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**ROLE OF ORGANIZATIONAL CULTURE ON BUSINESS PERFORMANCE IN
SCHNEIDER ELECTRIC COMPANY, NAIROBI**

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ABSTRACT

The study aimed at determining the role of organizational culture on business performance with a focus on Schneider Electric Nairobi. The independent variables of this study were market culture, clan culture, hierarchical culture, adhocracy culture, and business performance as the dependent variables. The study was supported by the dynamic capabilities' theory, Schein's theory of organizational culture, exchange theory, and organizational culture theory. The study targeted employees of all levels from top management to junior employees who totaled 140. The sample size was calculated using the Yamane formula giving the sample of 103 respondents who were selected through random sampling. Quantitative data was collected through a structured questionnaire composed of Likert scale questions. The data analysis technique adopted was descriptive statistics and regression analysis. The main study findings indicated that clan culture, market culture, hierarchical culture, and adhocracy culture have positively and significantly played a major role in business performance in Schneider Electric Nairobi. Based on the findings, the study recommended that the organization's leadership foster a positive and productive work culture, embrace transparency, and celebrate small and big achievements across the

board to motivate the employees. The management encourages and leads by example in the spirit of teamwork, open communication, and transparency. Also foster a sense of belonging among employees, providing opportunities for personal and collective growth. The leadership should also empower employees to make decisions and take risks, encouraging experimentation and failure as a learning opportunity in schneider electric. The leadership to ensure the rules and policies are result focused and designate who is in charge and who is responsible for making decisions. Lastly, the leadership should continue encouraging employees to pull towards a common goal.

Key word: Role, Organizational culture, Business Performance, Schneider Electric Company, Nairobi

BACKGROUND OF THE STUDY

Organizational culture is seen as an organization-specific system of widely shared values and assumptions that give rise to typical behavior patterns. Organizations as a living entity created by mankind through their artifacts and assumptions have a culture of their own. Therefore, it becomes imperative to understand the dynamics of organizational culture and its impact on business performance. Previous studies have highlighted the link between organizational performance and organizational culture outcome. However, there is still an issue with the identification of the right variables that are associated and have contributed significantly to organizational performance (Yasas,2019). Past studies have also associated various variables with organizational performance such as attitudinal and behavioral related aspects as well as the organizational factor and culture. Within the internal environment in which managers' work according to Yasas (2019) citing Draft culture surfaces as extremely important to competitive advantage and firm performance. This implies that culture plays a key role in organizational success. In a strong organizational culture, business management may develop and maintain a strong cultural foundation in the organization. The foundation work entails establishing the organization's people working culture and developing ethics and integrity in doing business in the organization (Yasas, 2019). Both internal and external stakeholders use the organization's culture and integrity trends to identify their organization from other organizations' cultures Stakeholders may perceive and use the organizational culture as a distinguishing factor in identifying the best organization to relate with.

A focus on organizational culture is increasingly becoming a major component of everyday organizational functioning because performance depends on its culture. A steady culture within the organization shows that workers think the same way and are guided by the same ideas about the business (Racelis, 2010). Thus, organizations can only meet their goals if they make their culture work in harmony with their management coordination. By putting in place appropriate culture, an organization can allow the workers to have control over their own work and this will no doubt make them work well. Therefore, organizational performance is dependent upon the culture of the organization, since it is a clear indicator of the survival of the business (Racelis, 2010). Some studies found that there is a strong link between organizational culture and performance (Muhammad & Muhammad, 2011), and this makes it relevant to study organizational culture and performance.

According to Magee (2002), organizational culture is the set of assumptions that members of an organization subscribe to. The assumptions are mainly beliefs and values. Beliefs focus on reality, and they come from experience while values are about ideals that are desirable and worth striving for. It is the specific assortment of principles that are shared by everyone in the organization. This in turn controls the way these people intermingle with each other and with outsiders. The sharing of these beliefs and values creates a business culture (Azhar, 2003). Ogundele (2012) views organizational

culture as a homogeneous discernment of the organization based on outstanding uniqueness separating one organization from the other. Effective organizational culture is a combination of strong and positive culture. In a strong culture, the organization members behave in a way consistent with organizational values (Chukwu and Aguwamba, 2017). In a positive organizational culture, employees share the goals and values of the organization (Chukwu and Aguwamba, 2017). Organizational leaders may establish an effective organizational culture to improve performance and productivity in the organization. Ogundele (2017) noted that managers with effective organizational cultures promote excellent customer service and an innovative business environment. In an effective organizational culture, business managers show employee-focused leadership, sound interpersonal relationships, and an ethical decision-making process.

According to Mwashighadi, (2017), less research has been done on cultural performance based on the environmental situation in the Schneider context. This research culture model is based on four orientations market, clan, adhocracy, and hierarchical culture. This implies that managers need to adapt to this orientation to face with the uncertain environment and the organization's challenges. Companies that can face challenges during turbulent worlds are those that have given priority to cultural value and business performance. This supports the notion that culture is an important element for organizational success. This is because according to Maika & Wachira, (2020), cultural values can energize and motivate staff by appealing to higher ideals and unifying people around shared values.

The above literature lays a foundation or premise for this study on the pivotal role of culture that fit the environment or cultural orientation to induce organizational performance. The study focuses on Schneider Electric in Nairobi. This is because Schneider Nairobi hosts people from different walks of life thus providing a valid setting for a study on the relationship between organizational culture and business performance. As the work environment gets more competitive and dynamic organizations are more concerned about corporate cultures that can translate into positive results such as strengthening human capacity, customer loyalty, and staff empowerment, enabling technology and knowledge management and care for all stakeholders.

The aim of this research, therefore, attempts to fill the gap in the previous study's findings in this area. The study will examine the role of organizational culture on business performance by using the data collected from Schneider employees with reference to market culture, clan culture, adhocracy culture, and hierarchical culture.

STATEMENT OF THE PROBLEM

Organizations have been faced with an increased level of turbulence and unpredictability both within and without the organizations. Competitive pressures alongside increased customer awareness and demands have intensified and it is not uncommon for weaker firms to fail to meet customer demands and fail to maintain their competitive edge over time (Kajuju, 2018). New changes bring in new technologies, new ways of doing things, new management structures, sometimes a feeling of absence of information, fear of the unknown (risk of redundancy), drifts in efficiency levels in either direction, or changes in confidence in the organization. According to Cruz (2017), such changes can cause the business performance to reduce by 30% if the changes are not well communicated to the affected stakeholders and appropriate measures put in place. While these changes reflect shifts in the culture of any organization, it is argued that a culture change if not well managed can sometimes lead to high employee turnover Nikipour, A. (2017). In a corporate group, a lack of effective organizational culture and poor cultural integration affect organizational performance and decrease business return. As organizations adopt major changes in line with the way they execute their mandates or functions,

employees are compelled to change their states of mind and the way they behave. Quite several organizations trading in Kenya to has experienced challenges emanating from an organizational culture that has had difficulty in realigning to the changing business environment and being profitable. This has brought resistance and misunderstanding among employees which has affected the performance of companies that have seen dissatisfied customers look for substitute goods and services that are of higher quality a gap this study wants to address. On the other hand any business acquisition and merger process, it is very important for organizational leadership to integrate with the different cultures and values of merging companies (Maika & Wachira, 2020) cited Hirsch research which indicated that 69% of acquired businesses are unable to integrate with the culture of the acquiring corporation, and 73% are not able to increase the shareholder engagement and value in these organizations.

The primary aim of this research is to examine the cultural practices which could cause the poor business performance in organizations. This study is important because it will address the pertinent issues affecting employees and the company's growth in a turbulent changing business environment that requires an organizational culture review if it must overcome these challenges and have a good financial performance. Failure to look at organizational culture in a changing business environment has led to losses and even the closure of the business. A healthy organizational culture should improve the performance of the business in terms of attracting new customers, improving retention of employees, and creating new business opportunities.

RESEARCH OBJECTIVES

- i. To establish the role of market culture on business performance in Schneider electric company
- ii. To investigates the role of clan culture on business performance in Schneider electric company
- iii. To assess the role of adhocracy culture on business performance in Schneider electric company.
- iv. To examine the role of hierarchical culture on business performance in Schneider electric company.

THEORETICAL LITERATURE REVIEW

Dynamic Capabilities Theory

Shuen, (2012) developed the concept of Dynamic capabilities theory which he explained as a management theory that suggests that a firm's ability to adapt and innovate is a key determinant of its long-term success. It focuses on a firm's ability to integrate, build, and reconfigure its resources and capabilities in response to changing market conditions and competitive pressures. Dynamic capabilities theory proposes that firms that are better at developing and managing these dynamic capabilities are more likely to be able to create and sustain a competitive advantage over time. Dynamic capabilities theory suggests that a firm's ability to adapt and innovate is a key determinant of its long-term success, and as such, it can play an important role in a firm's business performance. Barreto (2010) defines dynamic capabilities as those capabilities that characterize a firm potential to systematically solve problems, formed by its propensity to sense opportunities and threats, make timely and market-oriented decisions, and change its resource base. By developing and managing dynamic capabilities, a firm can better respond to changes in the market and competitive pressures, leading to a competitive advantage that can translate into improved business performance. Dynamic capabilities can enable a firm to enter new markets, develop new products and services, improve operational efficiency, and

enhance customer satisfaction, all of which can lead to increased revenue, profitability, and market share. Therefore, dynamic capabilities theory can be a valuable framework for firms seeking to improve their business performance in a rapidly changing and competitive environment.

Exchange Theory

Exchange theory assumes that commitment occurs because of contribution/encouragement transactions between the employee and the organization (Cropanzano, Prehar & Chen, 2003). Exchange theory explains these transactions as psychological contracts. The theory proposes that individuals are rational actors who engage in social exchange to maximize their rewards and minimize their costs. In this context, rewards may be tangible (such as money, goods, or services) or intangible (such as social status, approval, or affection), while costs may also be tangible (such as time, effort, or money) or intangible (such as stress, anxiety, or loss of autonomy). Exchange theory suggests that social exchange is a fundamental aspect of human interaction and that it underlies many social phenomena, such as the formation and maintenance of social relationships, the development of norms and values, the emergence of social inequality and power structures, and the functioning of social institutions. The theory has been applied to various domains, including organizational behavior, marketing, and family studies, and it provides a useful framework for understanding human behavior and interaction in different social contexts.

Schein's Theory of Organizational Culture

Schein's Theory of Organizational Culture suggests that culture is the pattern of shared basic assumptions that a group has learned as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. According to (James & Jones, 2005) Organizational culture can be studied at three levels: artifacts and behaviors, espoused values, and basic underlying assumptions. Schein's theory of organizational culture has an important role in shaping business performance. A strong and positive organizational culture can lead to increased employee motivation, productivity, and commitment, which can ultimately lead to improved business performance. According to Priya, (2017) understanding and managing the basic underlying assumptions of the organizational culture, leaders can create a culture that supports the company's values and goals and fosters a positive work environment. Additionally, Schein's theory can help organizations identify and address cultural problems that may be hindering business performance.

Organizational Culture Theory

Organizational Culture Theory was first proposed by Edgar Schein, a former professor at the MIT Sloan School of Management. Based on the work of Pacanowsky and O'Donnell-Trujillo (1982). Organizational Culture theory posits that a company's culture, which includes its values, beliefs, norms, and practices, has a significant impact on employee behavior, productivity, and overall organizational success. This theory suggests that a strong, positive organizational culture can lead to greater employee engagement, retention, and innovation, while a negative or weak culture can lead to reduced motivation, high turnover, and low performance. The theory emphasizes the importance of leadership in shaping and maintaining a healthy organizational culture. Organizational Culture theory suggests that a strong and positive culture can have a significant impact on business performance by improving employee motivation, productivity, and engagement. A healthy culture can also foster teamwork, communication, and collaboration, which can lead to better problem-solving and decision-

making. Additionally, a positive culture can help attract and retain top talent, which can lead to a more skilled and dedicated workforce. A strong culture can also help build a strong brand reputation, which can be an important factor in attracting customers and building loyalty. On the other hand, a negative or weak culture can have a detrimental effect on business performance. It can lead to reduced motivation and engagement, high turnover, and low productivity. It can also lead to poor customer service, a lack of innovation, and a negative reputation, which can impact a company's bottom line. Therefore, the role of Organizational Culture theory on business performance is to emphasize the importance of creating a positive and strong culture to achieve better business results. This theory, therefore, is related to the general objective of this study which was to determine the role of organizational culture in business performance in reference to Schneider Electric Kenya.

EMPIRICAL LITERATURE

Leithy (2017) on local and multinational companies' employees located in Cairo, Egypt showed that both work-related attitudes and work behavior are related to organizational performance. Meanwhile, the relationship between organizational culture and business performance was not established. A study by Chukwu and Aguwamba (2017) to determine the influence of organizational culture on the performance of the banking industry in Nigeria showed a significant and positive relationship between cultural fit, reinforcement of pillar of existence, enhancement of organizational effectiveness, and organizational performance. The study also showed a significant but negative relationship between the consistent pattern of behavior and organizational performance. Owusu-Ansah (2018) established a positive relationship between organizational culture and performance in the banking industry in Ghana with the mission being the culture trait with the strongest potential of impacting positive performance.

A study by Kajuju (2018) on the effects of organizational culture on employee performance at the Wartsila Kipevu II power plant tested four elements of organizational culture (organization values, organizational climate, leadership styles, and work processes). The study revealed a positive relationship between organizational culture and employee performance. However, the effect diversely varied amongst the variables with work processes and systems having more effect on employee performance. Further, organizational values have had a more significant effect on employee job performance than the organizational climate. Maika & Wachira, (2020) established a positive influence of organizational culture (value system, communication, and staff morale) on employee performance at AON Limited.

A study by Odhiambo (2017) at NIC Bank showed that organizational culture positively influences strategies and policy implementation. This creates a sustainable competitive advantage. The study indicated that rules, policies, beliefs, and values were the most significant components of culture. A study by Kajuju (2018) at Kenya Power and Lighting Company adopted Denison's model to examine the effect of organizational culture on performance. The study used consistency, involvement, adaptability, and mission as measures of organizational culture dimension. The study established a strong and positive relationship between organizational culture and performance. These studies have made significant contributions to their lines of research and shaped the research agenda. However, their focus has been on organizational culture from an internal perspective. The current study, therefore, sought to broaden the study of organizational culture by measuring organizational culture from both internal and external perspectives. An approach lacking in the reviewed studies. This would give a more holistic view of the effect of organizational culture on performance.

Onyambu (2013) examined organizational culture change at Kenya Power and Lighting Company

Limited and established that the organizational culture change process was supported by top management and championed by a team of Change Agents or Ambassadors are drawn from formal and informal structures of the organization. Organizational culture is important in enhancing organizational performance. Therefore, there is a need to promote a culture of urgency, teamwork, and trust and align organizational aspirations with corporate objectives (Byrne & Hochwarter, 2012).

Okechukwu and Agwu (2013) investigated the effect of organizational culture on employees' performance in the National Agency for Food and Drugs Administration and Control in Nigeria and reported that there was a significant relationship between organizational culture and increased employees' commitment and productivity. In Mogadishu-Somalia, Abdulkadir, Takow, Abdifitah and Osman (2014) studied the effect of organizational culture on organizational performance at Telecommunication Firms. Using correlation coefficient, the study found that academic achievement had significant positive influence on competitive culture, entrepreneurial culture and consensual culture.

CONCEPTUAL FRAMEWORK

The conceptual framework outlines the dependent and independent, variables as discussed in the literature review and elaborated in the figure below. It helps one to understand the relationship between the variables of the study.

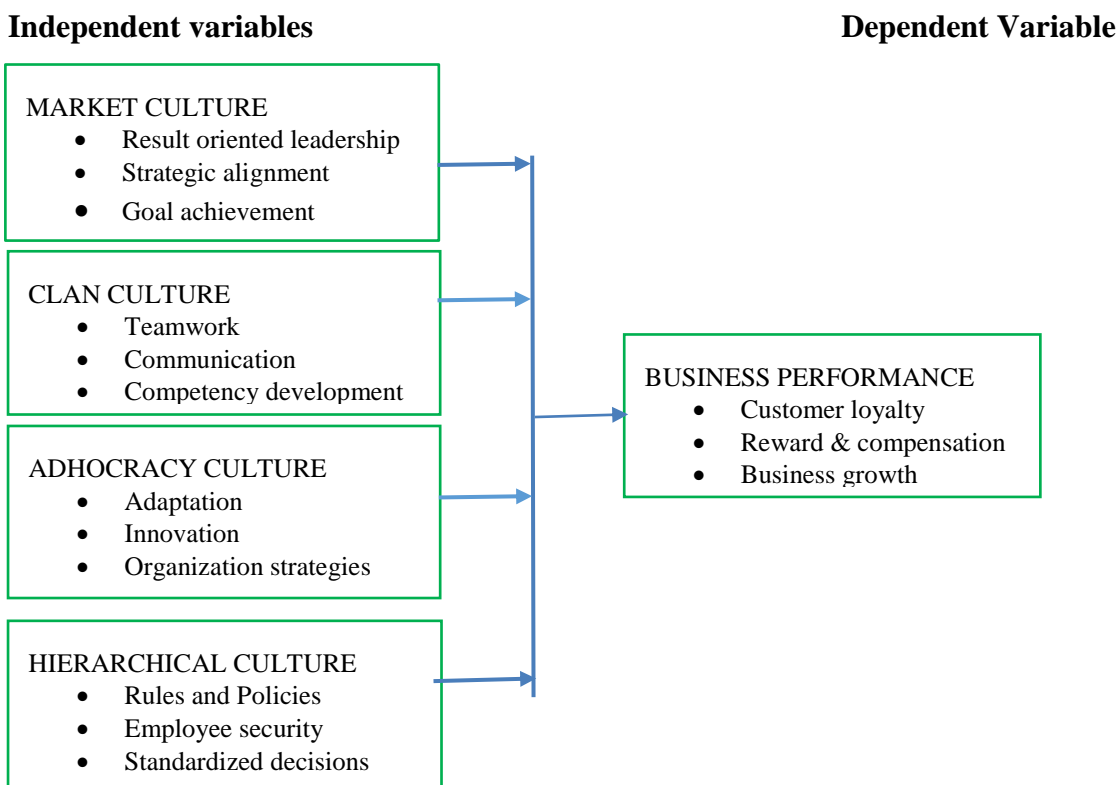


Figure 1: Conceptual framework

RESEARCH METHODOLOGY

The study adopted a descriptive research design. The target population was the employees of Schneider Electric Kenya. The respondents of this study were both top and junior employees from the seven departments in Schneider Electric Kenya. The study population was 140 in which a sample size of 77 was considered by applying Yamane formula. Both primary and secondary data were collected through structured self-administered questionnaires. The collected data were analyzed through descriptive and inferential statistics in form of percentages and frequencies, then presented in tables, charts, and graphs so as to facilitate a clear interpretation of results and assist in drawing of conclusions and discussions follow immediately explaining on the same. Regression and correlation analysis was conducted to test the relationship of the variables with Organization performance. The multiple regression models were computed as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \alpha$$

Where,

Y=Business performance of Schneider Electric

β_0 = Intercept

X_1 = Market culture

X_2 = Clan culture

X_3 = Adhocracy culture

X_4 = Hierarchical culture

$\beta_1, \beta_2, \beta_3$ and β_4 , are the coefficients of the regression

α is an error term normally distributed about a mean of 0 and for purpose of computation the α is assumed to be 0.

RESEARCH FINDINGS AND DISCUSSION

Description of Market culture

The results for the market culture of Schneider Electric are indicated in Table 1. It was revealed that the leadership empowers the team to create and optimize content had a mean of 3.5325 and a standard deviation of 1.12891. This was followed by company strategies which are well aligned to promote a high-performance culture with a mean of 3.4286 and a standard deviation of 1.12891. Finally, the company goals are aligned to outperform the competition with a mean of 3.3506 and a standard deviation of 1.26456.

Table 1: Descriptive Analysis of Market Culture

Statements	N	Mean	Std. Deviation
The leadership encourages teamwork to create and optimize content	77	3.4286	1.12891
The company strategies are aligned and promote a high-performance culture	77	3.5325	1.00766
The organizational goals are aligned to outperform the competition	77	3.3506	1.26456

Further, the researcher wanted to determine the extent to which the respondents feel about the market culture as shown in Table 2. From the table, it shows that on the statement that the leadership encourages teamwork to create and optimize content 49.4% agree and 9% strongly agree making a total of 61.1% with the teamwork statement. 62.4% agree that the company strategies are aligned and promote high-performance culture and 46.5% agree that the organizational goals are aligned to outperform the competition while 24% remain neutral and 18% disagree.

Table 2: Role of Market Culture Analysis

Statements	FREQUENCY AND PERCENTAGE					TOTAL
	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	
The leadership encourages teamwork to create and optimize content	7 9.1%	9 11.7%	14 18.2%	38 49.4%	9 11.7%	77 100%
The company strategies are aligned and promote a high-performance culture	4 4.2%	8 10.4%	17 22.1%	39 50.6%	9 11.7%	77 100%
The organizational goals are aligned to outperform the competition	8 10.4%	10 13%	24 31.2%	17 22.1%	18 23.4%	77 100%

Description of Clan Culture

As shown in Table 3 below, the researcher sought respondent's views on the role of clan culture on business performance: The organization leadership fosters a spirit of teamwork had a mean of 3.8831 and a standard deviation of 1.09993 followed by there are clear communication channels in the organization by a mean of 3.8182 with a standard deviation of 1.09697. The leadership promotes competency development among all employees supported by a mean of 3.6753 with a standard deviation of 1.03163.

Table 3: Descriptive analysis of Clan Culture

Statements	N	Mean	Std. Deviation
The organization's leadership fosters a spirit of teamwork	77	3.6753	1.03163
there are clear communication channels in the organization	77	3.8831	1.09993
The leadership promotes competency development among all employees	77	3.8182	1.09697
Valid N (listwise)	77		

In trying to determine if clan culture has a role in the business performance of the organization, the study results in Table 4 revealed that 22.1% of the respondents strongly agree, 40.3% agree, 23.45 remain neutral, 11.7% disagree and 2.6% strongly disagree with the statement that the organization's leadership fosters a spirit of teamwork. Further 32.5% of the respondents strongly agree with the statements that there are clear communication channels in the organization, while 31% agree, 12% remain neutral, 5% disagree and 4% strongly disagree. Lastly, 32.5% of the respondents strongly agreed with the statement that leadership promotes competency development among all employees, 31.2% agree, 27.3% remain neutral, and 3.9% and 5.2% disagree and strongly disagree respectively.

Table 4: Role of Clan Culture Analysis

Statements	FREQUENCY AND PERCENTAGE					
	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	TOTAL
The organization's leadership fosters the spirit of teamwork	2 2.6%	9 11.7%	18 23.4%	31 40.3%	17 22.1%	77 100%
there are clear communication channels in the organization	4 5.2%	5 6.5%	12 15.6%	31 40.3%	25 32.5%	77 100%
The leadership promotes competency development among all employees	4 5.2%	3 3.9%	21 27.3%	24 31.2%	25 32.5%	77 100%

Adhocracy Culture

As shown in Table 5 below, the researcher sought respondent's views on the role of adhocracy culture on business performance: The leaders promote the spirit of adapting and accepting changes had a mean of 3.7662 and a standard deviation of 0.97192 followed by employees are empowered to create new ideas with a mean of 3.4156 with a standard deviation of 1.03047. All stakeholders are involved in formulating organization strategies supported by a mean of 3.4156 with a standard deviation of 1.03.

Table 5: Descriptive Analysis of Adhocracy Culture

Statements	N	Mean	Std. Deviation
The leaders promote the spirit of adapting and accepting changes	77	3.3377	1.04643
Employees are empowered to create new ideas	77	3.7662	.97192
All stakeholders are involved in formulating organizational strategies	77	3.4156	1.03047
Valid N (listwise)	77		

In trying to determine if the adhocracy culture plays any role in the business performance of the organization, the study results in Table 6 revealed that 10.4% of the respondents strongly agree, 37.7% agree, 35.1 remain neutral, 9.1% disagree and 7.8% strongly disagree with the statement that the leaders promote the spirit of adapting and accepting changes. Further 18.2% of the respondents strongly agree with the statements that Employees are empowered to create new ideas, while 54.5% agree, 18.2% remain neutral, 3.9% disagree and 5.2% strongly disagree. Lastly, 13% of the respondents strongly agreed with the statement that All stakeholders are involved in formulating organization strategies, 37.7% agree, 32.5% remain neutral and, 11.7% and 5.2% disagree and strongly disagree respectively.

Table 6: Role of Adhocracy Culture Analysis

Statements	FREQUENCY AND PERCENTAGE					TOTAL
	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	
The leaders promote the spirit of adapting and accepting changes	6	7	27	29	8	77
	7.8%	9.1%	35.1%	37.7%	10.4%	100%
Employees are empowered to create new ideas	4	3	14	42	14	77
	5.2%	3.9%	18.2%	54.5%	18.2%	100%
All stakeholders are involved in formulating organizational strategies	4	9	25	29	10	77
	5.2%	11.7%	32.5%	37.7%	13%	100%

Hierarchical Culture

As shown in Table 7 below, the researcher sought respondent's views on the role of hierarchical culture on business performance: The policies and processes are well defined and aligned to business goals had a mean of 3.5455 and a standard deviation of 1.04561 followed by the responsibilities are clear and employee work security guaranteed with a mean of 3.2987 with a standard deviation of 1.03955. the decision-making path is clear and smooth in the organization supported by a mean of 3.2597 with a standard deviation of 0.97876.

Table 7: Descriptive Analysis of Hierarchical Culture

Statements	N	Mean	Std. Deviation
The policies and processes are well-defined and aligned with business goals	77	3.2597	.97876
The responsibilities are clear and employee work security guaranteed	77	3.2987	1.03955
The decision-making path is clear and smooth in the organization	77	3.5455	1.04561
Valid N (listwise)	77		

In trying to determine the role of hierarchical culture on the business performance of the organization,

the study results in Table 8 revealed that 5.2% of the respondents strongly agree, 37.7% agree, 45.5% remain neutral, 1.3% disagree and 10.4% strongly disagree with the statement that the policies and processes are well defined and aligned to business goals. Further 2.6% of the respondents strongly agree with the statements the responsibilities are clear and employee work security guaranteed, while 54.5% agree, 23.4% remain neutral, 9.1% disagree and 10.4% strongly disagree. Lastly, 14.3% of the respondents strongly agreed with the statement that the decision-making path is clear and smooth in the organization's goals, 45.5% agree, 28.6% remain neutral, 3.9% and 7.8% disagree, and strongly disagree respectively.

Table 8: Role of Hierarchical Culture Analysis

Statements	FREQUENCY AND PERCENTAGE					TOTAL
	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	
The policies and processes are well-defined and aligned with business goals	8	1	35	29	4	77
	10.4%	1.3%	45.5%	37.7%	5.2%	100%
The responsibilities are clear and employee work security guaranteed	8	7	18	42	2	77
	10.4%	9.1%	23.4%	54.5%	2.6%	100%
The decision-making path is clear and smooth in the org.	6	3	22	35	11	77
	7.8%	3.9%	28.6%	45.5%	14.3%	100%

Business Performance

Organizational business performance was operationalized by excellent business performance to increase customer loyalty, Continuous business growth is brought by good business performance and reward and compensation as the constructs of performance as shown in Table 9. The results show that Continuous business growth was reasonable with a mean of 3.5065, and a standard deviation of 1.07144. An increase in customer loyalty has a mean of 3.4545 and a standard deviation of 0.83580, with reward and compensation coming third with a mean of 3.4416 and a standard deviation of 1.15273.

Table 9: Descriptive Statistics of Business Performance

Statements	N	Mean	Std. Deviation
Excellent business performance increases customer loyalty	77	3.4545	.83580
Continuous business growth is brought by good business performance	77	3.5065	1.07144
Reward and compensation increased due to good business performance	77	3.4416	1.15273
Valid N (listwise)	77		

Correlation Analysis

The findings show that the relationship between hierarchical culture and business performance was the strongest, r (0.918); $p < 0.01$. This was followed by the relationship between clan culture and adhocracy, r (0.876); $p < 0.01$; followed by the relationship between market clan and clan culture, r (0.840); $p < 0.01$. All the relationships were statistically significant as indicated in Table 10.

Table 10: Correlations between Organization culture with business performance

		Market culture	Clan culture	Adhocracy culture	Hierarchical culture	Business performance
Market Culture	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	77				
Clan culture	Pearson Correlation	.840**	1			
	Sig. (2-tailed)	.001				
	N	77	77			
Adhocracy culture	Pearson Correlation	.763**	.876**	1		
	Sig. (2-tailed)	.001	.001			
	N	77	77	77		
Hierarchical culture	Pearson Correlation	.821**	.776**	.802**	1	
	Sig. (2-tailed)	.001	<.001	<.001		
	N	77	77	77	77	
Business performance	Pearson Correlation	.803**	.790**	.772**	.918**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	77	77	77	77	77

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

Regression Analysis

Results in Table 11 illustrates that the multiple correlation coefficient $R = 0.927$ indicates there is a strong positive correlation between organizational culture and business performance. Also, the value of $R^2 = 0.860$, meaning that the organizational culture can account for 86% of the variation in the business performance of Schneider Electric. The adjusted $R^2 = 0.852$ concerns the generalizability of the model, allowing the results to be taken from the sample and generalized for the whole population. It is noticed that the value of the adjusted R^2 is very close to the value of R^2 . If the adjusted R^2 is excluded from R^2 $(0.927 - 0.860) = 0.067$. This minor decrease (0.067) means that if the model has been fitted when the whole population participates in the study, the higher variance in the outcome will be 0.067.

Table 11: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.927 ^a	.860	.852	.35929	1.801

a. Predictors: (Constant), Market culture, Clan culture, Adhocracy culture, Hierarchical culture

b. Dependent Variable: Business performance

From the ANOVA statics in Table 12, the study established the regression model had a significance level of less than 0.01 which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 0.05. The calculated value was greater than the critical value ($108 > 2.4$) an indication that market culture, clan culture, adhocracy culture, and hierarchical culture all influenced the business performance of Schneider Electric. The significance value was less than 0.05 indicating that the model was significant.

Table 12: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	56.894	4	14.224	110.185	<.001 ^b
	Residual	9.294	72	.129		
	Total	66.189	76			

a. Dependent Variable: Business performance

b. Predictors: (Constant), Market culture, Clan culture, Adhocracy culture, Hierarchical culture

After the computation of the factors under study against the business performance of Schneider Electric; the findings indicated that market culture had a $P = .002$, less than the significance level of 0.05. This shows a strong relationship between market culture and a factor affecting business performance at Schneider Electric. Secondly, clan culture had a $P = .047$ which was less than the significance level of 0.05 which indicates a strong relationship between it and the dependent variable. Adhocracy culture scored a $P = 0.513$ which is more than the significance level of 0.05. This shows a



weak relationship between adhocracy culture as a factor affecting business performance in Schneider Electric. Finally, hierarchical culture had a $P < 0.001$, this shows a strong relationship between the factor and the dependent variable. This is a clear indication that three factors strongly affect the business performance of Schneider Electric business. Therefore, the management should ensure that they implement organizational culture practices that can improve business performance. However, caution is given that other factors show a weak relationship and should not be ignored as it too contributes to the business performance of the company. What is encouraged here is to improve on their practicability because they can add immense value to the business performance as well.

Table 13: Regression model Coefficients

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.122	.184		.661	.510
	Market culture	.323	.086	.323	4.063	.002
	Clan culture	.229	.114	.221	2.016	.047
	Adhocracy culture	-.072	.110	-.066	-.657	.513
	Hierarchical culture	.778	.089	.772	8.752	<.001

a. Dependent Variable: Business performance

The resultant equation becomes:

$$Y = 0.122 + 0.323X_1 + 0.229X_2 - 0.072X_3 + 0.778X_4 + \alpha$$

Where: Y = Business Performance, X1 = Market culture, X2 = Clan Culture, X3 = Adhocracy Culture, X4 = Hierarchy Culture, α = Error

DISCUSSION

The study findings indicate that organizational culture has a statistically significant role as far as business performance and excellence is concerned, the findings are concurring with what a study by Kajuju (2018) on the effects of organizational culture on employee performance at the Wartsila Kipevu II power plant. She found that the organization with participative culture performed better than other cultural types. The study established that organizations that engaged in various organizational cultures boost performance better. The cultures were particularly oriented towards the relationships between the employees and fellow employees, customers, and managers of all levels in the organization. The study established that organizational culture greatly influences an organization’s business performance in terms of profitability, timely achievement of goals, improved service delivery, and both employee and customer retention. These



findings agree with Kotter (2012) that organizational culture has the potential to enhance organizational performance, employee job satisfaction, and the sense of certainty about problem-solving.

As Yasas (2017) observed that culture is strong but can also be a weakness. As a strength, culture can facilitate communication, decision-making, and control, and create cooperation and commitment. These findings indicate that the company has enhanced and well-established market culture, clan culture, and hierarchical culture to safeguard its performance, however, shows a weak relationship with adhocracy culture but this should not be ignored because it also contributes to the success of the business. These findings concur with Hofstede (2011) who posits the existence of several types of organizational culture exist for instance; universalism culture whereby people place high importance on laws, rules, values, and obligations. Particularly a type of culture whereby people believe that their circumstances and relationships dictate the rules they live by. The findings revealed the various types of organizational culture adopted by the various organizations in their attempts to enhance performance. The result indicated that the relationship between hierarchical culture is stronger and more significant as compared to market culture, adhocracy culture, and clan culture constructs. Committed employees are an asset to the organization and work for the betterment of the organization.

CONCLUSION

The study concludes that there exists a positive relationship between market culture and business performance. Schneider Electric Nairobi has strategic measures that ensure that the company adapts to the dynamic policies that align with market changes and that Consistency developed routines and forms momentum for the continuous growth of the business. Further, the study shows that Clan culture is a key factor that promotes positive business performance. Clan culture has a large role in the whole business performance process, including the actions of others. Therefore, clan culture can be seen to be a prerequisite in every human endeavor.

The study also concludes that adhocracy culture is a key factor that promotes business excellence. Despite showing a weak relationship in the analysis of variance. It should not be ignored as it too contributes to the business performance of the company. What is encouraged here is to improve on their practicability because they can add immense value to the business performance as well. It is believed that organizations that foster and adhere to an adhocracy culture improve employee performance. The organization should also examine how the changes should be communicated and incorporate these strategies into the system. Finally, Hierarchical culture entails understanding policies and processes, ensuring employee security and standardized decisions had a significant role in the business performance of Schneider business. Based on these results, the study concluded that hierarchical culture had a significant role in organizational performance as measured through sales, customer and employee loyalty, and business growth.

RECOMMENDATIONS

The organization's leadership should foster a positive and productive work culture, embrace transparency, and celebrate both small and big achievements across the board to motivate the employees. The management encourages and leads by example in the spirit of teamwork, open communication, and transparency. Also foster a sense of belonging among employees, providing opportunities for personal and collective growth. The leadership to continue empowering employees to make decisions and take risks, encouraging experimentation and failure as a learning opportunity in schneider electric. The leadership to ensure the rules and policies are result focused and designate who is in charge and



who is responsible for making decisions.

AUTHOR CONTRIBUTIONS

Festus Mbuga wrote the concept paper, proposal, seminar 1, seminar 2, and the article. Under the guidance and supervision of Dr. Rev John Karihe he sought permission from relevant institutions, collected data, analyzed, and finally published the article.

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CONFLICT OF INTEREST DECLARATION

The author declares that there is no conflict of interest regarding the publication of this article. Ethical issues like plagiarism, data fabrication, and misconduct have been completely observed.

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