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Article

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Business Systems Research (BSR)

Provided in Cooperation with:

IRENET - Society for Advancing Innovation and Research in Economy, Zagreb

Suggested Citation: Korma, Mesfin; Kolloju, Naveen; Kummitha, Harshavardhan Reddy; Kareem, Mohanad Ali (2022) : Impact of organizational culture on organisational performance: A study on the employees in educational institutions, Business Systems Research (BSR), ISSN 1847-9375, Sciendo, Warsaw, Vol. 13, Iss. 1, pp. 138-155, <https://doi.org/10.2478/bsrj-2022-0009>

This Version is available at:

<https://hdl.handle.net/10419/318787>

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Impact of Organizational Culture on Organisational Performance: A Study on the Employees in Educational Institutions

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Abstract

Background: The purpose of the paper is to assess organisational culture's role on the performance of employees in the educational sector. **Objectives:** The paper seeks to address: what type of organisational culture is contributing to organisational performance, how organisational learning can be enhanced, how team orientation can be encouraged, and technical assistance and innovation can be promoted in developing economies. **Methods/approaches:** The data was collected from 350 respondents from different educational institutes' employees of the Garage zone of SNNPR, Ethiopia. Structural equation modelling was used to test the proposed hypothesis. **Results:** The results showed that organisational dimensions such as organisational learning, team orientation and strategic direction and intent are supported, and it is proved that these dimensions can significantly influence the overall performance of the organisation in the study area, whereas the remaining two dimensions: creating change, and goals and objectives are not supported by their organisations. **Conclusions:** The study concludes that the culture of creating change can enable organisations to achieve their goals and objectives. Organisations must focus on improving the capability of human resources. Especially, it is compulsory for the employees of the educational institutions as they must adopt technological assistance and other types of knowledge of value to encourage innovative practices in the teaching-learning process.

Keywords: Espoused values; Organizational Culture; Organisational Performance; Public Service Sector.

JEL classification: L2, M21, O31

Paper type: Research article

Received: 18 Aug 2021

Accepted: 19 Nov 2021

Citation: Korma, M., Kolloju, N., Kummitha, H.R., Kareem, M.A. (2022), " Impact of Organisational Culture on Organizational Performance: A Study on the Employees in Educational Institutions ", Business Systems Research, Vol. 13 No. 1, pp. 138-155.

DOI: 10.2478/bsrj-2022-0009

Introduction

Owing to the increased demands and expectations of the consumers on better public service delivery, competition in the marketplace, technological advancement (Kennerley et al., 2002), and today's changing and competitive business environment in both the public and private sectors in many developing countries, measuring organisational performance has become pertinent to evaluate the success of an organisation (Tariq et al., 2020). Especially if the public sectors remain keenly competitive with the private sector, organisations must adopt innovative strategies for better performance (Hughes et al., 2018). It is believed that if any organisation fails to adopt innovative strategies, it may hamper the institution's competitiveness and sustainability. Thus, an organisation's working culture in terms of organisational learning, mission, team orientation, creating change, and strategic direction and intent are a crux to determining the effective performance of an organisation (Denison, 2010). Many studies on organisational culture made significant efforts to examine how organisational culture can influence the organisational performance of different organisations (Lu et al., 2013) due to increased attention raised on the subject and its implication for organisational effectiveness and competitiveness (Tariq et al., 2020). Organisational performance is considered the most important subject in organisational studies (Kennerley et al., 2002). Organisational performance can be understood as the ability of the employee to undertake his job assignments efficiently to fulfil the organisation's goals and objectives (Hakim, 2015). Organisational performance is also understood as the degree of achievement that, in turn, improves the employee's efficiency. At the same time, Mahal (2009) claims that organisational performance is also understood as the capacity and capability of an organisation to meet its goals most efficiently and effectively. Thus, it is also understood that organisational performance is a concerted effort of all units of an organisation to work together as a team by adopting innovative strategies to achieve the goals and objectives of an organisation.

Due to an increasingly diverse and global workforce, the organisation's culture has been changing, and it has an undeniable impact on the performance of any organisation. Several studies have identified organisational culture's positive and negative influences on organisational performance (Lim, 1995). However, they have not successfully brought the potential relationships between these two factors in a detailed manner. Further, it is argued that despite having extensive literature on the influence of organisational culture on the performance of the employees, no in-depth studies are being conducted on how different countries can measure organisational performance and what are the specific challenges these countries have been facing (Richard et al., 2009). Especially concerning organisational culture with organisational performance, a clear-cut knowledge gap exists in African countries (Nwibere, 2013). Similarly, Piercy et al. (2004) conducted their research in developed countries, and even questioned the applicability of Western management techniques and practices in developing countries. However, the applicability of these practices has been universally recognised.

In particular, this is especially important to carry out the study in developing countries like Ethiopia as the public sectors' reforms are still taking shape to ensure better organisational performance and better public service delivery. There is inadequate evidence regarding the combination of organisational culture, especially in terms of organisational learning, strategic direction and intent, goals and objectives; involvement in terms of team orientation and capability development; adaptability in terms of creating change, promoting innovation, and technological assistance etc. are being the fundamental aspects of the overall performance of educational sector

of Garage zone of Southern Ethiopia. The study primarily attempts to assess the role of organisational culture on organisational performance in the public service sector. While doing so, this paper addresses questions like what type of organisational culture contributes to the performance of the selected public institutions, how organisational learning can be enhanced, and how team orientation can be encouraged. Technical assistance and innovation can be promoted in developing economies.

This paper consists of four parts. The first part constitutes the introduction, where the basic organisational culture and performance concept is presented. It also highlighted the research gap with particular reference to the African context in general and the Ethiopian context. The second part represents a literature review; accordingly, hypotheses have been framed. The third part deals with the research methodology. The final part brings out the analysis and discussion of the data, the conclusion and future directions for study.

Literature Review

Organizational Culture

There have been many definitions of the organisational culture construct. However, there is no universal definition of the same (Kareem et al., 2020). For instance, organisational culture is defined as “values, beliefs and principles that serve as a foundation for an organisation's management system” (Lu et al., 2013, p. 35). These values, beliefs and principles are established within an organisation and play an important role in coordinating, promoting teamwork and holding the organisation together (Hakim, 2015). It influences the workplace, which impacts the thinking of the employees, who act significantly within and between organisations. Therefore, organisational culture has a positive relationship with the performance of the organisation (Warrick, 2017). Organisational culture promotes solidarity among the employees and instils high commitment for greater productivity. It is, therefore, seen as an essential component of organisational performance (Kenny, 2012). It includes that the employees of an organisation discuss and share their tasks with each other and other stakeholders to achieve an organisation's goals (Pathiranage, 2019). For any organisation to improve and increase its profitability and performance, strong organisational culture is an important factor that also aligns with the organisation's current and future direction. Schein (2011) indicates that organisational culture can be visible in private, public, non-profit organisations, and governmental organisations, which helps to unite employees of different identities and backgrounds. While highlighting better communication and less conflict, it is said that having a shared culture at the workplace plays an important role, which is essential to promote organisational performance (Pathiranage, 2019). These values and beliefs are expected to activate “individuals' cognitive awareness, attitudes, sense of controllability”, that in turn impacts the performance and drives to meet the goals and objectives of the organisation. Organisational culture motivates the employees to display engagement qualities by being “energetic, enthusiastic, passionate, focused and dedicated” and to perform their tasks for the organisation's overall development (Ababneh, 2021, p.12). Succinctly, organisational culture is understood and considered an important variable to meet the same's goals and objectives. It creates an environment that influences business and operational accomplishments (Warrick, 2017).

Numerous studies have highlighted the potential link between organisational culture and performance (Shahzad et al., 2012; Piercy et al., 2004). According to Denison et al. (1991), a participative culture is vital for any organisation with better

results than those without such a culture. As far as the delivery of quality products and services to the customers is concerned, organisational culture plays a crucial role in motivating the employees and determining their performance, which has the organisation's overall effectiveness (Kennerley et al., 2002). While highlighting the difference between positive and strong culture and negative and weak organisational culture, it is highlighted that the former can make an employee perform better and achieve the targets. In contrast, the latter makes the employee underperform, achieving no results. In other words, organisational culture has an active and direct role in an organisation's performance management (Ababneh, 2021). However, it is highlighted that due to the difference in organisational culture, all organisations do not yield the same results as it varies from industry to industry and the location. Thus, it is evident that poor organisational culture leads to poor performance and productivity (Pedler et al., 2017). Thus, the top management of any organisation considers the significance of strong organisational culture for better performance and productivity. Table 1 presents the literature review of the most relevant previous research.

Table 1

Literature review of previous research

Authors	Research aim	Methods
Nikpour (2017)	This study highlights the importance of organisational culture and examines the role of employee's commitment in the organisation for a better organisational performance	Quantitative case study; Data was collected from the education office of Kerman province
Givens (2012)	This study focused on the organisational performance in non-profit religious organisations (churches). The study attempted to identify the potential relationship between organisational culture and performance.	Quantitative methods; Data was collected from staff and pastors of 43 Christian churches
Nazarian et al. (2017)	This study investigates the role of national culture and the balanced of hotel organisational culture in organisational performance.	Quantitative methods; Data were gathered from 96 hotels in London, UK
Singh et al. (2019)	This study investigates the role of organisational performance of small and medium-sized enterprises (SMEs)	Quantitative methods; Multisource data collected from 404 SMEs
Kareem et al. (2020)	This study investigates the impact of supply chain dynamic capabilities on operational performance in Hungarian manufacturing companies.	Quantitative methods; Data were collected from 208 supply chain management professionals from the Hungarian manufacturing industry

Source: Compiled by the researcher

Nikpour (2017) have found that an employee's organisational commitment towards the organisation's goals can significantly impact the performance, which is proved in the educational offices. Givens (2012, p. 23) concluded that a "strong relationship between the organisational mission and learning and innovation may help the church continue to improve in areas necessary for optimal performance". Singh et al. (2019) conclude that the top management significantly improves the employee's performance, that in turn, succeeds in achieving the goals of an organisation. Kareem et al. (2020) found that building dynamic supply chain

capabilities can assist manufacturing companies with achieving effective supply chains in a dynamic environment.

Hypotheses development

Organisational learning and organisational performance

The organisational learning concept has received immense attention since 1980. Past research in this field has proved that organisational learning enhances an organisation's performance by creating highly developed knowledge for employees (Al Dari et al., 2021; Kummitha et al., 2021a). Ihsaan et al. (2013) stated that to preserve a great position in a quickly developing society and competitive market, organisations got to focus on organisational learning and shifting into learning organisations. Research by Tariq et al. (2020) suggests that organisational learning is an effective strategy for improving sustainable organisational performance and competitive edge. Pedler et al. (2017) investigate the significance of learning for organisations, looking at the organisational culture perspective. The study suggests that learning is particularly vital to organisations in this globalised society because it shows how to do things differently to ensure organisational performance. Thus, organisational learning is important for organisational success and cannot be underestimated. However, Alsabbagh et al. (2017) study found that organisational culture did not significantly impact educational sectors in Damascus city, and this opposite effect of organisational culture contributed to organisational learning. Further incentive to investigate the impact of organisational learning on organisational performance in developing countries, we proposed the following hypothesis:

- *H1: Organizational Learning has a significant impact on organisational performance*

Creating change and organisational performance

In the past few decades, several studies focused on employee behaviour for managing organisational change (Islam et al., 2020). Creating change in the organisation is one of the most complex situations because, during the change process, an employee feels fear and uncertainty, which causes employee cynicism, resistance, and unsupportive behaviour in organisational change. Therefore, past research suggests that employee of organisations plays an important role in managing organisational change successfully (Al-Ali et al., 2017; Kummitha et al., 2021b). Change management theories mainly developed in western society are examined the change supportive behaviour of the employee in the western context (Islam et al., 2020). Barkema et al. (2015) raised the concern that there are differences in social, economic, cultural, and contextual context. Due to these differences, the nature of an organisation in western countries' context may not be the same for developing countries. In the process of organisational change, the researcher witnessed employee behaviour. Especially, such studies in the setting of a developing country such as Ethiopia are rare (Bakari et al., 2017). Accordingly, we proposed the following hypothesis:

- *H2: Creating change significantly impacts Organisational Performance*

Team orientation and organisational performance

Team orientation is one of the important components of organisational culture. Under team orientation, all the work activities of an institution are organised and performed by teams rather than individuals" (Rahman, 2017). Managers and subordinates, as a team, make efforts to solve problems and achieve the organisation's goals. While

highlighting the team orientation with the performance of an organisation, Su et al. (2009) make it clear that high performance is ensured when all parts of an organisation work as a team to meet its targets. Under team orientation, quality products and services are delivered to customers promptly. Thus, it is understood that teamwork is essential in bringing the best organisational performance. In a similar vein, Cohen et al. (1997, pp. 239-240) believe that if the employees of an organisation can work as a team, they would also make them formulate and implement strategies. Thus, it is necessary to examine whether team orientation is being practised in the selected institutions or not. And if team orientation is being practised, how does it impact the organisational performance of the selected public service institutions? The third hypothesis is as follows:

- *H3: Team orientation has a significant impact on organisational performance*

Strategic direction and intent contribute to organisational performance

Strategic direction and intent are important components in the organisational culture, and it is understood as the philosophical base of the management process (Pathiranage, 2019). It represents the purpose of an organisation and its endeavour to achieve the targets and especially focuses on the characteristics and dynamics of competitive interaction. It provides opportunities for exploring new possibilities. Given the competitive environment in the developing countries, strategic direction motivates the employees and the organisation by "entering new markets, expanding market capabilities by learning and acquiring new knowledge, building bases of resources and experiences, realising a firm's strategic transformation" (Tariq et al., 2020, p. 32). However, Rui et al. (2008) argue that organisations have an ambitious strategic objective, make rational choices, have a strategic objective as the priority and do they have a strong decision-making role for their top managers or management team. Su et al. (2009) state that any organisation with a strong strategic intent can seek market share and give tough market competition with its performance. Through effort and commitment, strategically aggressive organisations can better set goals and motivate all individual actors of an organisation to win the marketplace and ensure better performance (Ferrier, 2001). In this research, we intend to empirically test the relationship between strategic direction and intent and organisational performance in developing countries. Therefore, the fourth hypothesis is as follows:

- *H4: Strategic direction and Intent has a significant impact on Organisational Performance*

Goals and objectives and organisational performance

Organisational goals and objectives are fundamental to achieving the mission of an organisation. These goals and objectives are very much associated with job attitude and performance (Parker et al., 2003; Kummitha et al., 2021a). Organisations typically implement important steps, including recruiting, selection, training and development, compensation, and performance management. Ideally, each step is formulated and implemented to fulfil organisational goals and objectives (Odkhuu et al., 2019). Schweitzer et al. (2004) found that organisational goal setting motivated employees' unethical behaviour. Lastly, Hakim (2015, p. 26) is of the view that organisational performance practices, such as "rewards and incentive system, were expected to increase the motivation of the employees but instead were positively related to an egoistic climate that engenders self-interest". Therefore, in line with this, we proposed the following hypothesis

- *H5: Organisational goals and objectives have a significant impact on organisational performance*

Research Methods

Participants and procedure

The study is conducted in the Garage zone of SNNPR, Ethiopia. The garage zone contains fifteen woredas and four city administrations (Wolikita, Butajira, Buee and Emdebir city administrations). The current study is conducted in four city administrations in the Garage zone of Ethiopia. The mentioned four city administrations have contributed to its increase in population, economic development, and special expansion. This rapid growth of the cities has brought about a tremendous increase in the demand for Civil Service Reform, particularly institutional reform (Butajira Civil Service Office, 2020). The reason for choosing public service institutions in Ethiopia as a case study is the dynamic competitive environment of developing countries.

The target population comprised individuals employed by public service institutions, including primary and secondary schools and colleges in four cities. We used a simple random sampling technique as it offers advantages such as data accuracy, lack of bias, competency to acquire generalisable outcomes and simplicity. The written format questionnaire was distributed randomly to 732 employees of educational institutions. The data were collected during February and April 2020. We received 350 employees who filled out the questionnaire in the correct format. This yielded a 47.81% response rate, considered acceptable compared to a typical response rate of 15-20% (Bhattacharjee, 2012). During data collection, we make sure that there is no missing information from the questionnaire.

Research instruments

Five variables operationalised the organisational culture: Organisational learning, Creating change, Team orientation, Strategic direction and Intent, and Goals and Objectives. A total of 24 items used to measure organisational culture were adopted from Kareem et al. (2020); and Ababneh (2021). Internal Process and Learning and Growth perspectives variables used to understand the organisational performance. A total of 8 items used to measure organisational performance were adopted from Shahzad et al. (2012) and Richard et al. (2009). The questions were designed on a five-point Likert scale ranging from 1= strongly disagree to 5= strongly agree. The list of measurement items is presented in Appendix 1.

Demographics information

Table 2 presents the demographic information of the respondents. Of 350 respondents, 65.71% were male, and 34.29% were female. 7.14% were age group 18-25, 35.14% were age group 26-34, 44.57% were age group 35-54, and 13.15% were age group 55-60. 26.28% had a Diploma, 44.57% had a bachelor's degree, and 29.15% had a master's degree; 18.28% had below 3 years of work experience, 23.15% had 3-5 years, 32.85% had 6-10 years and 25.72% having above 10 years work experience. The educated and experience population of our survey is a better representative for our study to fulfil our research objectives, as we believe better work experience of the respondents can better understand the institute's culture and performance.

Table 2

Demographic information of the respondents

Characteristics	Categories	Frequency	Percentage (%)
Sex	Male	230	65.71
	Female	120	34.29
Age	18-25 years	25	7.14
	26-34 years	123	35.14
	35-54 years	156	44.57
	55-60 years	46	13.15
Educational Qualification	Diploma	92	26.28
	BA/BSC	156	44.57
	MA/MSc	102	29.15
Years of service	Below 3 years	64	18.28
	3 – 5 years	81	23.15
	6- 10 years	115	32.85
	Above 10 years	90	25.72

Analyses and Results

Common method variance (CMV)

Studies suggest that common method variance (CMV) occurs when the data related to dependent and independent variables are collected at the same source (Hair et al., 2011), which can negatively affect the research results. Some scholars address different techniques to assess the issues of CMV in data sets. For example, Pitafi et al. (2018) stated that Harman single factor test is widely used to assess CMV. According to this approach, a principal component analysis (PCA) was utilised for all the items included in the study. The results indicate that the total variance for a single factor is less than 50%. We conclude that common method bias does not bewilder the interpretations of the results.

Descriptive statistics

Table 3 represents the descriptive statistic (mean, stranded deviation, and correlation). The results report that the mean score for all constructs was between 3.12-3.73, which indicates that all the variables indicate that the organisation has a good implementation of organisational culture. Also, correlation results show that each of the constructs is positively significant.

Table 3

Descriptive statistics

	Mean	S.D.	TO	SDI	GO	IP	LGP
OL	3.12	1.10	1				
CC	3.20	1.10	.297**	1			
TO	3.73	1.02	.286**	.339**	1		
SDI	3.66	1.03	.195**	.310**	.285**	1	
GO	3.60	1.07	.219**	.266**	0.083**	.111**	1
IP	3.35	1.02	.321**	.302**	.123**	.330**	.105**
LGP	3.32	0.912	.521**	.391**	.203**	.202**	.212**

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

OL= Organizational Learning, CC= Creating change, TO= Team orientation, SDI= Strategic direction and Intent, GO= Goals and Objectives, IP= Internal Process, LGP= Learning and Growth perspectives.

Validity and Reliability

The proposed study was analysed in two steps. We analysed the measurement and structural models (Table 4).

Table 4
Convergent factor analysis

Constructs	Measurement Items	Loadings	CA	CR	AVE	P- Value
Organizational Learning	OL1	0.505	0.74	0.71	0.53	0.000
	OL2	0.684				0.000
	OL3	0.48				0.000
	OL4	0.769				0.000
	OL5	0.561				0.000
Creating change	CC1	0.645	0.70	0.72	0.51	0.000
	CC2	0.573				0.000
	CC3	0.673				0.000
	CC4	0.434				0.000
	CC5	0.482				0.000
Team orientation	TO1	0.79	0.878	0.88	0.596	0.000
	TO2	0.867				0.000
	TO3	0.692				0.000
	TO4	0.793				0.000
	TO5	0.702				0.000
Strategic direction and Intent	SDI1	0.829	0.793	0.809	0.521	0.000
	SDI2	0.534				0.000
	SDI3	0.78				0.000
	SDI4	0.709				0.000
Goals and Objectives	GO1	0.766	0.872	0.872	0.578	0.000
	GO2	0.803				0.000
	GO3	0.715				0.000
	GO4	0.761				0.000
	GO5	0.754				0.000
Internal Process	IP1	0.765	0.871	0.873	0.698	0.000
	IP2	0.888				0.000
	IP3	0.848				0.000
Learning and Growth perspectives	LGP1	0.922	0.945	0.946	0.778	0.000
	LGP2	0.874				0.000
	LGP3	0.905				0.000
	LGP4	0.911				0.000
	LGP5	0.793				0.000

a= Cronbach's alpha, CR =Composite Reliability and Average, AVE=Variance Extracted

Results in table 4 indicated that factor loading of all items is higher than 0.60, composite reliability (CR) >0.70, Cronbach's alpha (CA)>0.70, and average variance extracted (AVE) >0.50, which are higher than the suggested thresholds (Bagozzi et al., 1991). These results affirm that our hypothesised research model has acceptable internal consistency, good composite reliability, and convergent validity.

For Discriminant validity, we observed the AVE square root value, as shown in Table 5. All values of the AVE square root value are higher than the intercorrelation of each construct. These results indicate that each viable is different from the others (Hair et al., 2011). Therefore, the hypothesised model has good discriminant validity and reliability. It is worth examining the structural relationship among the variables.

Table 5
Discriminant validity

	AVE	OL	CC	TO	IP	SDI	GO	LGP
OL	0.53	7.28						
CC	0.51	0.312**	0.714					
TO	0.596	0.112**	0.442**	0.772				
IP	0.698	0.512	0.394	0.214*	0.835			
SDI	0.521	0.012*	0.310**	0.358***	0.361***	0.722		
GO	0.578	0.412*	0.202**	0.308***	0.327***	0.404***	0.76	
LGP	0.778	0.102**	0.223**	0.233	0.132	0.297	0.098	0.882

Notes: Bold values in diagonal represent the squared root estimate of AVE

Measurement model

To analyse the model fit, three different types of model fit criteria were chosen, including incremental fit, absolute fit, and parsimonious fit, as proposed by (Hair et al., 2011). The results confirm an adequate model fit (CMIN/df= 1.64, CFI=0.903, TLI= 0.901, IFI=0.928, RMSEA=0.057).

Structural model

This study aims to investigate organisational culture's impact on organisational performance in public institutions in Ethiopia, based on organisational learning, creating change, team orientation, strategic direction and intent, goals and objectives, internal process, and learning and growth perspectives variables. SEM with maximum likelihood was performed. It is commonly used in behavioural research to examine the causal relationships between multiple constructs (Hair et al., 2011).

Hypothesis testing

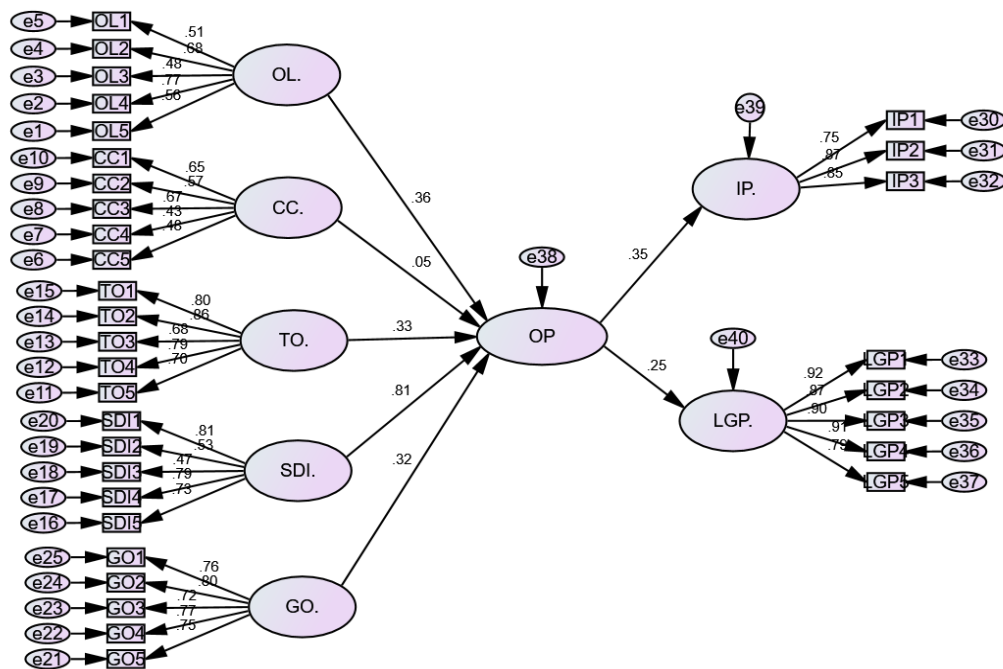
To test the proposed hypothesis of the study, the Beta Coefficient values and P-values were analysed. Table 6 indicates the results of the proposed hypothesis.

Table 6
Result of hypothesis Test

NO.	Hypotheses	Beta Coefficient	P-Value	Result
H1	Organizational Learning → Organizational Performance	0.359	0.041	Supported
H2	Creating change → Organisational Performance	0.053	0.797	Not Supported
H3	Team orientation → Organisational Performance	0.820	0.000	Supported
H4	Strategic direction and Intent → Organisational Performance	0.350	0.006	Supported
H5	Goals and Objectives → Organizational Performance	0.153	0.203	Not Supported

Hypothesis one (H1) was supported at 5% significance level ($\beta = 0.359$, $P = 0.041$). Hypothesis (H2) was not supported by the SEM model ($\beta = 0.053$, $P = 0.797$). Hypothesis (H3) was supported at 1% significance level ($\beta = 0.820$, $P = 0.000$), as well as hypothesis (H4), was supported by the SEM model ($\beta = 0.350$, $P = 0.006$). Hypothesis (H5) was not supported by the SEM model ($\beta = 0.153$, $P = 0.203$).

Figure.1
The SEM model analysis



Source: Authors' work

Discussion

The study has come up with five hypotheses, and findings reveal that the five components of organisational culture affect the performance of the selected educational institutions. The first hypothesis, "organisational learning contributes to organisational performance," is supported by the SEM model. The findings show that organisational learning significantly contributes to educational institutions' improved performance. In particular, the respondents replied that their respective institutions reward those who take risks. The respondents see failure as an opportunity to learn and improve themselves to meet the organisation's goals. The respondents also said that they believe in day-to-day learning and knowledge sharing, which significantly improves individual performance and the overall performance of the institutions. The result has supported the idea of Odkhuu et al. (2019) that an organisational learning culture is an important component for employees. It encourages them to involve in knowledge sharing and collaboration.

The second hypothesis, that is, "creating change contributes to organisational performance", was not supported by the SEM model. The respondents believe that educational institutions are facing challenges in providing technical assistance and other types of knowledge value to encourage innovative practices in different schools that, in turn, increase the gap between the teaching and learning process. It is observed in the field survey that the institutions fall short in gathering up-to-date information and knowledge that, in turn, negatively affects the performance of the institution. In particular, the financial constraints of the institutions resulted in an improper allocation of resources that diminished the innovative capability of the institution. The selected institutions also fail to provide skill up-gradation to the teachers and other non-teaching staff to bring innovative practices. The findings support the ideas of Kareem et al. (2020) that bringing change in an organisation through innovative orientation can positively influence the performance of an organisation. Through innovative ideas and strategies, an organisation can have the capability to

introduce new products and processes. Thus, it is proved that creating change contributes to organisational performance and is found insignificant in improving selected educational institutions' performance.

The third hypothesis, that is, team orientation contributes to organisational performance, was supported by the SEM model. The respondents believe that the institutions promote team cohesiveness, which in turn motivates organisational performance. Importantly, the management reduces unnecessary conflicts among the teachers and non-teaching staff. This aspect brings positive results in the countries like Ethiopia, which believes in and practices ethnic federalism to establish the equality of all ethnic groups. The respondents also observed that the work activities/assignments are organised among the staff members rather than individual. Also, the staff members are mutually accountable for the organisational performance, and it promotes the collective responsibility of the employees that positively impacts the institution's performance. This finding is in line with some major studies on organisational culture. For instance, it is said that employees who believe in and practice team orientation in any organisation behave consistently with organisational values (Denison et al., 1991).

The fourth hypothesis, that is, strategic direction and intent contribute to organisational performance, is supported by the SEM model. The employees expressed that the management of their institutions conveys clear strategic intent on the institution's purpose and what and how an institution can contribute. They said their institution is applying clear strategies to promote a conducive atmosphere to their work culture. Educational institutions have a clear direction in their work and a well-planned strategy to design the curriculum and deliver it to the students. As far as educational institutions are concerned, it is observed that despite clear strategic direction, the said institutions fall short in their implementation to achieve common organisational goals and objectives. In organisations with strong organisational cultures, top management and employees always work together to ensure better performance, and if coordination is lacking, it may have a negative effect. It is highlighted in the following hypothesis.

The fifth hypothesis is that "goals and objectives can contribute to organisational performance", which is not supported by the SEM model. As mentioned, the institutions fail to achieve goals and objectives successfully despite clear direction. The respondents believe that implementing innovative practices is key to achieving the goals and objectives of any institution. However, the selected educational institutions in Garage zone administration are not promoting innovative practices, which affects the institutions' goals and objectives. Even the institutions are not supporting value creation in their work to achieve the goals and objectives of the institutions. In the field study, it is observed from the respondents that the higher officials are not holding regular meetings with the staff members to meet the day-to-day activities and achieve the overall goal and objectives. There is no proper performance measurement system to achieve the goals and objectives. It also highlights that the lack of communication between the top management and employees belong to the lower and the middle level. All of these highlight the under-utilisation of available resources for achieving the goals and objectives of an institution. This finding supports the idea of Jarad et al. (2010) that the performance of an organisation can only be enhanced when it achieves its goals by using resources efficiently and effectively. This argument makes it clear that institutions must adopt and nurture certain values, beliefs, and norms to achieve their goals and objectives. It is the need of the hour in developing countries like Ethiopia.

Conclusion

It can be concluded that organisational dimensions such as organisational learning, team orientation, and strategic direction and intent are supported, and it is proved that these dimensions can significantly influence the overall performance of the organisations in the study area. At the same time, the remaining two dimensions are not supported by their organisations creating change; and goals and objectives. Though the extant literature (Schein, 2001; Jarad et al., 2010) highlights a positive correlation between the components of organisational culture and organisational performance, the study results found that only three hypotheses positively influence organisational performance. The culture of creating change can enable the organisation to achieve its goals and objectives. Especially, it is very much necessary in educational institutions as these institutions must adopt technological assistance and other types of knowledge of value to encourage innovative practices. The respondents are of the view that the student-teacher relationship has a positive influence on the innovation capability of an institution. Thus, the study clarified that creating change can positively influence organisational performance.

The study results recommend for outcome-oriented organisations bring a better performance that meets the needs of the service receivers. The study findings also revealed that the culture of involvement in the organisation is found to be insecure. Therefore, the study recommends that organisations focus on improving human resources capability by conducting training programs within the organisation. There is also a need to focus on creating change by introducing innovative strategic practices for better organisational performance that, in turn, ensure better service delivery. Due to the competitive nature of today's environment, the selected institutions must show flexibility and adopt innovative strategies and practices for a strong organisational culture. Especially, it is the need of the hour for the developing countries of Africa, which are far behind in promoting and teaching innovative practices as a part of organisational culture. The study finds the urgency to carry out regular appraisals to determine the performance of its employees for an effective performance that, in turn, certainly boosts the employee's performance.

The study results will be helpful to other public sectors in Ethiopia and other African countries. There are few studies on assessing organisational culture vis-à-vis organisational performance in educational institutions in Ethiopia. The previous studies which investigated organisational performance have focused on the private sector, and the difference in performance in public and private sectors is evident in developing countries. In this concern, the present study attempted to assess organisational culture on the performance of the public service institutions, which has added value to the existing literature in the African countries. The five hypotheses' results can significantly help bridge the research gap on the organisations' culture, knowledge, and technological capabilities. Especially it can motivate the organisational culture practices and researchers to focus on addressing the technological handicaps within the organisations and organisational learning in other public service institutions in Ethiopia in particular and African countries in general. The negative result on the relationship between creating change and; goals and objectives may highlight the challenges many organisations have faced in developing countries like Ethiopia. Thus, the study highlights the importance of imparting innovative strategies and techniques to bring better results in educational intuitions. For example, the study established the significance of the technological capabilities of the employees and the adoption of innovative strategies and techniques in the organisations, which significantly contribute to the overall development of public service institutions.

The study is subject to a few limitations. First, even though the Garage zone administration of Ethiopia has many public service organisations, the researchers delimited the study to the educational sector. Second, as far as the geographical area of the study is concerned, the study collected the data from one of the developing countries of Africa – Ethiopia. Hence, the generalisation of the findings is restricted. Third, though gender is a factor considered in the study, however, there is no detailed analysis of how different components of organisational culture and job functions affect male and female employees, respectively. Thus, the gender dimension could also be added to understand organisational culture vis-à-vis organisational performance.

The present study focused on the organisational cultural pattern and its assessment in Ethiopia. It would give a more detailed assessment if future research could compare with other African countries by taking different components of organisational culture vis-à-vis organisational performance. The study took only five components of organisational culture to conduct the research and did not include other components. Future research should focus on other components of the organisational culture and how it affects the performance of the organisations in African society. The study also did not include the managers' perception of improving organisational culture concerning the better performance of the organisation. Since the administrative behaviours are rigid, hierarchical and top-down oriented in many developing countries, further studies must focus on how the management-employee relationships can influence organisational performance in developing countries. As was mentioned, further research could also focus on how the gender dimension plays a role in influencing the organisation's performance and the challenges and possibilities involved in it.

Acknowledgements: This paper was first presented at the Entrenova conference and is an extension of the presented paper.

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Appendix 1. List of Measurement Items

Team orientation

TO1: Cooperation and collaboration across functional roles are actively encouraged in this organisation.

TO2: Working in this organisation is like being part of a team.

TO3: Work is sensibly organised in this organisation so that each person can see the relationship between his/her work and the organisation's goals.

TO4: Teams are the primary building block of this organisation.

TO5: This organisation relies on horizontal control and coordination to get work done rather than hierarchy.

Creating change

CC1: The way things are done is very flexible and easy to change.

CC2: This organisation responds well to competitors and other changes in the external business environment.

CC3: This organisation continually adopts new and improved ways to do work.

CC4: Attempts to change this organisation usually meet with resistance.

CC5: Different units in this organisation often cooperate to create change.

Organizational Learning

OL1: This organisation encourages innovation and rewards those who take risks.

OL2: We view failure as an opportunity for learning and improvement.

OL3: Many things "fall between the cracks" in this organisation.

OL4: Learning is an important objective in our day-to-day work.

OL5: We ensure that the "right-hand knows what the left is doing".

Strategic direction and Intent

SDI1: This organisation has a clear mission that gives meaning and direction to our work.

SDI2: This organisation has a long-term purpose and direction.

SDI3: The strategic direction of this organisation is unclear to me.

SDI4: This organisation has a clear strategy for the future.

SDI5: Our organisation's strategy is leading other firms to change how they compete.

Goal and Objectives

GO1: There is widespread agreement about the goals of this organisation.

GO2: The leadership of this organisation has "gone on record" about the objectives we are trying to meet.

GO3: We continuously track our progress against our stated goals.

GO4: The people in this organisation understand what needs to be done for us to succeed in the long run.

GO5: We have a shared vision of what this organisation will be like.

Customer satisfaction perspectives

CSP1: Increases the citizen's or entrepreneur's interest in government programmes Performance.

CSP2: Emphasises the behaviour of employees that instilled confidence in customers.

CSP3: Understands the customer's specific needs, thus increasing customer satisfaction.

CSP4: Improving responsiveness to the customer.

CSP5: Communicating with the public about performance.

Internal Process

IP1: Improving the communication between the legislature and legislative staff.

IP2: Communicate the purpose for using performance measurement to employees

IP3: Improves cross-agency cooperation/coordination (within an agency/internal Help to reduce duplicating services.

Learning and Growth perspectives

LGP1: Is increasing awareness of factors that affect performance results.

LGP2: Improving the effectiveness of the agency programmes.

LGP3: Help staff monitor progress toward intended programmes/service results.

LGP4: Increases staff participation in the process of developing performance measures.

LGP5: Provides training for management and staff about performance measurement development and selection.

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