus we can conclude from the result the third Hypothesis H3 is rejected.

The regression coefficient result of Mission dimension in Development bank of Ethiopia was indicated, (B=0.474, P<0.05). sig0.000 which infers that **47.4** percent of employ performance is explained or justified by due to changes in mission culture dimension and 52.6 percent increase on the variable is explained by other factors not included on the study there fore the fourth hypothesis H4 is accepted.

## 5.2. Conclusion of the Study

Based on the findings of the research it is possible to draw a number of conclusions.

The major objectives of this study is to investigate the effect of traits of organizational culture dimensions on employ performance in DBE.

The results indicated that all the variables of organizational culture (involvement, Adaptability, Consistency, and Mission) are positively related with Employee performance.

A descriptive statistical tools and multiple regression analysis were used. and the demographic data of educational status of respondents indicates that the majority of the respondents about 90.4 % of the respondents were Degree and MA/MSc holders this implies that the better academic status of the respondents helps the them to have a clear understanding of organizational cultural traits than other similar organizations.

According to Regression Analysis regarding involvement dimension showed insignificant in affecting employ performance of the Development bank of Ethiopia this shows thatthere are some inefficiencies with in the bank in the provision of autonomous power and involvement of employees in decision making.

With respect to Adaptability culture, it also shows insignificant effect on employee performance, this result indicates that in DBE new and improved way of doing works is not well adapted to its adequate level. Based on regression analysis of consistency cultural trait consistency has got insignificant effect on employee performance of DBE This indicates that the case bank has to provide gap filling training as usual and strongly work on setting of clear values that support employees and managers in making consistent decisions

From the all four dimensions of organizational traits Mission dimension has got significant result than others this indicates that this cultural trait is found to be practised more strongly in the organization/case Bank) and DBE has to continue themission practice as usual more over the result witnesses Employees of DBE has have good understanding of why they are doing their tasks, how the work they do help the performance of the employees and the organization.

### **5.3. Recommendation**

The banking industry is a competitive industry so, as organizational culture is a competitive edge and employees are the backbone of the organization so the development Bank of Ethiopia is needed to improve its organizational set up with regard to the study findings.

Based on the findings and conclusions of the study, the researcher recommends and suggests the following.

The result of involvement it shows insignificant on employee performance of DBE .From the review of involvement culture which comprises of empowerment, team orientation and capability development, team orientation and then empowerment have great contribution to involvement at the highest level. In order to make further its employee identification with the organization, the management of development bank of Ethiopia should extend its employee involvement in decision-making that affects them, giving them the authority and additional responsibilities, delegation and ability to manage their own work.

The finding of consistency result shows insignificant effect on employee performance of Development bank of Ethiopia to correct this gap The organization should improve its consistency culture, by exerting core values that form the overall dominant culture shared by the majority of the members in the organization. If this is adhered to, the different functions and departments of the organization will be able to work together well to achieve common goals. On the other handFrom the research finding of Mission culture dimension indicates significant effect on employ performance of the case bank, this shows that the Management of Development bank of Ethiopia plays a great role in influencing the organizational culture through its strategy and structure. So the mission culture should be maintained by making sure that those in leadership positions are conversant with the organization's mission and help others to understand those culture of strategic intent and direction, vision and goals and objectives of the organization. In order to keep the mission culture as before and improving in the future, there should be consistently revisiting of organization's vision, strategic intent and direction as mentioned in the literature

#### **5.4. Direction for future research**

Due to time and resource constraints, the researcher did not incorporate the detail sub culture dimensions to validate the responses. It is done on general Denison's cultural dimensions; I recommend the next researcher to go through the detail sub dimensions because this work is only based on responses based on the perception of the selected respondents 147; generalization of these results is so limited. However, I believe that it could be seen as a springboard for future similar research.

## REFERENCE

- Awadh,AM and Saad.(2013). Impact of organizational culture on employee performance. *international review of management and business research*.
- CR,Kumar,N,Haslinda,A and ling,GY. (2008). *Organizational culture as root of performance improvement*.
- Black, R. (2003). *Organizational culture, creating the strategies needed for strategic successes*. London.
- Hakim, A. (2015). Effect of organizational commitment to performance. *International journal of Engineering and science*.
- M, R. (2000). *Organizational culture an examination of its effect on initialization process and member performance*.
- organizational culture and its effect on productivity (2012). Prenada Media Group, Jakarta.
- Robbins, Stephen P. and Judge, Timothy A. 2013, *Organizational Behavior*, Pearson Prentice Hall
- Ojo,O. 2009, Impact Assessment of Corporate Culture on Employee Job Performance. *Business Intelligence Journal*, 2 (2), 388 -397.
- Brown, A. (1998) exploring organizational culture . Electronic book chapter | Ch. 2 pp. 41-82 IN *organizational Culture*. FT Prentice Hall, Harlow

- Charles M. Byle, Kenneth E., 1991, Aupperl and Bernard Arogyaswamy: Organizational Culture and Performance. *JOURNAL OF MANAGERIAL ISSUES*, Vol. III, No. 4.
- Collins, J.C. and Porras, J.I. 2000, *Built to Last: Successful Habits of Visionary Companies*, Harper Business, New York
- Collins, J.C. and Porras, J.I. 2000, *Built to Last: Successful Habits of Visionary Companies*, Harper Business, New York
- Daft, R. L., & Weick, K. E. (1984). Toward a model of organizations as interpretation systems. *Academy of Management Review*, 9(2), 284-295.
- Deal, Terrence E., & Kennedy, Allan A., 1982, *Corporate Culture: The Rites and Rituals of corporate Life*, Reading, Addison-Wesley Publishing Company, Inc., Massachusetts.
- Ivancevich, John M, Robert Konopaske, and Michael T Matteson. 2008, *Organizational Behavior*, 8th Ed. Organization and Management, McGraw-Hill International. Inc., Singapore
- Djokosantoso, Moeljono, 2003, *Corporate Culture and Corporate Excellence*, Elex Media Komputindo of Gramedia Group, Jakarta.
- Fakhar Shahzad, Zahid Iqbal and Muhammad Gulzar 2013: Impact of Organizational Culture on Employees Job Performance: An Empirical Study of Software Houses in Pakistan *Journal of Business Studies Quarterly*, Vol. 5, No. 2, ISSN 2152-1034
- Kotter, J.P. & Heskett, J.L. (1992). *Corporate culture and performance*. New York: Macmillan.
- Kotter, J. P., & Heskett, J. L. (1992). *Corporate Culture and Performance*. New York: Free Press.
- Kitchenham, B., & Pfleeger, S.(2002). *Principles of Survey Research, Part 5: Populations and Samples*, *Software Engineering Notes*, 27(5) 17-20
- Magee, K. C. (2002). *The impact of organizational culture on the implementation of performance management* (Doctoral dissertation). Available from Dissertations and Theses database (UMI No. 3047909).
- Michael Armstrong and Helen murlis, (2004) *reward management, a handbook of remuneration strategy and practice*
- Mwita, J. I. (2000). *Performance management model: A system-based approach to system*
- Noor, Juliansyah, 2012, *Management Science Research Overview Philosophical and Practical*, KencanaPrenada Media Group, Jakarta.quality. *The International Journal of Public Sector Management*, Volume 13, No. 1, pp. 19-37

- Ogbonna, E. (1993). Managing Organizational Culture: Fantasy or Reality? *Human Resource Management Journal*, 3(2), 42-54
- Omoniyi, C.O., Salau, O.F. & Fadugba, O.P. (2014). Perceived influence of organizational culture and management style on employee performance in Nigerian banking sector. *European Journal of Business and Management*
- Ojo, O. 2009, Impact Assessment of Corporate Culture on Employee Job Performance. *Business Intelligence Journal*, 2 (2), 388 -397
- Omoregbe, O. a. (2017). Organizational Culture and Employee Performance in the Nigerian Banking Sector. *European Journal of Business and Social Sciences*, 6(8), 10-12.
- Peters, T.J. & Waterman, R.H. (1982). *In search of excellence*. New York: Harper and Row.
- Robbins, Stephen P. and Judge, Timothy A. 2013, *Organizational Behavior*, Pearson Prentice Hall.
- Robbins, Stephen P & Judge, Timothy A., 2009, *Organizational Behavior*. Pearson Prentice Hall
- Raduan, C. R., Kumar, N., Haslinda, A. & Ling, G. Y. (2008). Organizational Culture as a Root of Performance Improvement: Research and Recommendations. *Contemporary Management Research*, 4, (1), 43-56.
- Ritchie M. (2000). Organizational culture: An examination of its effect on the initialization process and member performance. *Southern Business Review*, 25, 1-13.
- Schein, E. H., 1990, *Organizational Culture*, *American Psychologist*, 43 (2), pp109-119.
- Sutrisno, Edy., 2007, *Organizational Culture*, 2nd Ed. , Kencana Prenada Media Group, Surabaya
- Kotter, J. P., and Heskett, J. L., 1992, *Corporate Culture and performance*, Macmillan, The Free Press, New York. Uma Sekaran, (2003), *Research methods for business fourth edition*.
- Sekaran, U. &. (2003). *Research Methods for Business*. U.S.A.: John Wiley and Sons
- Dwirantwi, Eric Addo, 2012, *Organizational Culture and its effect on productivity; the case study of La Community Bank*
- Ojo, O. (2010). Organizational culture and corporate performance. *Journal of Business System, Governance and Ethics*, 5(2), 1-12
- Dolan, S. and Lingham, T., (Ed).(2012). *Introduction to International Organizational Behavior*. Logan Ltd
- Stewart Douglas, (2010). *Growing the Corporate Culture*, obtained from

<https://www.wachovia.com/foundation/v/index.jsp?vgnextoid=ab411f07760aa110VgnVCM1000004b0d1872RCRD&vgnextfmt=default> on April, 23, 2012

- Hakim, A.(2015). Effect of Organizational Culture, Organizational Commitment to Performance: The International Journal Of Engineering And Science (IJES).4(5);33-41
- Klein, A. (1996). Validity and reliability for competency-based systems: reducing litigation risks. Compensation and Benefits Review, July/August, 31-7
- Hellriegel, D., & Slocum, J. M. (2007). Organizational Behavior. South- Western, U.S.A.
- Peters, L. H., & OConnor, E. J. (1980). Situation constraints and work outcomes: The influence of frequently overlooked structure. Academy of Management Review, 5, 391-397.
- Ritchie M. (2000). Organizational culture: An examination of its effect on the initialization process and member performance. Southern Business Review, 25, 1-13
- Schein, E. M. (1999). The corporate culture survival guide sense and nonsense about Culture change. Josey-Bass
- Siehl, C., & Martin, J. (1990). Organizational Culture: a key to financial performance. In Schneider, B. (Ed.), Organizational Climate and Culture. San Francisco, Ca: Jossey-Bass.
- Thompson, A. A. , Strickland, A. J., Gamble, J. E. (2005). Crafting and executing strategy: The quest for competitive advantage: Concepts and cases (4th ed.). McGraw-Hill, Irwin
- Sekaran, U. &. (2003). Research Methods for Business. U.S.A.: John Wiley and Sons.
- Stephen, P. R. (2009). Organizational Behavior (8th ed.). South Africa: Pearson Education
- Bethelhem, H. A. (2017). The effect of Organizational Culture on Employee Performance: John Snow Incorporated(ISI). Addis Ababa: Addis Ababa Universty.
- Ogbonna, E. &. (2000). Leadership style, Organizational Culture and Performance: Empirical Evidence from UK Companies. International Journal of Human Resource Management, 11(4), 766-

**ST. MARY’S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES (MBA)**  
**QUESTIONNAIRE**

This questionnaire is designed to gather data for research purpose in fulfilment of a MBA in **EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE CASE OF DEVELOPMENT BANK OF ETHIOPIA.**

Dear respondent, my name is Getnet Abate. I am studying Masters of Business Administration in Saint Marys University. Now I am going to conduct study on the “EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE CASE OF DEVELOPMENT BANK OF ETHIOPIA.

The information that you offer me with this questionnaire will be used as a primary data in my study which I am going to conduct as a partial fulfilment of the requirements for the Masters of Business Administration (MBA) degree. Therefore, this research is to be evaluated in terms of its contribution to our understanding of **EFFECT OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE CASE OF DEVELOPMENT BANK OF ETHIOPI.**

Thus, your genuine responses are extremely important for the success of this research. And also, you are kindly requested to feel free and respond all of the questions as honestly as possible. Dear respondent, I would like to express my deep appreciation for your generous time, honest and prompt responses.

General Instructions

- ❖ No need of writing your name.
- ❖ In all cases where answer options are available, please tick (√) in the appropriate box.
- ❖ Confidentiality:-I want to assure you that this research is only for academic purpose authorized by Saint Mary’s university. No other person will have to access this collected data.

If you have any queries concerning the questionnaire, please contact me: Name: Getnet Abate Phone Number: +251 911001561 Email: <gaanteve@gmail.com>

**Addis Ababa**

**Thank you for your cooperation!!**

**Part I General Background of Respondents (Demographic Information)**

**Likert scale:**Showing respondents’ agreement or disagreement

**I. Personal Information**

1. Age 18-25 years  26-35 years  36-45 years  above 45years

2. Sex Male  Female

3. Educational level

Certificate  Diploma  BA/BSc  MA/MSc  PhD

4. Work Experience at Development bank of Ethiopia

1-2 years  3-5 years  6-8 years  9-10 years   
above 10 years

**II. Part II** The purpose of this Likert scale is to assess your views and opinions about the present situation of “effect of organizational culture on employee performance” Therefore, please read each statement in the table and put a tick along the scales (strongly agree to strongly disagree) that most closely fits your opinion.

**5. Strongly Agree 4. Agree 3. Neutral 2. Disagree 1. Strongly Disagree**

Ser no	Dimensions	1	2	3	4	5
A	<b>Involvement Dimension of Organizational Culture</b>	Strongly agree	Agree	uncertain	Disagree	strongly disagree
1	I feel that I am engaged in my work.					
2	Decisions are usually made at the level where the best information is available					
3	Information is widely shared so that everyone can get the information he/she needs when it is needed.					
4	believe that I can have a positive impact on my organization.					
5	In my organization business planning is an ongoing activity and involves everyone in the process to some degree					
6	Cooperation across the different parts of the organization is actively encouraged					
7	We all in DBE work like as if we are a team					
8	Teamwork is used to get work done, rather than hierarchy					
Ser no	Dimensions	1	2	3	4	5
B	<b>Consistency Dimension of Organizational Culture</b>	Strongly agree	Agree	uncertain	Disagree	strongly disagree
1	Our managers and leaders “practice what they preach”					
2	There are a characteristic management style and a distinct set of management practices					
3	There is a clear and consistent set of values that govern the way we do business					
4	I know that ignoring core values will get me in trouble.					
5	There is an ethical code that guides our behavior and tells us					

	right from wrong					
6	When disagreement occurs, we work hard to achieve “win-win” solutions					
7	In DBE there is a “strong” culture					
8	It is easy to reach consensus, even on difficult issues.					
Ser no	Dimensions	1	2	3	4	5
<b>C</b>	<b>Adaptability Dimension of Organizational Culture</b>	Strongly agree	Agr ee	unce rtain	Disagr ee	strongly disagree
1	I feel that the way things are done is flexible and easy to change					
2	We respond well to competitors and other changes in the business environment.					
3	New and improved ways to do work are continuously adopted					
4	Attempts to create change usually meet with resistance					
5	Different parts of the organization often cooperate to create change					
6	Customer comments and recommendations often lead to changes					
7	Customer input directly influences our decisions					
8	All members have a deep understanding of customer wants and needs					
Ser no	Dimensions	1	2	3	4	5
<b>D</b>	<b>Mission Dimension of Organizational Culture</b>	Strongly agree	Agr ee	unce rtain	Disagr ee	strongly disagree
1	There are a long-term purpose and direction					
2	Our strategy leads other similar organizations to change the way they compete in the industry					

3	There is a clear mission that gives meaning and direction to our work					
4	There is a clear strategy for the future					
5	Our strategic direction is clear to me					
6	There is widespread agreement about goals					
7	Leaders set goals that are ambitious, but realistic					
8	The leadership has "gone on record" about the objectives we are trying to meet					
Ser no	VARIABLE	Strongly agree	Agree	Uncertain	Disagree	strongly disagree
	<b>EMPLOYEE PERFORMANCE</b>	1	2	3	4	5
1	I believe that better communication enables me to perform well					
2	I feel that my tasks are clear and I have the necessary Knowledge to complete them.					
3	I have the required skills to perform my task.					
4	I have the required level of motivation to perform the task with minimum will and efforts					
5	I perform my work to the expected standards					
6	I could manage more responsibilities in my job than assigned to me.					
7	I am able to manage my time and allocate resources effectively.					
8	I am able to judge a given work situation and respond to it.					

## Reliability

Scale: IDOC

**Case Processing Summary**

		N	%
Cases	Valid	146	99.3
	Excluded <sup>a</sup>	1	.7
	Total	147	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.765	8

RELIABILITY

/VARIABLES=CDOC1 CDOC2 CDOC3 CDOC4 CDOC5 CDOC6 CDOC7 CDOC8

/SCALE('CDOC') ALL

/MODEL=ALPHA.

## Reliability

### Scale: CDOC

#### Case Processing Summary

		N	%
Cases	Valid	145	98.6
	Excluded <sup>a</sup>	2	1.4
	Total	147	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.818	8

RELIABILITY

```
/VARIABLES=ADIC1 ADOC2 ADOC3 ADOC4 ADOC5 ADOC6 ADOC7 ADOC8  
/SCALE('ADOC') ALL  
/MODEL=ALPHA.
```

## Reliability

### Scale: ADOC

**Case Processing Summary**

		N	%
Cases	Valid	147	100.0
	Excluded <sup>a</sup>	0	.0
	Total	147	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.825	8

## Reliability

## Scale: MDOC

**Case Processing Summary**

		N	%
Cases	Valid	146	99.3
	Excluded <sup>a</sup>	1	.7
	Total	147	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.769	8

**Case Processing Summary**

		N	%
Cases	Valid	147	100.0
	Excluded <sup>a</sup>	0	.0
	Total	147	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.715	8

### Frequencies

#### Statistics

		Male and Female	Age [in years ]	Educational Level	Work Experience at Development bank of Ethiopia
N	Valid	147	147	147	147
	Missing	0	0	0	0

### Frequency Table

#### Male and Female

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	89	60.5	60.5	60.5
	Female	58	39.5	39.5	100.0
	Total	147	100.0	100.0	

#### Age [in years ]

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	8	5.4	5.4	5.4
	26-35 Years	44	29.9	29.9	35.4
	36-45	51	34.7	34.7	70.1
	Above 45	44	29.9	29.9	100.0
	Total	147	100.0	100.0	

### Educational Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	2	1.4	1.4	1.4
	Diploma	8	5.4	5.4	6.8
	BA/BSC	99	67.3	67.3	74.1
	MA/MSC	34	23.1	23.1	97.3
	PHD	4	2.7	2.7	100.0
	Total	147	100.0	100.0	

### Work Experience at Development bank of Ethiopia

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-2 Years	17	11.6	11.6	11.6
	3-5 years	90	61.2	61.2	72.8
	6-8 Yaers	20	13.6	13.6	86.4
	9-10 Years	14	9.5	9.5	95.9
	Above 10 Years	6	4.1	4.1	100.0
	Total	147	100.0	100.0	

## Descriptive

### Descriptive Statistics

	N	Mean	Std. Deviation
IDOC	147	2.8879	.57711
CDOC	147	3.0400	.66063
ADOC	147	3.1973	.69071
MDOC	147	3.0689	.65519
EP	147	2.9923	.57955

Valid N (listwise)	147		
--------------------	-----	--	--

## Correlation

Correlations

		IDOC	CDOC	ADOC	MDOC	EP
IDOC	Pearson Correlation	1	.782**	.688**	.582**	.526**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	147	147	147	147	147
CDOC	Pearson Correlation	.782**	1	.798**	.706**	.621**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	147	147	147	147	147
ADOC	Pearson Correlation	.688**	.798**	1	.805**	.687**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	147	147	147	147	147
MDOC	Pearson Correlation	.582**	.706**	.805**	1	.750**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	147	147	147	147	147
EP	Pearson Correlation	.526**	.621**	.687**	.750**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	147	147	147	147	147

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

## Regression

Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
-------	-------------------	-------------------	--------

1	MDOC, IDOC, CDOC, ADOC <sup>b</sup>	.	Enter
---	--	---	-------

a. Dependent Variable: EP

b. All requested variables entered.

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig.
1	.766 <sup>a</sup>	.586	.575	.37798	.586	50.309	4	142	.000 <sup>b</sup>

a. Predictors: (Constant), MDOC, IDOC, CDOC, ADOC

b. Dependent Variable: EP

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.751	4	7.188	50.309	.000 <sup>b</sup>
	Residual	20.288	142	.143		
	Total	49.038	146			

a. Dependent Variable: EP

b. Predictors: (Constant), MDOC, IDOC, CDOC, ADOC

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.767	.174		4.419	.000		
	IDOC	.036	.088	.036	.404	.687	.376	2.656
	CDOC	.074	.094	.084	.786	.433	.252	3.960

ADOC	.134	.092	.159	1.450	.149	.241	4.151
MDOC	.479	.082	.541	5.855	.000	.341	2.932

a. Dependent Variable: EP

**Collinearity Diagnostics<sup>a</sup>**

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	IDOC	CDOC	ADOC	MDOC
1	1	4.938	1.000	.00	.00	.00	.00	.00
	2	.028	13.180	.86	.00	.03	.04	.03
	3	.019	16.313	.03	.33	.07	.03	.31
	4	.008	24.649	.11	.59	.40	.16	.41
	5	.007	26.118	.00	.08	.50	.77	.25

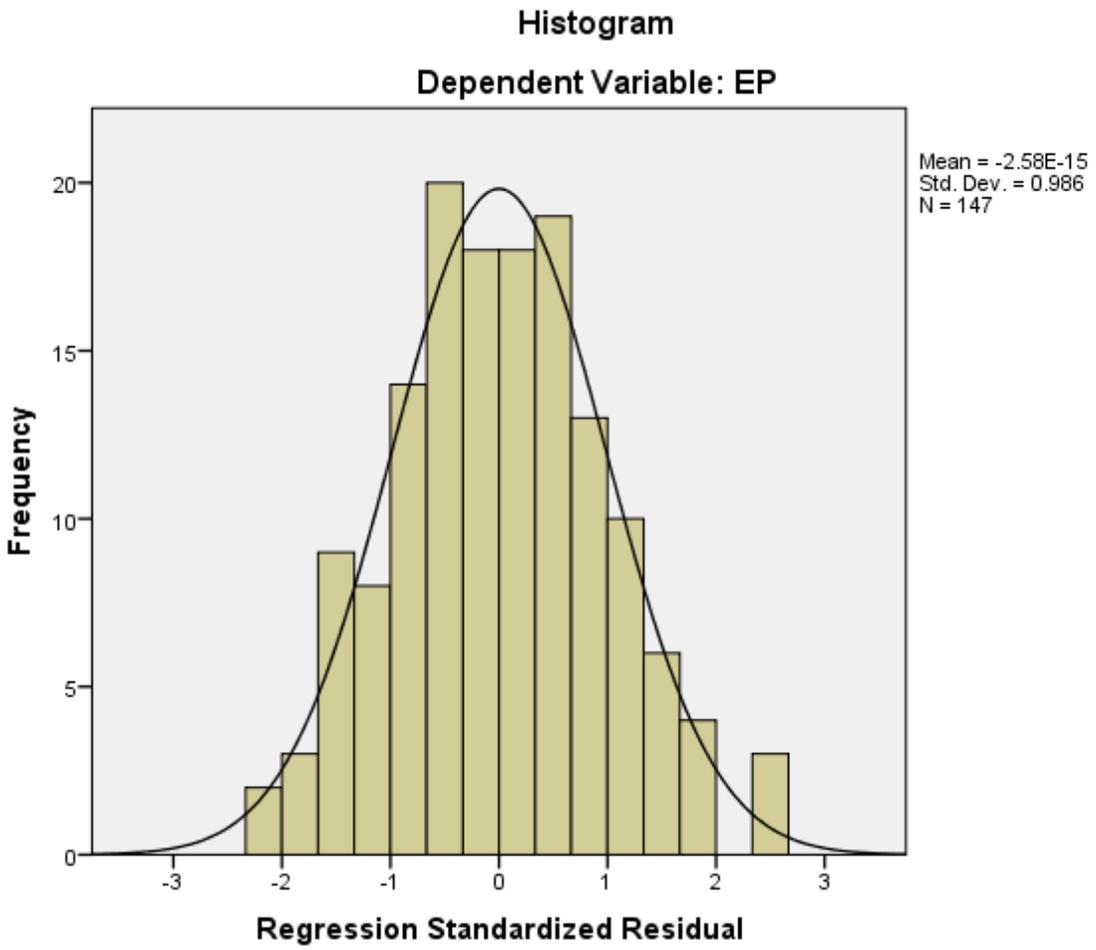
a. Dependent Variable: EP

**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8429	4.0926	2.9923	.44376	147
Residual	-.81517	.94643	.00000	.37277	147
Std. Predicted Value	-2.590	2.479	.000	1.000	147
Std. Residual	-2.157	2.504	.000	.986	147

a. Dependent Variable: EP

**Charts**



Normal P-P Plot of Regression Standardized Residual  
Dependent Variable: EP

