

# Exploring Organizational Culture and Performance in Nigeria

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## Abstract

Organizational culture performs four important roles and can be authoritative or participative. There is evidence in the literature that a participative organizational culture encourages teamwork, promotes organizational citizenship behavior and leads to high organizational performance, which is often represented by productivity and profitability. Organizational cultures focus at supporting organizational vision and mission in furtherance of performance. A corporate culture markets the organization, and it is believed that organizational culture is one of the most important things that must be institutionalized to promote organizational sustainability and performance. The exploratory research design was used to examine the relationship between organizational culture and performance; and it was found that organizational culture has positive association with performance. Among other things, it was recommended that organizations need to make their corporate culture as visible as possible so as to add value to its goodwill.

## Keywords

Organizational Citizenship Behaviour, Expectations, Mission, Authoritarian, Participation

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## 1. Introduction

The wish of every management often is that its organization becomes first in its industry in profitability, thus management is particularly concerned with organizational performance, and uses different methods, including the cultivation of good corporate cultures to improve performance. Organizations establish standards of behavior and relationship with others based on cultural, historical, or philosophical perspectives. Such behaviours or attitudes influence their performance to a high degree. [19] suggest that organizational culture refers to the character of an organization, its history, its approach to decision-making, its way of treating employees, and its way of dealing with the outside world. Organizational culture may also be described as the sum total of shared values, symbols, meanings, beliefs, assumptions, and expectations that organize and integrate a group of people who work together

in an organization. Organizations that make necessary positive culture adjustments to keep up with changes in the environment sometimes perform better than those whose culture is static or rigid and not responsive to the external environment. They opine that an organizational culture that espouses motivation of employees through regular promotions, rewards for good performance on the job, and enhances their ability through training and development, experience, selection, and education will likely achieve higher results than others with contrary philosophy. Performance may be described as the set of outcomes produced in a specified job function or activity during a specified time period. Performance is usually evidenced by reports, physical goods, innovations, creativity, sales revenues or turnover, productivity and profitability. Two key perspectives of organizational culture that affect performance are authoritative and participative cultures. Authoritative cultures feature centralized decision-making, with the chief

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executive officer (CEO) and a few top level managers. In this case, employees do not perceive rewards for innovation, but only following order. They also think that their managers are interested in them only as workers and not as people. Such a culture is closed, insensitive and resistant to any change from the external environment. On the other hand, participative cultures feature the common value chain of teamwork. Employees feel empowered to make decisions rather than to wait for orders from those in positions of power and authority. People work as a team to achieve organizational goals. Employees feel valued as people, and not just as economic tools. Participative organizational cultures are open to new ideas from inside and outside the organization. By participating in formal decision and administrative processes, employees can debate and potentially influence broad policy directives, compensation issues, job designs and descriptions. Thus, employees can give valuable feedback on failures to effective performance. To be sustainable, employee participation and empowerment should be embedded in and supported by formal cultures of the organization. This is imperative because a sense of not having a voice and power is a critical dimension of poor performance. Powerlessness and hopelessness encourage docility and low performance among employees. On the other hand, empowerment enhances the attributes of transparency, accountability, motivation, equity, self-confidence, sense of belonging, and powerfulness necessary for teamwork and high performance. It is generally accepted that an open organizational culture encourages teamwork which is important for high performance. Teamwork is a way of empowering employees and facilitating the development of their full potential so as to enhance organizational performance. According to [27] although teamwork is not a recent idea, it encourages autonomous working groups, enhances responsibility and authority and provides the employees with a sense of achievement. They insist that while team members will gain intrinsic rewards from autonomy, job satisfaction, identification with work and greater skills development, and performance is the ultimate aim. They opine that higher performance is expected due to increased flexibility and communication within teams, increased ownership of the task and commitment to team goals. Teams frequently outperform other work methods. For example, [27] argue that teams are fundamental to continuous corporate improvement, and that they are also seen as critical in the development of a learning organization as well as performance improvement. A team may be described as more than the sum of the individual members. Therefore, a team demands collaborative, not competitive, effort where each member takes responsibility for the performance of the team rather than just their own individual performance. In other words, the team comes first, the individual comes second, and everything the individual

member and the team do is second toward the fulfillment of the organizational goals. Teamwork mostly results to high performance because a team has a common purpose, agreed norms, and values which regulate behavior; members have the capability for interdependent functions and recognition of team identity. [27] opines that teams are comprised of members with complementary skills, shared leadership roles, mutual accountability and a specific team insists that team commitment derives from an involvement in defining how organizational goals will be achieved and having the power and ability to make decisions within teams rather than being overly dependent on the arrangement and agreement of external management. Teams hold meetings at the beginning of every working day to discuss issues like developing a positive work attitude and encouraging a sense of responsibility among the team to ensure improved performance [25]. High performance is often achieved when management builds rapport through empathy, support, credibility, integrity, loyalty, competence, regular meetings, and honouring commitment. Building rapport and having a realistic policy derives from the perspectives of the organizational culture, but this can be easily achieved where a positive participative organizational culture is practiced. According to [19] the responsibility for organizational culture belongs to management, the decision-makers in the organization. They suggest that successful management seeks an organizational culture that supports the goals of the organization. However, they opine that some global organizations like General Motors, acknowledges the effect of labour strife on its productivity and has changed its old culture by attempting to move away from seeing their employees as cogs to seeing them as a potential resource. It now wants employees to develop achievable plans about what they can do themselves to make the organization a more successful company. This is a typical example of moving away from an authoritarian organizational culture to a participative organizational culture with the primary aim of achieving high performance through teamwork. Performance depends highly on a culture where innovation and creativity are recognized and encouraged. Performance also has a significant relationship with the organizational citizenship behavior of any organization because organizational culture provides employees with a common understanding of what the enterprise is about and what behavior is appropriate in any situation. The role of organizational culture and organizational citizenship behavior (OCB) are critical in understanding and promoting performance. OCB shapes business practices and management styles and to a great extent influences the level of performance. [13] suggest that the basic underlying cultural assumptions create the lenses through which employees perceive and interpret events in an organization. They opine that organizational culture helps in

the achievement of organizational goals through employee self-management teams, cultural socialization, support strategy, among others. Successful management based on a participative culture encourages employees to provide inputs, information, and feedback to management on their experience, and creativity that help in promoting high performance. Proper communication of policies should reflect management's desire to keep employees informed of organizational goals that will help them to work as a team for the accomplishment of desired organizational objectives.

### 1.1. Statement of the Problem

Management has the responsibility and prerogative for organizational culture and therefore needs to communicate the core values of the organization in clear terms to the employees with the sole aim of raising performance. In some cases management fails in this important responsibility thereby creating room for lack of understanding among individual employees and teams on how to work towards the enhancement of organizational performance. To guarantee performance, management needs to ensure that all expectations are clearly communicated and understood by organizational members, and provide motivation for desirable performance. A major management challenge is to reduce errors in measurement of performance and also understanding the underlying causes of poor performance and prevent them proactively. Improving performance requires the linking of rewards and performance scientifically and to provide necessary sanctions for persistent poor performance levels. Performance may be stagnant where management fails to train, and retain employees for better performance. Inability of management to communicate organizational core values, histories, assumptions and expectations, often pose a serious problem for high performance. Some businesses fail to achieve desired performance targets because of lack of flexibility, self-discipline and personal management as well as the inability to encourage collaboration between management and employees and their accredited representatives. Organizational culture which has been described as the system of shared values, habits and beliefs within a given organization that interacts with the formal structure to produce behavioural norms that influence positive organizational contributions can have negative effects on the organization if not properly handled by management. According to [2] the culture of an organization has tremendous impact on the direction of the organization and the behavior of the people within it and the organizational performance. They opine that the challenge of management with regard to organizational culture revolves around the fact that the culture of an organization governs how resources are allocated, how people are hired and fired, the reward system,

and also defines what the organization regards as problems or opportunities. Because in some cases organizational culture is defined as friendly, supportive, or risk taking, among others, management has the responsibility to ensure that necessary measures are put in place to reduce the incidence of poor performance as a result of the prevailing organizational culture and to ensure that proactive actions are taken to encourage and enhance organizational performance. On the issue of organizational culture sustainability and performance, [13] argue that even though the culture of an organization evolves overtime and also heavily influenced by the beliefs and philosophy of the founder of the organization, management has the primary responsibility of ensuring the effective socialization processes, to facilitate the sustainability of the founders positive values necessary to increase organizational performance. Most customers patronize organizations based on their belief and sympathy in and with the core ideals of the founder. To this extent, organization uses a variety of approaches to maintain and reinforce their visible culture over time. These may be in form of cultural symbols, rituals, company stories or core values that best project their culture and leadership. Management sometimes fails to project their visible culture which should have great influence on performance. The major element of a visible culture consists of what an observer can hear, feel, or see. Visible culture include, but not limited to how people dress, how they carry themselves while walking around, how managers practice management by walking about (MBWA) among such things as open spaces, amenities for work safety and cafeteria for employees and customers conveniences, and eating arrangements. The inability of some organizations in Nigeria to institutionalize a credible organizational culture remains a constraint to performance. It is generally known that over 90 percent of registered businesses in Nigeria are within the micro, small and medium enterprises (MSMEs) category and it cannot be said that they have conducive organizational culture capable of positively influencing organizational performance. Most of them have no reasonable health and safety programmes beyond the legal minimum of first-aid arrangements, no cafeterias, conveniences, for the benefit of the employees and customers. When the public perceives that an organization does not have a friendly culture, it affects its ability to hire quality people that would otherwise contribute to its performance. On the other hand, organizations that espouse a culture of collaboration and excellence often perform well. For example, Johnson & Johnson at one time in history was reputed for its cultural excellence and high performance among top organizations around the world. Even in Nigeria today, among the oldest organizations in their industries like United African Company Plc (UAC) and First Bank of Nigeria Plc (FBN) established well over 100 years ago

remain strong in operations largely because customers believe in their culture of transparency and accountability in business and financial dealings. The culture of an organization inherently sells it in the market place. Managing organizational culture is critical for enterprise success because it shapes business practices and management styles that help in achieving the desired performance level. Each organization has a unique culture that distinguishes it from other organizations within the same national culture, but the reality is that an organizational culture rife with cynicism, dishonesty, lack of transparency, accountability, credibility and poor ethical standards will likely lead the organization to low performance [29]. The author believes that not much work has been done in the areas of organizational culture and performance in Nigeria, and it becomes imperative at these times of corporate failures to advance ideas in contribution to the debate about the relationship between organizational culture and performance.

**1.2. Conceptual Framework of the Study**

A conceptual framework exhibits the structure of the research

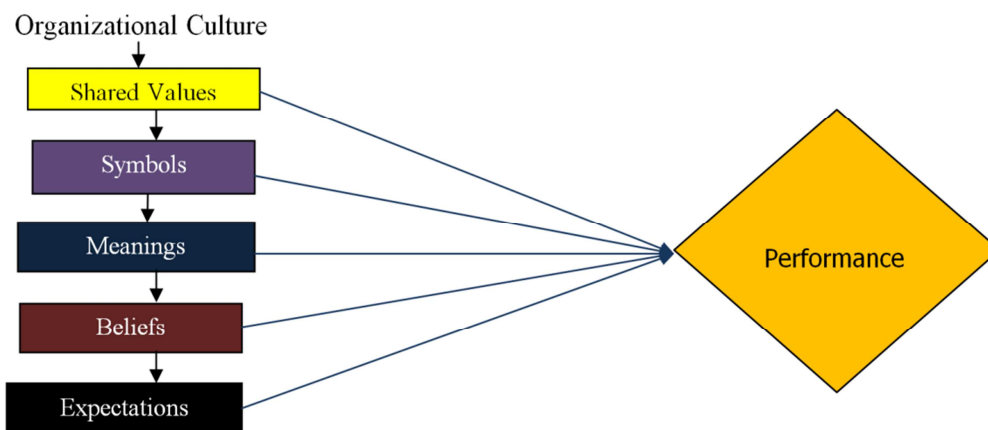


Figure 1. Organizational Culture and Performance Model.

Source: Author Fieldwork (2018)

The model of the study recognizes that organizational culture is the set of shared values, symbols, meanings, beliefs, and expectations, among others, that influence the ways in which individuals and teams interact with each other and cooperate to achieve organizational goals. [17] suggest that organizational culture is an important source of control for two reasons: First, it makes control possible in situations where management cannot use output or behavior control. Second, and more important, where a strong and cohesive set of organizational values and norms are in place, employees focus on thinking about what is best for the organization and all their actions become oriented towards supporting the organization to increase performance. They postulate that high-performing organizational culture emphasizes high-quality customer service, commitment to employees and

ideas and the manner and arrangement that espouses the research problem vis-à-vis relevant literature. Conceptual framework is frequently stated in a schematic model that shows the relevant study variables and their hypothesized relationship [11]. Models are popular in management research and they help to make explicit the structure that would otherwise be hidden in an excess of words. The framework of the present study was based on the model proposed by [9] and summarized in figure 1, with organizational culture as the independent variable (with its proxies) and performance as the only dependent variable. Traditionally, the proxies of performance have been productivity, and growth. [12] thinks that the values of organizations are passed along with unmistakable certainty from employees to employees and from management to management. He argues that organizational culture is the soul of the organization and that understanding the organizational values drive successful corporate culture and performance. The successful organization nurses a positive and competitive culture, which is the ability to focus the energy of the people inside the company on the task of winning the market place.

empowerment, creativity, entrepreneurial spirit, motivation, among others. For example, part of the famous Johnson & Johnson corporate credo states: we are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. Johnson & Johnson’s popular ethical organizational culture provides the company and its various stakeholders with numerous benefits, including high patronage and performance. In addition to high performance levels, sound organizational culture helps the organization to recruit and retain a diverse workforce and develop an outstanding reputation, and at the same time promotes OCB.

**1.3. Objective of the Study**

The study was designed to explore the relationship between organizational culture and performance in Nigeria.

### 1.4. Significance of the Study

This study will help in encouraging researchers, students and others interested in the relationship between organizational culture and performance to enhance their understanding in the areas.

### 1.5. Research Questions

- i. Do you think that shared values influence performance?
- ii. Is it possible for organizational symbols to discourage performance?
- iii. Are organizational meanings counter performance?
- iv. Is it true that organizational beliefs encourage performance?
- v. Can you say that expectations drive performance?

### 1.6. Hypothesis

Ho: There is no relationship between organizational culture and performance.

Hi: There is a relationship between organizational culture and performance.

## 2. Literature Review

The culture of an organization has the capacity of making or retarding its performance. Management has the primary responsibility for organizational culture which is an important element for organizational performance. [3] suggests that organizational culture has proved to be an important aspect of a company, as it can be, and does affect employee's behaviours, motivations, values and performance. Sustaining good organizational cultures requires good leadership. Effective organizational leaders articulate a vision and mission for the organization which the employees find exciting and worthy to emulate to enhance performance. The employees determine the underlying organizational values not by what management says, but by what it actually does. [24]. Successful organizations use different methods and techniques to ensure employees' compliance with their culture, customer buy-in, and high-performance. According to [13] sometimes organizations organize activities to offer employees' and customers' the opportunity to share and understand their cultural philosophy, history, expectations and meanings. This may be in the forms of cultural socialization with the aims of awaking the spirit of OCB and performance among employees. [20] argues that culture plays a key role in organizational performance because, it provides a sense of purpose and identity to its members, it generates a sense of commitment to the mission of the organization, the objectives and goals, and also it determines a unique set of

standards and expected behaviors among the members. He opines that organizational culture has a strong influence on the success of the organization in both short and long term dimensions. Other studies like in [14] suggest that organizational culture influences organizational performance and also impacts on individuals in improving their quality of life in terms of increasing their morale, motivation, job satisfaction, commitment, productivity and performance. Organizational culture is significant in the improvement of employees mental and physical health status, as well as their emotional, social and psychological well-being because of the values of sound organizational culture. [26] argue that probably corporate culture is even a more important element in determining the success or failure of companies in the next decade [16].

### 2.1. Cultural Socialization

Cultural socialization is related to organizational socialization that is a process through which newcomers to the organization learn the organization's norms, values, expectations and also acquire the appropriate work attitudes and behaviours necessary to perform their jobs effectively and efficiently [28]. [13] argue that organizational culture strictly teaches employees' the values and expectations of the organization. This process of understanding and interacting or using organizational values as one's own is also known as cultural socialization. The process provides the opportunity for new employees in particular to understand the core cultural values of the organization. To reduce cultural discrepancies, and to adhere strictly to their core values, some organizations prefer to hire more of people whose expectations and norms are perceived to most likely match its cultural values. According to [13] socialization does not attempt to turn employees' into conformists, but it only tries hard to ensure that they respond positively to their norms and visions, as a means to realizing their mission and improving performance. The four major types of organizational cultures identified by [13] include: baseball team culture, club culture, academy culture and fortress culture. They opine that each type of culture requires a particular kind of employees that facilitates performance and equally determines how long he or she will remain in the organization. Baseball culture is often found in organizations in rapidly changing environments, with high risk decision-making and also dependent on continuous innovation for performance and survival. On its part, the club culture seeks people who are loyal, committed to one organization, and need to fit into a group. In this case, organizational members prefer to tie their entire career in one organization. Like in the case of club culture, an organization with the academy culture prefers to hire individuals who are interested in a long-term association, and a slow and steady climb up the organizational ladder.

Employees’ in academy culture tend to be confined to a set of jobs within a particular function. The fortress organizational culture is obsessed with servicing and reversing their sagging fortunes. Such organizations restructure and downsize to cope with the challenges of economic down-turns or hostile competitive environments. Companies in the oil and gas and financial industries easily operate a baseball culture. Others in the manufacturing sector operate a mix-breed of club, academy and fortress cultures. The textile industry is often identified with the fortress organizational culture. These cultures are popularized through the critical process of cultural socialization. During this process, behaviours, experiences, necessary for effective job performance are internalized to promote OCB necessary for high performance.

### 2.2. Organizational Citizenship Behaviour

Organizational culture fulfils the key role of providing organizational identity among other things that guide the behaviours of its employees and pave the way for collective commitment required for organizational performance. Employees demonstrate high levels of organizational commitment when they are motivated. [18]state that organizational commitment reflects the extent to which an individual identifies with an organization and is committed to its goals. They suggest that organizational commitment is an important work attitude because committed employees are expected to display a genuine willingness to work harder so as to achieve organizational goals, and greater desire to stay employed in the organization. OCB is employee behaviour that exceeds normal work role expectations. Committed organizational members are likely to exhibit OCB. OCB often consists of employee behaviour that goes beyond the standard work requirements. It may comprise of such contributions as useful statements about the organization, demonstration of personal commitment in the work of others, suggestions for improvements, good care of organizational property, high levels of attendance and punctuality, respect for organizational rules and regulations and lead beyond the standard enforceable levels. According to [18] OCB is usually determined by leadership and characteristics of the work environment. OCB is often correlated with employee conscientiousness at work, organizational commitment, among other factors required for organizational performance. A corporate culture that promotes OCB is a required minimum for organizational performance. According to [16] culture is a characteristic of the organization which shapes the corporate image, helps to develop the corporate strategy of the organization, thus providing a mental picture that clients, customers, employees, and other stakeholders have of an organization. This is imperative because according to him, there is a relationship between an organization’s culture and

its performance. Organizational socialization and a participative organizational culture are key mechanisms to embed the culture of an organization, encourage OCB and enhance performance. [15] hypothesize that an organization’s culture and its performance or effectiveness are directly related. They also opine that a participative culture is positively correlated with performance, and that high degrees of participative management and an emphasis on teamwork are often cited as qualities of successful, effective organizational culture. They insist that in participative management and culture, managers share decision-making, goal-setting and problem-solving activities with employees. This suggests that greater collaboration with employees plays a central role in performance, and cultures that foster high involvement and commitment on the part of employees often exist in organizations that have a record of high performance. In several studies, OCB has been found to be positively related to performance. [5] opine that OCB is a discretionary behavior that is not part of employee’s formal job requirements but that which promotes the effective functioning of the organization, its culture and performance. According to [4] OCB may be seen as the role which embodies the co-operative and constructive elements not required by formal job roles or directly compensated for by the formal organizational reward mechanism. OCB involves organizational loyalty, organizational compliance, individual initiative, self-development, courtesy among other measures that help to promote performance [5, 21, 7].

### 2.3. Four Functions of Organizational Culture

[18] suggest that the four functions of organizational culture are important for performance. They insist that organizational culture is one of the most precious things a company has, and managers and other employees must work harder at it than anything else, and that management can use organizational culture as a competitive advantage.



Figure 2. Four Functions of Organizational Culture.

Source: Author Field Work (2018): Adapted from [18].

It is widely believed that corporate culture shapes management decision-making process and organizational

ethical behavior, and also forms part of the repository of ethical and social policies that drive performance. According to [22] the concept of organizational culture reflects a pattern of basic assumptions that are considered valid and that are thought to new members to enhance performance, and organizations seem to perform better when they demonstrate cultural consciousness and connectivity. Scholars like [3] opines that organizational culture is a main source of difference in performance management practices that requires a thorough investigation of the phenomenon of organizational culture in different cultural contexts particularly in non-Western nations. He emphasizes that performance management practices as a fundamental human resource management practice also support the view that employees and managers benefit from the understanding of organizational culture as a contextual factor. Performance can be seen as the output of a process by all components of an organization resource. It is a picture of the level of achievement of the implementation of a task which is then compared to the result of the work to the standards set in realizing the goals of the organization. [26] believes that performance is a universal concept which connotes the operational efficiency of an organization, and that the aim of any organization is to enhance performance based on its organizational culture.

### 3. Methodology

#### 3.1. Research Design

The exploratory research design was used for the study. The design can involve either the quantitative or qualitative techniques, or both. This approach was most suitable in this study because it gave the researcher the opportunity to explore issues from multiple sources of data including personal experience, case studies, observations, interviews, documents and records. The design is historical in nature and does not often require a large sample or a structured questionnaire [8].

#### 3.2. Sources of Data

Data were generated through secondary and primary sources.

Secondary data are information that has been previously obtained for some other purposes other than the research project at hand, while primary data are information gathered and assembled specifically for the research objectives at hand [1].

#### 3.3. Area of the Study

This study was conducted in South-East Nigeria consisting of five States out of the thirty six States and the Federal Capital Territory in Nigeria. It is believed that the opinion of the people in the zone will adequately represent the opinion of the people in Nigeria [10].

#### 3.4. Decision Rule

The mean cut-off point for the analysis of responses in this study was at 3 points. This method is suitable to answer research questions [23].

#### 3.5. Data Analysis

Data were analyzed through descriptive and regression statistical methods, and result presented in tables [8].

## 4. Presentation of Result

Table 1. Profile of Respondents (n=60).

S/N	Description	Category	Total	Percentage
1	Gender	a) Male	45	75
		b) Female	15	25
2	Education	a) FSLC	05	8.33
		b) Diplomas/degrees	40	66.67
		c) Others	15	25.00
3	Age	a) 18-35	15	25.00
		b) 36-60	35	58.33
		c) 61-75	10	16.67
4	Experience	a) Less than 10 years	10	16.67
		b) Between 11 and 20 years	25	58.33
		c) 21 years and above	15	25.00
5	Income	a) Low	10	16.67
		b) Middle	30	50.00
		c) High	30	33.33

Source: Author Fieldwork (2018)

Table 2. Frequency and Mean for Responses to Research Questions.

S/N	Restatement of Research Questions	Scores					Σx	No of Responses	$\bar{x}$	Decision @ 3 points
		SA	A	N	D	SD				
1	Shared values enhance performance	30	15	2	8	5	231	60	3.85	Accepted
2	Organizational symbols do not positively influence performance	4	5	5	30	16	116	60	1.93	Rejected
3	Cultural meanings are not counter productive	28	20	3	6	3	235	60	3.92	Accepted
4	Organizational beliefs enhance performance	25	16	1	10	8	217	60	3.62	Accepted
5	Expectations do not drive performance	6	7	10	33	4	128	60	2.13	Rejected

Source: Author Fieldwork (2018).

### 4.1. Model Specification

Organizational culture which represents a complex pattern of beliefs, expectations, ideas, values, attitudes, and behaviours shared by the members of an organization can be quantitatively analyzed [18]. In this case, Performance (PFM) is the dependent variable while Organizational Culture (OGC) is the independent variable. The working equation of the model becomes  $PFM = f(Sv, Ms, Sm)$

The model of the study is specified as PFM  
 $=PFM=b_0+b_1Ms+b_2Sv+B_3Sm+u_t$

Where:

PFM=Performance

F=Functional notation

Sv=Shared values

Sm=Symbols

Ms= Meanings

B<sub>0</sub>=Constant term of the regression equation

B<sub>1</sub>=Regression coefficient of Ms (slope)

B<sub>2</sub>=Regression coefficient of Sv

B<sub>3</sub>=Regression coefficient of Sm

U<sub>t</sub>-Stochastic error term

**Table 3.** Regression Analysis.

Dependent Variable: PFM				
Model: Least Squares				
Date: 04/30/18 Time: 10:51				
Included observations: 30				
Variable	Coefficient	Std.Error	t-Statistic	Prob.
C	0.1898	0.120601	0.635412	0.1898
Ms	1.523841	0.002153	1.841202	0.0173
Sm	1.387255	0.296239	3.469692	0.0015
Sv	-0.01341	485.3601	0.515314	0.6102
R-squared	0.852831	Mean dependent var		19.84359
Adjusted R-squared	0.762152	S.D. dependent var		16.46757
S.E. of regression	14.72485	Akaike info criterion		8.357589
Sum squared resid	7155.104	Schwarz criterion		8.613522
Log likelihood	-156.9730	F-statistic		2.905407
Durbin-Watson stat	1.483458	Probe (F-statistic)		0.027876

### 4.2. Analysis of Result

Modeling PFM by OLS

The present sample is: 1 to 30

The model is

$$PFM = b_0 + b_1Ms + b_2Sv + b_3Sm$$

$$PFM = 10.1898 + 1.523841 Ms - 0.0131Sv + 1.387255 Sm$$

Interpretation of the coefficient of the independent variables (PFM, PFM and SM)

Give MS – 1.523841

The positive value of MS signifies a positive relationship between the meanings ratios (independent variable) to PFM which is the dependent variable. Thus an increase in the ratio of meanings will bring about an increase in PFM.

Give SV – 0.01341

The positive value of the SV signifies a negative relationship between OGC and PFM which is the dependent variable.

Thus, an increase SV rate will bring about a decrease in PFM

Give SM = 1.387255

The positive value of the SM signifies a positive relationship between OGC and PFM

Therefore an increase in the SM rate will also bring about an increase in PFM.

*The probability value (p-value)*

P-value of MS = 0.0173

Decision Rule: if  $P \leq 0.05$  rejects  $H_0$ : and conclude that the variable is statistically significant. But if  $P > 0.05$ , we accept the null hypothesis  $H_0$ : and conclude that the variable is not statistically significant.

Going by this decision rule, P-value of MS is 0.0173 thus  $P = 0.0173 \leq 0.05$ . Therefore, we reject  $H_0$ : and conclude that this variable is statistically significant.

P-value of SV = 0.0015.

Also going by this decision rule, P-value of SV is 0.001 thus  $P = 0.001 \leq 0.05$ . Therefore, we reject  $H_0$ : and conclude that this variable is statistically significant also P-value of SM = 0.6102



P-value of SM is 0.6102 thus  $P > 0.6102 \leq 0.05$ . Therefore, we accept  $H_0$ : and conclude that this variable is statistically insignificant.

$R^2$  Interpretation

$$R^2 = 0.852831$$

$$\text{Adjusted } R^2 = 0.762152$$

$$\text{Since the } = 0.852831 * 100 = 85.2831\%$$

This implies that the model is strongly fitted given a strong goodness fit which fall between 60-100, therefore the interpretation of this result is that about 85% of the variations in the PFM is explained by the variation in Ms, Sm and Sv.

The model for these variations is now

$$\text{PFM} = b_0 + b_1\text{SM} + b_2\text{SV} + U$$

Where

$$b_0 + b_1\text{MS} + b_2\text{SM} + b_3\text{SV} = \text{explained variables}$$

U = unexplained variable

To get the total variations:

$$\text{Total variation} = \text{explained variations} + \text{unexplained variations}$$

Explained variations = 85.2831

Unexplained variations = 100 - 85.2831

Unexplained variations = 14.7169

*Durbin Watson's rule of thumb*

The Durbin Watson test reports a test statistic, with a value from 0 to 4, where:

- a) 2 = no autocorrelation
- b) 0 to < 2 is positive autocorrelation (common in time series data).
- c) 2 to 4 is negative autocorrelation (less common in time series data)

Since the Durbin Watson value of this analysis is 1.483458, and falls under 0 to 2, this means that there is a positive auto correlation.

*The f-statistics interpretation*

Decision Rule: if the P-value of F-statistics is  $\leq 0.05$ , reject the null hypotheses and conclude that the overall model is statistically significant or that the joint effect of the independent variable is statistically significant.

Therefore since the Prob (F-statistic) =  $0.027876 \leq 0.05$ ,

We reject the null hypotheses and conclude that the overall model is statistically significant.

### 4.3. Discussion

The regression equation shows that there is a positive relationship between the independent variables and the dependent variable except in the case of shared values. Implication is that if meanings increase by 1% PFM will increase by 1%. Again, if symbols rate increases by 1% PFM will decrease by <1%. The coefficient of multiple determination shows that 8.9343% of the changes in PFM is caused by the changes in meanings and symbols. The implication is that the model is a good fit; hence, the model could be used for forecasting purposes. The F-test employed also showed that the joint influence of the independent variables on the dependent variable is significant. This regression result supports the analysis in table 2 that shared values, cultural meanings and organizational beliefs, drive performance. The result lends credence to the findings of [3] that organizational culture that focuses on four cultural traits of involvement, consistency, adaptability, and mission drive business performance. It also supports the views of [20] that organizational culture that includes participation in decision-making, job-satisfaction, organizational commitment and human resource management has positive correlation with performance. Involvement and organizational commitment required for performance can be embedded in empowerment. Empowerment is the opportunity provided for organizational members to enable them act more independently in various task situations. According to [22] serves to unleash employee's creativity and productivity by eliminating traditional bottlenecks. Accordingly, organizations that value empowerment and continuous improvement demonstrate corporate cultures that promote high product quality and performance. Earlier studies like in [22] state that a corporate culture that attracts innovative people and encourages their entrepreneurial spirit is the one that gives members a sense of identity and increases their commitment, serving as a sense-making device for members, reinforcing organizational values, as well as serving as control mechanism for shaping human behavior. To promote performance, a participative corporate culture must encompass positive communication, because if organizational members must share common values, sentiments, ideas, and attitudes their communication process should not be distorted, but directed toward the satisfaction of task objectives, social objectives, and the ultimate organizational performance. A corporate culture that encourages empowerment is a culture that promotes performance, because corporate culture, and work culture have positive influence on organizational effectiveness and performance.

### 4.4. Scope for Further Study

Further study should investigate the relationship between

organizational culture and enterprise failure. This may help to provide some evidence on why some businesses succeed while others fail in Nigeria.

#### 4.5. Recommendations

- i. Authoritative organizational culture should be deemphasized in favour of participative organizational culture to serve the dual purpose of attracting and retaining managerial and leadership talents in the organization.
- ii. For effective performance, organizations should always encourage teamwork because it provides the opportunity for employees to share experience at work.
- iii. Top management should make necessary effort at promoting organizational symbols, as a means of gaining competitive advantage over competition
- iv. Empowerment should be encouraged to promote creativity among employees and to enhance the quality of product and service delivery.
- v. Organizations need to make their corporate culture as visible as possible so as to add value to its good will.

## 5. Conclusion

Organizational culture which represents a complex pattern of the beliefs, ideas, and expectations of the organization encourages teamwork and employee loyalty. Management can promote performance through the molding of a positive corporate culture to be adhered to by employees and other associated persons. It is equally imperative for organizational leaders to articulate a vision for the organization that employees find necessary to adopt. Organizational culture performs important roles in an organization including the promotion of cultural socialization, stability as well as sense of commitment. In contribution to earlier studies on organizational culture and performance, the present study based on the various variables of organizational culture found a positive association between organizational culture and performance. This result supports the findings of [3] and [20] among others. This is the interest of the study.

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