# Influence of Organizational Culture on Employee Performance: A Case Kenya Ports Authority

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## ABSTRACT

Organizational culture is defined as an assembly of traditions, values, procedures, conceptions and attitudes which creates the context of activities in the organization. The purpose of this study is to examine the influence of organizational culture on employee job performance. The study sought to determine the influence of organizational culture on employee performance at Kenya Ports Authority. Specifically it sought to determine the influence of competitive culture, entrepreneurial culture, bureaucratic culture and consensual culture on employee performance at Kenya Ports Authority. A descriptive research design was adopted to carry out the study. The target population for the study was 106 employees working for KPA and the sampling frame was a list of employees obtained from the human resource management department. The study utilized simple random sampling technique to draw a sample of 43 employees from the population under study and used a questionnaire as a tool for data collection. Descriptive statistics measures such as mean and standard deviation were used to analyse the data, while inferential statistics, and particularly regression analysis was used to draw inferences about the population under study. During the study, data was analysed using Statistical Package for Social Sciences (SPSS) version 22 as a tool and analysed data was presented using tables, graphs and charts. Thirty six usable responses were received and analysed. The findings reveal that organizational culture has an influence on employee performance. Competitive culture had a greater influence on employee performance from the four types of culture analysed. The study recommends that management comes up with sound organizational policies that creates enabling environment for employees to exhibit a culture that enhances employee performance.

## 1.Introduction

Organizational Culture is the pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration (Schein 2004). These assumptions are said to be maintained in the continuous process of human interaction (attitudes and behavior) as the right way in which things are done. Zhang (2010) also describes OC as a mode, composed by some basic assumptions; and the assumptions are found and created gradually by a certain group in the process of exploring the method of adapting to external environment and solving internal interconnected system. Internal integration is the socialization of new members in the organizations, creating the new boundaries of the organization and the feeling of identity among personnel and commitment to the organization (Martins & Terblanche, 2003). External adaptation was also said to be creation of competitive edge, making sense of environment in terms of acceptable behavior and social system stability.

Organizational culture is gaining support as a predictive and explanatory construct in organization science (Liu *et al.* 2006), where; if managed and controlled is useful as a management tool for organizational effectiveness and performance. Abdul Rashid, Sambasivan and Johari (2003) argue that several researches have been conducted to identify

the nature and type of OC in organizations with a view to eliciting the key values, beliefs, and norms in an organization that have given much impetus to the success and superior performance of the organization. To elicit some of these researches and their successes in establishing relationship between OC and performance require that the concept of OC be understood first.

Culture involves beliefs, values and behavior which exist at various levels and manifest in a wide range of characteristics of organizational life (Krumbholz and Maiden 2000). Included in the wide range of organizational life where culture manifests itself is performance. Therefore, OC is important to organizational success (Twati and Gammack, 2006). Success can be regarded as a performance construct with differing areas as components. Martins and Terblanche (2003) assert that OC seems to be a critical factor in the success of any organization with particular emphasis on creativity and innovation. This indicates that organizational culture affects the way creative and innovative solutions are encouraged. In their study of the influence of OC on the quality of services provided in higher education in Greece, Trivellas and Dargenidou (2009) find that different dimensions of higher education service quality are linked to specific culture models. Knowledge is considered the one and only distinct resource crucial to sustenance of organizational

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competitive advantage. Suppiah and Sandhu (2012) find that organizational culture types influence tacit knowledge sharing behaviour positively or negatively depending on the culture type. The negative influence is an indication that the contribution of culture to organizations could not only be positive. For example a strong OC is a potential stumbling block to organizational change. Job satisfaction and commitment are recognized as variables that can majorly determine organization performance (Lok and Crawford 2003). However, both variables (job satisfaction and commitment) are influenced by OC (Lok and Crawford 2003).

## 1.1 Organizational Culture

According to Schein (2009) organizational culture is a collective behavior of people that are part of an organization. It is formed by the organization values, visions, norms, working language, systems, and symbols, beliefs and habits. It is also the pattern of such collective behaviors and assumptions that are taught to new organizational members as a way of perceiving, and even thinking and feeling. Organizational cultures affect the way people and groups interact with each other, with clients, and with stakeholders.

Organizational Culture is a strength that can be a weakness. It is strength because it eases and economizes communication, facilitates organizational decision making and control and may generate higher levels of cooperation and commitment to the organization which are necessary for strategy implementation. However it can be a weakness when important shared beliefs and values interfere with the need for business, its strategy and the people working on a company's behalf. This is a major weakness because it is hard to change the content of a culture (Pearce 2003).

Organizational culture plays a vital role in ensuring performance of employees and organization. Organizational culture entails values, beliefs, and practices which constitute the characteristics of an organization according to Gostick and Elton (2007). It is, therefore, a system of shared values that interacts with staff, structure, and control system of an organization as indicated by Rock (2006). It, therefore, defines behavioral norms of employee which lead to productivity of employee.

Organizational culture has a positive bearing upon human resource performance and development of employees. According to Biswas (2009) organizations which depict a high level of employee performance have a well-defined organizational culture. Employees adapt to this culture when they are employed in the organization. They utilize the culture values and practices when performing their duties and achieve success. Organizational culture is particularly vital in an organization since it ensures continuity of powerful informational and values of an organization according to Aksoy et. al (2014). It is this continuity of beliefs, ethics, art, law, skills, and habits which results in success of an organization.

## 1.2 The Kenya Ports Authority

The Port of Mombasa is a public enterprise managed by Kenya Ports Authority (KPA) a body established under the KPA Act of 1978 and mandated to maintain, operate, improve and regulate all schedule seaports along the Kenyan coastline. The Port serves Kenya and other countries including Uganda, Rwanda, Burundi, Democratic Republic of Congo, South Sudan and Tanzania. The port of Mombasa is the critical nerve center of business linking the landlocked countries of Uganda, Rwanda, Democratic Republic of Congo, Tanzania, Burundi and South Sudan. It is well connected in the region, with over 33 shipping lines calling and providing direct connectivity to over 80 ports.

The KPA is guided by its Vision "World Class Seaports of Choice". The Authority Mission is "To facilitate and promote global maritime trade through the provision of competitive port services". KPA has developed a strategic plan which outlines the feasible programmes and projects that will be undertaken to meet the short and medium term demands and progressively position the Port as the obvious port of choice in East and Central Africa. It builds on the current strategic road map for 2010-2015 and takes cognizance of the Constitution, the Vision 2030 whose aim is to transform Kenya into an industrialized nation by 2030 and the broad Integrated Transport Sector Policy. The strategic issues and objectives identified in the Plan articulate the ideal future of the Authority as it fulfills its vision, mission and its goals. The following are the key strategic issues: Competitiveness as a Regional Hub, Governance, Collaboration, Linkages and Partnerships, Risk Management, Financial Sustainability, Labor Productivity, Development of Lamu Port (Alternative Gateway)

KPA is a multi-disciplinary facility having a workforce of diverse culture. Every person in the organization is part of multiple cultures that have an influence on the behavior of a person. People are formed through their nationality (or nationalities, in case of migration), regional aspects, their ethnic background, a religion, the language (including dialects), gender, the generation they are part of, the education and their profession. In an organization these multiple cultures come together and influence the culture of the organization. The macro level of culture has influence on the persons inside the organization and the culture of the organization in different ways. The cultural background is often used as a basis for social categorization. People with the same background tend to share similar experiences and are more likely to be treated similarly by others in past. Therefore they may expect the other to understand and react in a similar manner in a situation. In an organization differences in cultural background can cause difficulties in interactions. At the same time it is also believed that a heterogeneous organization outperforms homogenous organizations in some situations.

## 1.3 Statement of the Problem

The relationship between organizational culture and employee performance has been a subject of research in many fields including organizational behavior, strategic management and international business. In the 1990's a lot of research was done on the relationship between culture and performance, however the researchers highlighted genuine caution in testifying on the relationship between culture and performance (Nazir & Mushtaq, 2008). Researchers like Denison (1990) argued that the performance of an organization is related to the degree to which culture values are strongly held or widely and commonly shared. Denison and Fey (2003) further argued that organizational performance is relative to how well the organizational culture values are held, either strongly or widely and if commonly shared. Other researchers argued that the compatibility between organizational culture values and the individual employee values do enhance organizational commitment as noted by Nazir (2005), positively impacts on employee job performance as highlighted by Ubius and Alas (2009), and positively impacts productivity of an organization (Khan & Afzal, 2011).

Most organizations put more efforts on the focus of only intrinsic and extrinsic reward systems give less concern on the

traditional cultural activities. According to Kandula (2006) the key to good performance is a strong culture. He further maintains that due to difference in organizational culture, same strategies do not yield same results for two organizations in the same industry and in the same location. A positive and strong culture can make an average individual performance and achieve brilliantly whereas a negative and weak culture may demotivate an outstanding employee to underperform and end up with no achievement. Therefore organizational culture has an active and direct role in performance management (Ahmed, 2012).

However, organization culture has received relatively low levels of empirical investigation among the possible antecedents of employee performance (Lok & Crawford, 2004). Although empirical research has been carried out there has been little evidence to prove the effect of organization culture on organization performance (Mckinono et al. 2003). In a study of Hong Kong and Australian managers, Lok and Crawford (2004) found a positive effect of organization culture on employee performance. Zain et al. (2009) examined the effect of four dimensions of organization culture namely teamwork, communication, reward and recognition, and training and development on employee performance and found that all the four dimensions of organization culture were important determinants of performance. Mahmudah (2012) reports a significant relationship between organization culture and service delivery.

## 2. Literature Review
### 2.1 Consistency Theory

According to the consistency theory, organizations tend to be effective because they have strong cultures that are highly consistent, well-coordinated and well integrated (Davenport, 1993; Saffold 1988). Employee behavior is rooted in a set of core values and leaders and followers are skilled at reaching an agreement even when they have differing views (Block, 1991). This type of consistency is a powerful source of stability and internal integration that results from a common mindset and a high degree of conformity (Senge, 1990).

This theory examines how behavioural motivation happens when internal thoughts differ and conflict, resulting in a creation of tension. This tension is the driving force for a change in behaviour to ease the tension. When the change occurs and a person reacts, then the tension is reduced, bring one to homeostasis. In the working world, if a person sees something that is contradicting and inconsistent, he/she will be motivated to change the inconsistency and resulting in work. This theory states that people will naturally see imbalances and correct them through the motivation to make things consistent. People need consistency in their lives and this theory shows how people motivate themselves to work and adjust inconsistent measures. There are three steps to this theory: people expect consistency, inconsistencies create a state of dissonance, and dissonance drives us to restore consistency.

### 2.2 Involvement Theory

This theory is based on the idea that involvement and participation will contribute to a sense of responsibility and ownership and hence organizational performance and loyalty (Baker, 2002). Effective organizations empower their people, build their organizations around teams, and develop human capability at all levels (Becker, 1964; Lawler, 1996; Likert, 1961). Executives, managers and employees are committed to their work and feel that they own a piece of the organization. People at all levels feel that they have at least some input into decisions that will affect their work and that their work is directly connected to the goals of the organization (Katzenberg, 1993; Spreitzer, 1995).

### 2.3 Adaptability Theory

This theory is based on the idea that norms and beliefs that enhance an organization's ability to receive, interpret and translate signals from the environment into internal organizational and behavioral changes will promote its survival, growth and development. Ironically, organizations that are well integrated are often the most difficult ones to change due to the deep levels of adaptability acquired over time (Kanter, 1993). Adaptable organizations are driven by their customers, take risks and learn from their mistakes and have the capability and experience at creating change (Nadler, 1998; Senge, 1990). Such organizations are continuously changing their systems to promote improvements and provide value for their customers (Stalk, 1988).

### 2.4 Mission Theory

A shared sense of purpose, direction and strategy can coordinate and galvanize organizational members toward collective goals (Baker, 2002). Successful organizations have a clear sense of purpose and direction that defines organizational goals and strategic objectives and expresses a vision of how the organization will look in the future (Mintzbert, 1994; Hamel & Prahalad, 1994). When an organisation's underlying mission changes, changes also occur in other aspects of the organization's culture (Ahmad, 2012). These theories focus on different aspects of culture but more importantly, they stress different functions of culture. Consistency theory and mission theory tend to promote stability whereas involvement theory and adaptability theory allow for change and adaptability. Consistency theory and involvement theory see culture as focusing on internal organizational dynamics while mission theory and adaptability theory see culture as addressing the relation of the organization to its external environment (Baker, 2002).

### 2.5 Conceptual Framework

Kothari, (2004), define a conceptual framework as a visual or written product, one that "explains, either graphically or in narrative form, the main things to be studied-the key factors, concepts or variables-and the presumed relationships among them". The conceptual framework of this study will consist of the independent variables of competitive culture, entrepreneurial culture, bureaucratic culture, and consensual culture. These relationships are represented in Figure 2.2. The dominant direction of influence is illustrated by the direction of the pointed arrows where the independent variables directly influence the dependent variable of employee performance.

### 2.5.1 Competitive Culture

This is also referred to as market culture. The achievements of measurable and demanding goals, especially those that are financial and market-based, characterize a market culture. Hard - driving competitiveness and a profit orientation prevail throughout the organization. In a market culture, the relationship between individual and organization is contractual. The individual is responsible for some levels of rewards in return. A market culture does not exert much informal, social pressure on an organization's members. They don't share a common set of expectations regarding management style or philosophy. The absence of a long-term commitment by both parties results in a weak socializing process. Deshpande and Farley (1999) state that in the competitive culture, values relating to demanding goals,

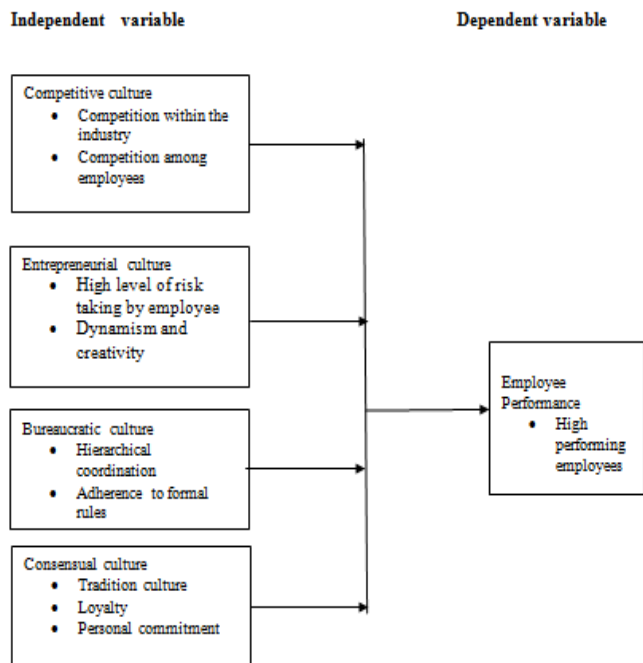competitive advantage, marketing superiority, and profits were emphasized.



**Figure 2.1. Conceptual Framework.**

### 2.5.2 Entrepreneurial Culture

High levels of risk taking, dynamism, and creativity characterize an entrepreneurial culture. There is a commitment to experimentation, innovation, and being on the leading edge. This culture doesn't just quickly react to changes in the environment it creates change. Effectiveness means providing new and unique products and rapid growth. Individual initiative, flexibility, and freedom foster growth and are encouraged and well rewarded. Deshpande and Farley (1999) state that in the entrepreneurial culture, the emphasis was on innovation, risk taking, high level of dynamism, and creativity.

Entrepreneurial Culture is here conceptualized as a society that depicts the exhibition of the attributes, values, beliefs (attitude or mind-set) and behaviour associated with entrepreneurs by individuals in such a society which distinguishes them from others. As such, to foster it implies that such government policy measures must anchor on the promotion of the attributes, values, mind-set and behaviour associated with entrepreneurs in individuals which will impact on such individuals' mind-set towards entrepreneurship. Such an individual can be propelled to act entrepreneurially in an already established organization and other areas of life where they are opportune to find themselves. This implies that such individual when nurtured by any policy measures targeted at entrepreneurship will differ from other individuals since culture distinguishes one group from another (Hofstede, 1980).

### 2.5.3 Bureaucratic culture

An organization that values formality, rules, standard operating procedures, and hierarchical co-ordination has a bureaucratic culture. Long – term concerns of bureaucracy are predictability, efficiency, and stability. Its members highly value standardized goods and customer service. Behavioral norms support formality over informality. Managers view their roles as being good co-coordinators, organizers, and enforcers of certain rules and standards.

Tasks, responsibilities, and authority for all employees are clearly defined. The organization's many rules and processes are spelled out in thick manuals and employees believe that their duty is to go by the book and follow legalistic processes.According to Deshpande and Farley (1999), in the bureaucratic culture, values like formalization, rules, standard operating procedures, and hierarchical coordination.

### 2.5.4 Clan/Consensual Culture and Performance

Tradition, loyalty, personal commitment, extensive socialization, teamwork, self-management, and social influences are attributes of clan culture. Its members recognize an obligation beyond the simple exchange of labour for a salary. The members understand that their contributions to the organization may exceed any contractual agreements. The individual's long-term commitment to the organization is exchanged for the organization's long-term commitment to the individual. Individuals believe that the organization will treat them fairly in terms of salary increases, promotions, and other forms of recognition. Consequently, they hold themselves accountable to the organization for their actions. Deshpande and Farley (1999) aver that in the consensual culture, elements of tradition, loyalty, personal commitment, extensive socialization, teamwork, self-management, and social influence are important in the organizational values.

### 2.5.5 Employee Performance

Organizational Culture is the pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration (Schein 2004). These assumptions are said to be maintained in the continuous process of human interaction (attitudes and behavior) as the right way in which things are done. Zhang (2010) also describes OC as a mode, composed by some basic assumptions; and the assumptions are found and created gradually by a certain group in the process of exploring the method of adapting to external environment and solving internal interconnected system. Internal integration is the socialization of new members in the organizations, creating the new boundaries of the organization and the feeling of identity among personnel and commitment to the organization (Martins and Terblanche, 2003).

External adaptation was also said to be creation of competitive edge, making sense of environment in terms of acceptable behavior and social system stability. The definitions by Schein (2004) and Zhang (2010) offer both deeper basic assumption and faith that is shared by organizational members in explaining the purpose; and the environment of organization itself. Also, the assertions focus on internal integration and external adaptation of organizations which are the OC attributes that define the performance of organizations. It is thus admittable that OC is paramount to organizational success (Twati and Gammack, 2006).

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characteristics of organizational life (Krumbholz and Maiden 2000). Included in the wide range of organizational life where culture manifests itself is performance. Therefore, OC is important to organizational success (Twati and Gammack, 2006). Success can be regarded as a performance construct with differing areas as components. Martins and Terblanche (2003) assert that OC seems to be a critical factor in the success of any organization with particular emphasis on creativity and innovation. This indicates that organizational culture affects the way creative and innovative solutions are encouraged. In their study of the influence of OC on the quality of services provided in higher education in Greece, Trivellas and Dargenidou (2009) find that different dimensions of higher education service quality are linked to specific culture models. Knowledge is considered the one and only distinct resource crucial to sustenance of organizational competitive advantage. Suppiah and Sandhu (2012) find that organizational culture types influence tacit knowledge sharing behavior positively or negatively depending on the culture type. The negative influence is an indication that the contribution of culture to organizations could not only be positive. For example a strong OC is a potential stumbling block to organizational change. Job satisfaction and commitment are recognized as variables that can majorly determine organization performance (Riketta 2002). However, both variables (job satisfaction and commitment) are influenced by OC (Lok and Crawford 2003).

## 2.6 Empirical Review

Haigh (2006) has studied organizational culture on employee performance identity, commitment and citizenship behaviors: Antecedents, change over time, interrelationships and potential of inoculation to bolster identity, commitment and citizenship behaviour. A good example given by Hellriegel and Slocum (2009), shows that most of the organizations have their own computer gurus, but often, It is their secretaries who do not go for lunch that help other workers who have the problem with the method of handling computer problem. Culture, as the collective sum of beliefs, values, meanings and assumptions, is shared by a social group and it helps to shape the ways in which they respond to each other and to their external environment (Fazilah, 2005). A culture is also seen as the personality of an organization, and it differentiates a company from another (Fazilah, 2005).

Alwi (2005), in his writing from his reference, has stated organizational culture as a perception which can be shared with members within the organization. In other words, organizational culture is correlated with decision making, acting, and communication formation and communication network. Mcewan (200) postulates that as a concept, culture is inseparable from the notion of human society. To try and change the prevailing culture within an organization, one has to take cognizance of the relevant societal culture.

Robbins (2001), on the other hand, argues that a company's organization culture does not pop out of thin air and, once it is established, it does not fade away. An organization's current customs, traditions, and general way of doing things are largely due to what it has done before and the degree of success it has had with these endeavors. This leads one to its ultimate source of an organization's culture: its founders. Robbins further emphasizes that the founders of an organization have a major impact on that organization's early culture. They have a vision of what the organization should be, and they are unconstrained by previous customs and ideologies.

## 3. Research Methodology

This study adopted a descriptive case study research design. The research design was be a case study of KPA. Case studies try to pull together a wide variety of issues about the defined case, then present the information as a unified whole. This will enable the researcher to probe and make in-depth understanding and draw conclusions. According to Yin (2003), case study research is also characterized as qualitative and observatory in nature, using predefined research questions. A total sample of 43 employees took part in the study

## 4. Findings

### Culture Involvement and Employee Performance

Ten factors were subjected to ranking and a likert point of scale was used, with the strongest factor scoring five points, whereas the least scored one point. The mean and standard deviation scores were computed as shown in Table 4.5.1. Among the organizational culture factors which influenced employee performance at KPA. The respondents identified themselves with engagement with other employees as a culture involvement factor with a mean score of 3.78. The second ranked component was the factor of developing employee capabilities and appreciating and recognizing employee efforts with mean scores of 3.58 each. The next ranked component was giving employees exposure to innovation, new roles and responsibilities, and the authority, responsibility and ability to manage ones work with mean scores of 3.36 each.

**Table 4.5.1. Culture Involvement and Employee Performance at KPA.**

| Culture Involvement | Mean | Std. Deviation | Coefficient of variation (%) |
|---|---|---|---|
| Engagement with other employees | 3.78 | 1.124 | 29.7 |
| Develop employee capabilities | 3.58 | .996 | 27.8 |
| Appreciating and recognizing employee efforts | 3.58 | .937 | 26.2 |
| Giving employees exposure to innovation, new roles and responsibilities | 3.36 | .961 | 28.6 |
| Authority, responsibility and ability to manage ones work | 3.36 | 1.175 | 34.9 |
| Cultivating a sense of belonging and recognition | 3.19 | 1.037 | 32.5 |
| Getting feedback | 3.17 | 1.134 | 35.7 |
| Teamwork | 2.97 | 1.253 | 42.2 |
| Proactivity and collaboration with other staff | 2.61 | 1.128 | 43.2 |
| Celebrating performance achieved by staff as well as teams | 2.47 | .971 | 39.3 |
| Engagement with other employees | 3.78 | 1.124 | 29.7 |

From the scores of the parameters the culture involvement of cultivating a sense of belonging and recognition had a mean of 3.19. This was followed by getting feedback. Teamwork, proactivity and collaboration with other staff and celebrating performance achieved by staff as well as teams with mean scores of 3.17, 2.97, 2.61 and 2.47 respectively.

**Bureaucratic**

|  | Mean | Std. Deviation |
|---|---|---|
| Adherence to formal rules in the organization | 4.11 | 1.008 |
| Hierarchical Coordination influences employee performance | 3.31 | 1.064 |
| Standard Operating Procedures in the organization | 2.97 | 1.276 |

**Consensual**

|  | Mean | Std. Deviation |
|---|---|---|
| Personal commitment | 3.81 | .856 |
| Tradition culture | 3.72 | 1.186 |
| Self Management | 3.64 | .990 |
| Loyalty | 2.75 | 1.204 |

**Competitive**

|  | Mean | Std. Deviation |
|---|---|---|
| Competition in the Industry | 3.42 | 1.228 |
| Competition among employees | 3.53 | 1.000 |
|  |  |  |

**Regression Analysis**

Regression analysis was used to determine the relationship between the variables under investigation. The following regression model was adopted to determine the influence of organizational culture on employee performance at KPA.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$

Where: Y= Employee performance

$X_1$= Competitive culture
$X_2$= Entrepreneurial culture
$X_3$= Bureaucratic culture
$X_4$= Consensual culture
$\beta_0$= constant term
$\beta_1;\beta_2;\beta_3; \beta_4$ = coefficients    $\varepsilon$= Error term/Stochastic term

A linear regression analysis was then performed with the following specifications:

Employee performance = $\beta_0$+ $\beta_1$ (Competitive culture) + $\beta_2$ (Entrepreneurial culture) + $\beta_3$ (Bureaucratic culture) + $\beta_4$ (Consensual culture)

This model suggests the following relationship: the employee performance accounted for by employees at KPA is described by four main factors: competitive culture, entrepreneurial culture, bureaucratic culture, and consensual culture. These four factors have been operationalized through survey questions which ask the HR personnel at KPA about the organizational cultural factors affecting employee performance. The dependent variable of interest in this study, employee performance, is best operationalized by the percentage of high performing employees, which is why it is the dependent variable in the following analysis. It is the researcher's hypothesis that employee performance is accounted for by high performing employees produces exemplary results, and therefore we should be interested in learning the components that make over employee performance. The output of the regression analysis is as follows:

**Table 4.4.2. Model Summary for Linear Regressions**

| Model | R | R Square | AdjustedR Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .536[a] | 0.287 | 0.189 | 15.86306 |

a.Predictors (Constant), competitive culture entrepreneurial culture, bureaucratic culture, consensual culture

The R-square value can be interpreted to mean that 28.7% of the variability in overall organizational culture and employee performance can be explained by competitive culture and entrepreneurial culture, bureaucratic culture, and consensual culture. Overall, this means the study variables do not explain very much of the variability in employee performance, given that 72% of the variability is accounted by other factors not in this study. In other words, the variable of high employee performance is like better explained by the combination of different unobserved variables. However, further analysis will show us which variables are statistically significant with respect to the independent variable.

**Table 4.4.3. Coefficients for Linear Regressions**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
|  | B | Std. Error | Beta |  |  |
| (Constant) | -.928 | 27.659 |  | -0.03 | 0.973 |
| Consensual culture | 1.477 | 6.825 | 0.046 | 0.216 | 0.830 |
| Bureaucratic culture | -14.539 | 4.788 | -0.601 | -3.036 | 0.005 |
| Entrepreneurial culture | 3.218 | 4.327 | 0.138 | 0.744 | 0.463 |
| Competitive culture | 15.762 | 7.432 | 0.394 | 2.121 | 0.043 |

Dependent Variable: employee performance

The regression equation can be modeled by the following: percent_employee performance = -.928 + 1.477(mean_consensual culture) - 14.539(mean_ bureaucratic culture)+3.218 (mean_entrepreneurial) + 15.762(mean_competitive culture)

Using a p value of 0.05, only two indices were statistically significant: bureaucratic culture and competitive culture. These indices have been highlighted in the regression coefficients table. Neither consensual culture nor entrepreneurial culture had a statistically significant effect on the percentage of employee performance accounted for by organizational culture. Interestingly, the beta coefficient that describes the relationship between bureaucratic culture and percent_ employee performance suggests that there is a negative relationship. The beta coefficient of -14.539 can be interpreted to mean that, for every one unit increase in the bureaucratic culture, the employee performance index decreases by 14.539.

With a p-value of 0.043 on competitive culture, which is less than the significance value of 0.05, we also have evidence to support the conclusion that mean_ bureaucratic culture has a statistically significant relationship on overall organizational employee performance. The beta coefficient of 15.762 suggests that the percentage performance (employee performance) accounted for by organizational culture increases by 15.762 for every one point increase in the entrepreneurial culture index. This is a substantial increase, and suggests that, for KPA, the most important component of overall organization culture which contributes to employee performance is competitive culture.

**5. Conclusions**

Organizational culture has long been identified as one of the biggest challenges in employee performance in both the public and private sectors. Human resource practices are very important levers by which firms develop human capital and employee commitment. It is the human resource practices that can directly impact the skills of the workforce that can provide value to the firm. These practices also can help to develop

committed employees who are willing to allocate their discretionary behavior toward organizational ends. Therefore, there has been a need to advocate for efficient organizational culture aspects so as to remove inequalities, enhance commitment, reduce employee turnover and enhance organizational competitive advantage. Efficiency in the management of human resources further enhances the provision quality services to the clients in the industry and further harnesses economic growth due to increased business and thus revenue generation.

Organizational culture includes many aspects. It represents everything from an organization's myths, believes and ethics to more concrete things, such as the official way of dressing and the customary language within the organization. Culture is thus viewed as a means of learning, as well as teaching ways, to become acceptable and effective member of the group

## 6. Recommendations

From the findings of the study, the following recommendations were deduced. It is expected that these recommendation will go a long way to further enhance the employee performance in enhancing organizational culture at KPA.

1. KPA management should come up with sound organizational policies that creates enabling environment for employees to exhibit a culture that enhances employee performance.

2. The Kenya Ports Authority management should be able to easily pinpoint the best cultural practices applicable for their organization.

3. The KPA as the employer should recognize the area of organizational culture and its influence on competitive advantage and organizational performance and thus contribute to the existing literature and provide a basis for further research.

4. The employer at KPA should ensure that employees interact freely so as to learn from each other and embrace the best culture.

## 7. Areas for Further Research

Further research is necessary in a number of areas at KPA and in the Maritime Industry in Kenya. Such studies will help to further enhance the knowledge in the area and also identify solutions to the challenges that inhibit effective and efficient utilization of HR practices with regard to the influence of organizational culture on employee performance. The researcher recommends further study in the following areas:

1. The effect of organizational policies on corporate culture of state corporations in Kenya.

2. Organizational culture and its influence on competitive advantage and organizational performance

3. The role of organizational culture on career growth of employee in the public sector.

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