

The Impacts of Types of Organizational Cultures on Organizational Commitment of Selected Private Universities of Ethiopia

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Abstract: The study investigates the effect of organizational culture on commitment. 307 faculty members of four selected private universities Ethiopia, i.e., Admass, Rift Valley, Unity and St' Marry were selected using random sampling. Of 307 questionnaires distributed to the respondents, only 268 were collected and analyzed using a descriptive and inferential statistical technique. The finding shows that, except market culture with normative commitment, clan, adhocracy, hierarchical and market types of organizational cultures were significant predictors of organizational commitment dimension. Hence, the study recommends owners of the private universities shall give special attention to build better organizational cultures that fit with their employees' organizational commitment levels in general and affective commitment in particular.

Index Terms - Academic staffs; Organizational culture; Organizational commitment; Private universities

1. Introduction

Organizations need an expert, skilled, committed & qualified staff and apply their extreme degree of precision in performing their duties to manage the tasks, Failure in creating coherence and union among the members in the Organization increases necessary expenses required for precise control (Hojjat, et.al. 2015). Organizational culture is pervasive and powerful as it either encourages or hampers change in the organization. For employees, organizational culture is either the glue that binds employees to the organization or the wind that blows them away (Ezekiel and Darius, 2012).

In most organizations, there are a dominant organizational culture and some subcultures. The dominant organizational culture indicates the main values which are shared among the majority of the members of the organization. When there is talk about the culture of an organization, the dominant culture of that organization is addressed (Azizollah, et.al. 2015).

Hamidi. et.al (2017) explained that the presence of committed employees in each organization reduces their absenteeism, delays, and displacements. It also leads to a dramatic increase in performance and efficiency of an organization and manifestation of noble objectives, mission as well as the fulfillment of personal goals that is true also in Ethiopia.

A pilot survey made by the researcher shows, the absence of a well developed and practiced organizational culture in teaching and learning institutions in Ethiopia affect the level of commitment of academic staffs negatively. Although it shows many other factors affect the level of commitments of academic staffs of private universities of Ethiopia improvements in creating a conducive organizational culture that helps to enhance involvement in decision making and bring a sense of belongingness. The mini study shows, there is a high turnover of academic staffs in private universities due to a weaker organizational commitment level of academic staffs which affect the quality of education. However, this needs thorough empirical research to make a conclusion on the impact of organizational culture on commitment. Hence, the purpose of this research would be identifying the impact of organizational culture on commitment.

2. Literature Review

2.1 Organizational culture

Hojjat Rahmani, et.al (2015), enlightened that in today's business environment, change and transformation rapidly grow in the world. Organizations will be successful when it able to adapt to these changes. One of the major factors is organizational culture. Organizational develop and implement their strategies by taking into consideration of organizational culture that distinguishes one to another.

Types of organizational culture changes along with the development and improvements of the organization working environments. According to R. Quinn and K. Cameron (2003), organizational culture can be seen in the clan, adhocracy, and hierarchy and market culture patterns to know the dominant culture of the organizations. Huma Abid et al (2014) explained that organizational culture is a way for the organization towards organization future goals. It gives strengths to its managers to reduce weaknesses and threats. Values, norms, visible sign and behaviors of the organization members together can be comprised as an organizational culture (Huma Abid, et.al., 2014). According to Pirzada Sami et al (2013), the type of organizational culture is directly linked to the issue of commitment, especially commitment to work, at the same time referring to the individual and personality characteristics of employees.

1.2. Clan culture

Clan culture is primarily oriented to human capital, emphasizes the individuals' level of well being and fosters a positive working atmosphere over optimizing financial ratios and market goals and is often categorized with family-oriented, trustworthy, closeness, empowerment and community. It combines a lower concern for structure and control and a greater focus on flexibility (Cameron, & Quinn, 2011). Studies prove that there is a relation between clan culture and commitment since early time. Anuj, et.al (2017) explained Organizational shared values strongly influence the employees in the organizations, whereas, Akhtar, et.al (2013), indicates that clan culture is most favored by the organizational members.

Masoud Ghorbanhosseini (2013) found that organizational culture, teamwork, and organizational development have a direct effect on organizational commitment. Amin Nikpour (2017) indicated that organizational culture has a positive impact on employee's organizational commitment. Ahbabisarjou, et.al. (2015) found that there was a positive relationship between organizational culture and organizational commitment. Linet Njeri (2018) concluded that organizational culture is a contributing factor in determining employee's organizational commitment. Anja Krog (2014), who studied 35 Norwegian organizations indicate that clan culture is a moderate predictor of work engagement. Taking the above empirical findings, this research proposes the following hypothesis below here to test in Ethiopian private university context.

- H1. Clan culture has a significant impact on affective commitment
- H2. Clan culture has a significant impact on continuance commitment
- H3. Clan culture has a significant impact on normative commitment

1.3. Adhocracy culture

Adhocracy culture is characterized by being original, dynamic, entrepreneurial, innovative, risk-taking, prepared for changes, aggressive and flexible. Firms possessing an adhocracy culture type often pursue success while focusing on innovation and development; therefore, this is the most innovation-oriented culture, and its main target deals with fostering adaptability, flexibility, and creativity. Sully Taylor, et.al. (2008), who conducted their study, found that organizational culture and human resource management affect employee commitment directly as well as indirectly through top management team orientations.

Nadaraj Naicker (2008) revealed that there is a strong achievement culture prevalent in the company, with a good mix of the other culture types like role culture, power culture, and support culture. Mersen (2016) found that the four traits measuring organizational culture were positively related to employee's commitment. Saira, et.al. (2018) revealed that adhocracy culture moderates the relationship between non-self-determined work motivation and work commitment among university academic staff. With is in mind, to test the effect of adhocracy on organizational commitment in Ethiopia private universities, the following test was developed.

- H4. Adhocracy culture has a significant impact on affective commitment
- H5. Adhocracy culture has a significant impact on continuance commitment
- H6. Adhocracy culture has a significant impact on normative commitment

1.4. Hierarchy culture

Caroline, et.al. (2018), found that hierarchy culture has no significant correlation with affective commitment. Yet it has significant relation with continuance and normative commitment dimensions. YooMin Nam and HakSu Kim (2016) also revealed that hierarchical culture demonstrate a high level of affective commitment, but a low level of normative commitment. Steven M et.al (1996), found that in Korean hierarchy culture significantly related to employees' organizational commitment. According to Akhtar, et.al, (2013), hierarchy culture type was found to be statistically insignificant in relation to all dimensions of commitment. By taking the above empirical findings, the following hypothesis were developed concerning to Ethiopian private universities context

- H7. Hierarchical culture has a significant impact on affective commitment
- H8. Hierarchical culture has a significant impact on continuance commitment
- H9. Hierarchical culture has a significant impact on normative commitment

1.5. Market culture

Market culture is recognized as being clearly concerned with objective accomplishment culture. The main corporate values inherent in this culture are effectiveness, productivity, and competitiveness and results in optimization (Carmen, et.al, 2017). Akhtar, et.al, (2013) who conducted a comparative study of public and private organizations of Malaysia explained that the success of any organization depends on its distinct culture that is developed either by organizational leaders, or is a result of overcoming challenges or a conscious effort on the part of management to improve performance and efficiency. Ezekiel Saasongu & Darius Ngutor (2012) explained that corporate culture is a critical factor in enhancing the attainment of organizational goals and objectives.

Mark A (2007), suggest that market-oriented culture affects role conflict, role ambiguity, organizational commitment, and job satisfaction. Hussein et.al (2012) indicates that market culture has a significant impact on financial performance. These make employees show their sincere organizational commitment. The study results by Ana Rodrigues and José Carlos (2012), suggest that higher levels of market orientation culture result in both high levels of organizational commitment and organizational performance. It was found that marketing culture had a significant and positive effect on job satisfaction (Seda Yildirim et.al, 2017). In this, regards, the following hypothesis developed to see the impact of market culture on commitment in Ethiopia private universities which presented below here

- H10. Market culture has a significant impact on affective commitment
- H11. Market culture has a significant impact on continuance commitment
- H12. Market culture has a significant impact on normative commitment

3. Material and method

3.1. Research design

The study employed a descriptive research design to explore the possible impacts of the type of organizational culture on organizational commitment dimensions.

3.2. Sampling Technique and Sample Size

The target population of the study is the entire permanent academic staffs of Admas, Rift Valley, Unity, and St.Mary's. All are private universities that are found in Ethiopia. Currently, there are 1337 lecturers that are a permanent employee of the selected private universities. By using the random sampling techniques method a total of 307 samples were selected and only 268 were recollected in the four selected universities. Using the sample size formula that presented below here

$$n=N/(1+Ne^2)$$

Where

n = corrected sample size, N = population size, and e = Margin of error (MoE), $e = 0.05$ based on the research condition. In order to have an appropriate sample size that represents the population of private universities, the study used the employee. Considering the crucial role of sample size in achieving sufficient statistical power the study received 268 (87.2% response rate) completed questionnaires

3.3. Source of data and research instruments

The research study primarily used the structured questionnaires to seek responses from important stakes. A closed-ended self-administered questionnaire was prepared based on the literature reviewed and administered to permanent employees of private universities. Meanwhile, measurements are presented below here

- **The Organizational Culture Assessment Instrument:** - The Organizational Culture Assessment Instrument (OCAI) was designed to assess the organizational culture of a particular organization. (Cameron & Quinn, 1999, 2006, 2011). The instrument specifically developed to allow members of an organization to rate the perceived values of that organization in a manner that would typically reveal a dominant organizational culture type, i.e., clan, adhocracy, hierarchy, and market. The instrument is comprised of 6 items.
- **Organizational Commitment:**-Organizational commitment questionnaire was used as an instrument which was developed by Meyer and Allen (1997). It contained 24 items for affective, continuance and normative commitments were each of them has 8 items respectively.

3.4. Data analysis techniques

Data analysis was undertaken using the statistical package for the Social Sciences (SPSS) version 21 descriptive analysis such as mean, frequencies, percentages and standard deviation were used. Besides, multiple regressions were applied in order to analyze the effect of organizational culture types of organizational commitment dimensions. The results revealed that majority of the respondents were male (81.3%). Besides, (66.4%) respondents were aged between 30-34. The study also shows that of the total respondents, 89% had a 2nd degree.

3.5. Reliability Testing

Values of Cranach's alpha were computed for each variable in order to test the internal consistency of the items used to measure different constructs that refer as consistency or dependability of a measurement technique (Geoffrey Marczyk, et. al, 2005). Table 1 presents that the computed values of Cranach's alpha for each of the construct used in this study are above this reveals that data on all the constructs used in this study are internally consistent.

Table 1 Reliability of Measurements

No	Construct	Number of items	Cronbach's alpha
1	Clan culture	6	.908
2	Adhocracy culture	6	.928
3	Hierarchical culture	6	.822
4	Market culture	6	.899
5	Affective commitment	8	.906
6	Continuance commitment	8	.837
7	Normative commitment	8	.818

Sources; Own survey 2018

4. Data presentation and analysis

4.1. Descriptive statistics of the study variables

Descriptive statistics were presented to see the mean differences between clan, adhocracy, hierarchy, and market culture and the commitment dimensions. Results are presented in table 2

Table 2 Descriptive statistics of the study variables

No	Variable	N	Mean scores	Std. Deviation
1	Clan culture	268	2.7808	.61831
2	Adhocracy culture	268	2.2668	.76371
3	Hierarchical culture	268	3.5381	.64782
4	Market culture	268	4.0665	.93973
5	Affective commitment	268	2.4172	.79502
6	Continuance commitment	268	2.9403	.88578
7	Normative commitment	268	2.8687	.53020

Sources; Own survey 2018

Table 2 shows that market culture had the highest mean of 4.0665. This indicates that the majority of respondents agreed with the items meaning that market culture existed in the private universities. Market culture could be the dominant organizational culture. Hierarchical culture is also practiced as its mean score was 3.538. However, both clan and adhocracy types of organizational culture have lower mean scores. These indicate there is less agreement on the existence and practices of clan and adhocracy culture. Meanwhile, organizational commitment dimensions had lower mean scores indicating there is less organizational commitment level of academic staffs in private universities of Ethiopia. (See table 2)

4.2. The impacts of types of organizational cultures on organizational commitment in Ethiopian private university's

In this study types of organizational culture were independent variable and organizational commitment dimensions had taken as the dependent variable. The regression results of clan culture, adhocracy culture, hierarchical culture, and market culture regressed against affective, continuance and normative organizational commitment dimension are presented in the following table

4.2.1. Regression Analysis

The model multiple coefficients of determination R or R square ($R^2 = .608$) obtained indicate that 60.8 % of the variance in the affective commitment can be explained by organizational culture types (clan, adhocracy, hierarchy, and market), while the remaining 39.2 % is explained by out of this model. The regression model is statistically significant since the probability level is .000. (See table 3)

Table 3; Regression analysis results of study variables

Model	R	R Square	Adjusted R Square	Std. Error Est.	Sum of Squares	df	Mean Square	F	Sig.
Type of culture on affective commitment	.780	.608	.602	.54374				101.769	.000 ^b
Regression					120.35	4	30.1		
Residual					77.460	262	.296		
Total					197.81	266			
Type of culture on continuance commitment	.686 ^a	.471	.462	.51860				58.22	.000 ^b
Regression					62.627	4	15.657		
Residual					70.464	262	.269		
Total					133.09	266			
Types of organizational culture on normative commitment	.744 ^a	.553	.547	.41091				81.17	.000 ^b
Regression					54.821	4	13.71		
Residual					44.238	262	.169		
Total					99.059	266			

Sources; Own survey 2018

The model shows types of organizational culture explain 47.1 % of the variation of continuance commitment dimensions of organizational commitment. The regression model is statistically significant since the probability level is .000. (See table)

Further, it is shown that 55.3 % of the variance in normative commitment can be explained by organizational culture types (clan, adhocracy, hierarchy, and market), while the remaining 44.7 % is explained by out of this model. The regression model is statistically significant since the probability level is .000. (See table 3)

4.3. Hypothesis testing

The finding in the below table shows that the clan culture ($\beta = .298$), adhocracy ($\beta = .476$), hierarchy ($\beta = .154$) and market ($\beta = -.381$) have an impact on affective commitment diminution and significant at P value .000. Therefore, the first four hypotheses (H_1 to H_4) were accepted that explain the impact of types of organizational culture on affective commitment (See table 4).

Table 4; Hypothesis testing results of the study variables

	Model	Dependent	un.S.d Coeff.		S.d Coeff.	t	Sig .	Hypothesis result
			B	Std. Error				
	(Constant)		1.048	.255	.	4.118	.000	Supported
H1	Clan culture	Affective Commitment	.416	.081	.298	5.166	.000	Supported
H2	Adhocracy culture		.580	.068	.476	8.539	.000	Supported
H3	Hierarchy culture		.152	.048	.154	3.159	.002	Supported
H4	Market culture		-.432	.058	-.381	-7.431	.000	Supported
H5	Clan culture	Continuance commitment	.185	.077	.174	3.106	.000	Supported
H6	Adhocracy culture		.320	.065	.321	4.944	.000	Supported
H7	Hierarchy culture		.394	.046	.487	8.570	.000	Supported
H8	Market culture		.119	.055	.127	2.139	.033	Supported
H9	Clan culture	Normative commitment	.631	.061	.639	10.360	.000	Supported
H10	Adhocracy culture		.154	.151	.163	2.061	.002	Supported
H11	Hierarchy culture		.117	.036	.167	3.208	.000	Supported
H12	Market culture		.078	.044	.098	1.787	.075	Rejected

Sources; Own survey 2018

The dependent variable in this case continuance commitment is affected by clan culture ($\beta=.174$), adhocracy ($\beta=.321$), hierarchy ($\beta=.487$) and market ($\beta=.127$) and significant at p-value.000. These prove that there is a significant impact of the predictor variables (clan, adhocracy, hierarchy and market cultures) on the outcome variable (continuance commitment). Hence, H₅ to H₈ were accepted accordingly. (See table 4)

The coefficients for clan culture ($\beta=.639$), adhocracy culture ($\beta=.163$), and hierarchical culture ($\beta=.167$) show a significant positive effect on Ethiopian private university's normative commitment. However, market culture ($\beta=.098$) is no significant effect on private universities of Ethiopia normative commitment at P-value greater than .05. Hence, except H₁₂ (market culture vs. normative commitment), the rest hypothesis (H₉ to H₁₁) were accepted.

5. Conclusion and Recommendations

On the basis of the findings of this study, types of organizational culture have significant importance in creating organizational commitment of academic staffs of private universities of Ethiopia. Although the type of organizational culture possesses different relative importance in the determination of three different dimensions of organizational commitment, i.e. affective, continuance, and normative commitment. Meanwhile, the study indicated that there are weak levels of affective, continuance and commitment to Ethiopian private universities.

- Based on the above findings, the researchers recommend that owners of the private universities should pay special attention to build their employees' organizational commitment levels in general and affective commitment in particular.
- The private university shall try to improve organizational culture by providing training and learning opportunities, encouraging the tradition of giving open and honest feedback.
- Private universities shall develop a strategy to support their faculty members for learning, build confidence, for taking initiatives and calculated risks to meet the organizational mission.
- Private universities shall develop organizational cultures which are consistent with academic staffs, organizational strategies hence; it will help to develop trust among the stakeholders.
- The private universities shall also arrange capacity development programs via research and development seminars and workshops to make their academic staffs ethically and morally strong. This would enhance the level of normative commitment which is the weak dimension of organizational commitment of the academic staffs of private universities of Ethiopia.

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