

**MODERATING EFFECT OF SERVICE QUALITY ON THE RELATIONSHIP
BETWEEN CORPORATE CULTURE AND ORGANIZATIONAL
PERFORMANCE
(A CASE OF JUBBA AIRWAYS LIMITED)**

BY

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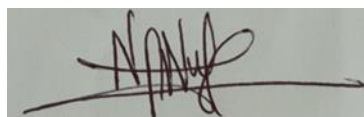
**A THESIS PRESENTED IN PARTIAL FULFILLMENT OF THE
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NOVEMBER, 2023

DECLARATION

Declaration by the Student:

This thesis report is my original work and has not been presented for a degree in any other university.



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DEDICATION

I dedicate this thesis report to my loving wife and children, who has been very supportive of me, who lights my face every day with a smile. To my mum, and my dad, thank you for your love and support.

ACKNOWLEDGEMENT

I thank God for His unending love, protection, and guidance throughout my academic journey. My gratitude to my supervisors Dr. Gloria Muthoni and Dr. Neddy Soi for their diligence in sharing their knowledge with me during the period of developing my project proposal. My gratitude to my classmates for the brainstorming sessions and insights in the making of this research project. Finally, I wish to thank my family for their support through my study. May God Bless you.

ABSTRACT

Organizational performance is influenced by various cultural orientations in unique ways. Given the escalating level of market competition, many organizations strive to ensure high levels of customer satisfaction and service quality. In order to keep customers and seize market possibilities, customer satisfaction, and service quality are becoming increasingly crucial, especially in the already intensely competitive airline industry, which has become even more so since the emergence of low-cost carriers (LCCs). Airlines that prioritize building and nurturing a positive Organizational performance are more likely to succeed in delivering exceptional service quality and maintaining a competitive edge in the industry. In recent years, there has been a lot of turbulence in the aviation business. The purpose of the proposed research study was to explore organizational performance as moderated by service quality at Jubba Airways Limited. The specific objectives were to determine the effect of clan culture, adhocracy culture, market culture, and hierarchy culture on organizational performance at Jubba Airways Limited. The following theories served as the foundation for this study: Contingency Theory, Institutional Theory and Stakeholder Theory. Explanatory research design was employed. A closed-ended questionnaire was used to collect primary data. A total of 310 personnel formed the target population and a sample size of 175 respondents was selected using proportional sampling for the period August-October 2023. The study used statistical techniques like descriptive analysis, factor analysis, Cronbach's Alpha, and correlation analysis. Findings were presented in figures, tables and descriptive summaries. Regression showed that the research findings revealed that clan culture ($\beta_1 = 0.456$, $p = 0.000 < 0.05$), adhocracy culture ($\beta_2 = 0.346$, $p = 0.000 < 0.05$), hierarchy culture ($\beta_3 = 0.198$, $p = 0.003 < 0.05$) had positive and significant effect on organizational performance at Jubba Airways Limited. However, market culture had insignificant effect on organizational performance at Jubba Airways Limited ($\beta_4 = -0.026$, $p = 0.675 > 0.05$). Hierarchical regression results showed that service quality had significant moderating effect on the relationship between clan culture- organizational performance ($\beta = 0.97$, $p < 0.05$, $R^2\Delta = 0.026$), adhocracy culture - organizational performance ($\beta = 0.72$, $p < 0.05$, $R^2\Delta = 0.025$) and market culture- organizational performance ($\beta = 0.51$, $p < 0.05$, $R^2\Delta = 0.020$). However, service quality had insignificant moderating effect on the relationship between hierarchy culture-organizational performance ($\beta = -0.01$, $p > 0.05$, $R^2\Delta = 0.00$). Thus, the study conclude that clan culture, adhocracy culture and hierarchy culture are key enhancers of organizational performance at Jubba Airways Limited. Therefore, the study recommends that management of airlines showed implement effective management strategies should focus on encouraging and sustaining key elements of clan culture, such as team building activities, cross-functional collaboration, and open communication. Management should also proactively promote flexibility, innovation, and a culture that encourages calculated risk-taking, prioritizing stability, reliability, support within the organization and take into account the varying employee perceptions and make concerted efforts to establish a consistent and high-quality service standard that seamlessly aligns with the organizational culture.

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ABBREVIATION AND ACRONYMS

ATAG	:	Air Transport Action Group
EAA	:	East African Airways Corporation
EBIT	:	Earnings Before Interest and Tax
FDI	:	Foreign Direct Investment
IATA	:	International Air Transport Association
ICAO	:	International Civil Aviation Organization
ICT	:	Information Communication Technology
ISO	:	International Organization for Standardization
KCAA	:	Kenya Civil Aviation Authority
KQ	:	Kenya Airways
KLM	:	Royal Dutch Airlines
KWS	:	Kenya Wildlife Service
LCC	:	Low Cost Airlines
SBU	:	Strategic Business Units
SPSS	:	Statistical Package of Social Sciences
UNWTO	:	United Nations World Tourism Organization

DEFINITION OF TERMS

- Adhocracy Culture:** Is to adapt to the ever-changing environment by being creative and able to reconfigure itself rapidly when a new circumstance occurs. Organization dominated by adhocracy culture emphasizes on being at the leading edge of new knowledge, products, and services (Mchaizi, *et al.*, 2023).
- Clan Culture:** is similar to a family-type organization, which has a strong sense of shared values, cohesions, goals, teamwork, and Employees' involvement in decision making. The organization is committed to the welfare of its employees because it views itself more as an extended family than an economic entity (Zhang, *et al.*, 2023).
- Corporate Culture:** As those values, norms and standards that are part of the collective consciousness of an organization (Gorton, & Zentefis, 2020).
- Hierarchy Culture:** is characterized by structured and formalized rules, which are the glue that holds the organization together resulting in stability, performance with efficiency, and a smooth operation (Njagi, 2021).
- Market Culture:** Is characterized by orientation toward the external environment instead of internal affairs (Ali, & Anwar, 2021).

Organizational performance: Performance is a broader indicator that can include productivity, quality, consistency, results, behaviors (criterion based) and relative (normative) measures, education and training concepts and instruments, including management development and leadership training for building necessary skills and attitudes of performance management (Rehman, 2012).

Service Quality: The construct service quality comprises of the word service and the word quality. the degree of inconsistency between customers' normative expectations for a service and their perceptions of service delivered (Parasuraman, Zeithaml, and Berry, 1985).

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter formed the background of this study and the problem statement. It presented the general objective, specific objectives, and hypotheses. It also gives the significance of the research and the scope of this study.

1.2 Background to the study

Organizational performance is the record of results achieved on a given action during a given period of time (Wang *et al.*, 2015). Therefore, performance is identified through output, streamlined internal processes, profits, attitudes of workers, customer satisfaction among others (William, 2016). Chen (2016) described a firm's performance is the 'transformation of inputs into outputs for achieving certain results. With regard to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficacy) and between output and achieved outcome (effectiveness).

Performance management and improvement is at the heart of strategic management because a lot of strategic thinking is geared towards defining and measuring performance (Nzuve & Nyaega, 2017). The systems resource-based approach defines performance as a relationship between an organization and its environment. This concept defines performance according to an organization's ability to secure the limited and valued resources in the environs (Sainaghi, 2015). The process perspective which defines performance in terms of the efficiency of the processes of

an organization based on the adoption of information communication as one of the tools of driving performance (Waiganjo, Mukulu & Khariri, 2017).

Many organizations understand the importance of continuous and regular evaluation of performance, and they are applying various tactics to performance evaluation across their organizations (Fernandes *et al.*, 2016). Many organizations have adopted the use of Balanced Score Card (BSC) concept for gauging performance and for strategic management topics Johnson *et al.*, (2017) describes BSC as forms of control measures that relies on performance targets. The BSC uses a range of performance target measures so that managers can focus on those things that are important measures for the long-term success of an organization. A typical BSC has four sets of performance targets i.e., customer satisfaction; innovation and learning; internal process and financial targets. Customer satisfaction may be characterized by levels of repeat businesses and customer add-ons. Innovation and learning involve evaluating spending on research and technology, patents owned by the organization. Internal processes include issues to do with staff turnover, staff satisfaction and adequate investment in information technology among others.

Corporate culture is thus pervasive and powerful as it either encourages or hampers change in the organization. For employees, corporate culture is either the glue that binds employees to the organization or the wind that blows them away. Corporate culture is important in enhancing organizations' key capabilities and how they function (Chen, 2014). Culture is also essential in determining how well an employee fits into the organizational context. Deal and Kennedy (2018) argue that a strong

corporate culture enables employees understand the goals of the organization, and as they work towards organizational goals, their productivity increases.

Service quality is the state of a service being offered meeting certain standards as perceived by a customer (de Araújo, Costa & Nóbrega, 2017). Service quality is subjective and is dependent on perception of the consumer. As indicated by Tsoukatos (2017), service quality pegged on two aspects that is; the nature of expected hotel services and actual state of service provided. Consumer expectations of the service being offered are often linked to the quality and thus consumer feedbacks on the state of service is critical to the service providers (Alshaibani, 2017). Thus, in the contextual situation of this study, service quality is mandatory to the competitiveness of the star hotels (Uddin, 2017).

Customer service involves meeting customer needs and expectations in such a way that these customers will have a memorable experience and will opt to come back and even talk to others about the company services and products. It is important for businesses in the current competitive environment to understand the value of their customers, as they are key to the business future growth. This should motivate organizations to find ways to capture attract and maintain their customer's loyalty. Companies should understand the wants and needs of their target market and make sure that the delivery of these wants and needs is in an efficient and effective manner so as to satisfy the customer in the target market (Maxhand & Plowman, 2018).

Organizations are increasingly being compelled to adjust in order to preserve a competitive edge as the global economy evolves quickly. One area that has seen

severe turbulence recently is the airline industry (Groysberg, Lee, Price & Cheng, 2018). In order to achieve high performance, these issues and obstacles have compelled firms to make significant time and financial commitments in a dangerous environment. In the recent past, the airline industry has been negatively impacted by a number of significant changes and shocks to the external business environment, such as the SARS pandemic, the Gulf War and the subsequent rise in oil prices, and increased competition between legacy and low-cost carriers (Rita, Oliveira & Farisa, 2019). In order to maintain or increase employee performance during such turbulent times, it is necessary for airlines and other aviation companies to manage the organizational culture.

Corporate culture has a profound effect on the service quality of airlines in developed countries such as the United States. In the US where economic prosperity and a strong service sector prevail, corporate cultures heavily influence the way airlines deliver their services (Ivanov & Webster, 2017). For instance, in the United States, a culture that emphasizes customer satisfaction and individual initiative can translate into airlines' commitment to personalized service and passenger comfort. This customer-centric approach is often reflected in the willingness of airline staff to go the extra mile, resulting in a reputation for high-quality service.

In Germany, known for its focus on efficiency and precision, the corporate culture of airlines tends to prioritize punctuality and reliable operations (Pakurár, Haddad, Nagy, Popp & Oláh, 2019). This cultural orientation influences how airlines manage their schedules, handle disruptions, and communicate with passengers. German airlines'

attention to detail and adherence to strict timelines contribute to a service quality that aligns with the nation's cultural values of precision and dependability.

In contrast, Japan's corporate culture, characterized by a strong emphasis on respect, humility, and attention to detail, reflects in the exceptional service quality offered by Japanese airlines. Passengers often experience a seamless blend of efficiency and politeness, where the smallest aspects of service delivery are meticulously planned to create a harmonious and enjoyable travel experience (Lu, Berchoux, Marek & Chen, 2015). The United Kingdom's corporate culture, with its mix of professionalism and innovation, shapes the service quality of airlines in a unique way. British airlines often prioritize both traditional service values and the integration of modern technologies, resulting in a balance between the warmth of personal interactions and the convenience of digital solutions.

Southeast Asian countries like Singapore and Thailand infuse their corporate cultures with a mix of hospitality and cultural diversity. Airlines in these nations leverage the region's reputation for warm hospitality, offering passengers a unique service quality that's marked by friendliness, cultural sensitivity, and a strong focus on making travelers feel at home (Hussain, Al-Nasser & Hussain, 2015). Singapore Airlines, for instance, is internationally acclaimed for its exceptional service standards and attention to detail, which align with the country's reputation as a hub of business excellence. Similarly, Thai airlines tend to prioritize creating a relaxed and welcoming atmosphere on board, reflecting the country's reputation for hospitality and friendliness.

The effect of corporate culture on the service quality of airlines in Africa is influenced by the continent's diverse cultural landscape and economic trials (Teeroovengadum, Kamalanabhan & Seebaluck, 2016). In countries like South Africa, where a blend of Western business practices and traditional African values is prevalent, airlines often prioritize a customer-centric approach. South African airlines tend to emphasize warmth, friendliness, and a personal touch in their interactions with passengers, reflecting the cultural values of Ubuntu, which put emphasis on community and interconnectedness.

However, the impact of corporate culture on service quality can differ across the continent. In North African countries such as Egypt and Morocco, where ancient history and Islamic traditions play a significant role, airlines may focus on providing a respectful and dignified service, incorporating elements of hospitality and cultural sensitivity. This can manifest in services that accommodate religious dietary restrictions, prayer facilities, and culturally appropriate interactions (Hickman & Silva, 2018). In West Africa, where a rich tapestry of cultures and languages exists, airlines face the challenge of catering to a diverse passenger base. Airlines in countries like Nigeria and Ghana often aim to create an inclusive atmosphere that respects cultural diversity while ensuring a high level of professionalism and customer care. However, economic constraints and infrastructure limitations can sometimes impact the overall service quality (Amin, 2016).

In East Africa, countries like Kenya and Ethiopia have airlines that seek to showcase their unique cultural heritage while providing reliable service (Omoregie, Addae, A., Coffie, Among & Ofori, 2019). Ethiopian Airlines, for instance, has built a status for

operational excellence and efficient service, often reflecting the country's emphasis on national pride and historical worth. Similarly, airlines in Kenya often incorporate elements of Maasai culture and wildlife conservation into their services, offering passengers a glimpse of the country's rich traditions and natural beauty.

1.2.1 Jubba Airways Limited

Somali businessman Said Nur Qailie of Calgary founded the carrier in 1998. Its current headquarters are in Nairobi, Kenya, with other branches in different other cities. Its previous location was the Aden Adde International Airport in Mogadishu, Somalia. One month after the company's founding, in May 1998, the airline set out on its inaugural journey. Since the state-owned Somali Airlines stopped operating in 1991, this was the first direct trip from Sharjah to Mogadishu. Jubba Airways was headquartered in Nairobi, Kenya as of 2009. Additionally, it has offices in Uganda, Djibouti, Saudi Arabia, Somaliland, the United Arab Emirates, and Saudi Arabia. The airline provides internal passenger and freight flights, mostly filling the void left by the bankrupt Somali Airlines. It offers service to Mogadishu, Bosaso, and Galkayo in Somalia. For the airline, flights to Djibouti, Somaliland, the United Arab Emirates (Dubai), and Jeddah for Hajj pilgrims are also crucial routes. The airline also provides cargo flights. Jubba Airways employs 300 skilled workers who work as a team of engineers to sustain its own fleet of aircraft. Jubba Airways and Daallo Airlines amalgamated in February 2015 to create the new holding company African Airways Alliance. Both airlines are still in business under different names.

1.3 Statement of the Problem

Organizational performance serves as a critical yardstick for gauging the success and competitiveness of any institution in realizing its objectives and fulfilling its mission. Nonetheless, organizational performance is subject to the influence of a myriad of internal and external factors that necessitate ongoing scrutiny and enhancement. One such determinant that can exert a substantial impact on organizational performance is service quality, a term that signifies the extent to which a service aligns with or surpasses customer expectations. The ramifications of service quality reverberate through organizational performance, affecting facets like customer satisfaction, loyalty, retention, word-of-mouth endorsements, and financial viability. Yet, it is imperative to acknowledge that service quality is a multifaceted domain, and not all organizations provide services of equivalent caliber. Additionally, customers harbor diverse expectations and perceptions concerning service quality. Thus, there arises a compelling need to delve into the factors influencing and the outcomes associated with service quality, with a specific focus on the unique context of the Jubba aviation industry.

As delineated in the KAA report of 2022, the airline industry grappled with a noteworthy setback during that year, with a decline in ticket sales by 54.4% in comparison to the figures reported in 2019. Furthermore, there was a pronounced drop in the number of scheduled passengers carried by Jubba Airlines, estimated to be 18% less than the statistics recorded for 2019 in contrast to the data from 2018. The Jubba aviation industry's annual report for 2023 further underscores the gravity of the situation by revealing a disconcerting Return on Assets (ROA) figure of -0.0023 for 2022. This persistent decline in airline profitability underscores the formidable

challenges confronted by the industry. Issues such as inadequate investments in contemporary facilities, reliance on outdated technologies, and the absence of sufficient training opportunities collectively act as impediments to an airline's capacity to furnish a consistent and superior service experience. These deficiencies can manifest as delays, interruptions, and irregularities in service delivery, ultimately compromising passenger satisfaction. Over an extended period, these tribulations have precipitated a decline in the profitability of Air Kenya.

The pursuit of understanding the intricate connection between corporate structure and corporate culture has intrigued researchers in various domains. For instance, Priporas, Stylos, Rahimi & Vedanthachari (2017) have illuminated the significant influence of clan culture on service quality across diverse settings. Oakland, Oakland & Turner (2020) have noted the dualistic nature of adhocracy culture, demonstrating its potential for both positive and negative effects on service quality, a phenomenon observed in sectors like the airline industry. Similarly, Rauch, Collins, Nale & Barr (2015) have revealed that hierarchy culture can yield both favorable and detrimental outcomes concerning service quality, a phenomenon observed across various contexts, including the aviation sector. Farooq, Salam, Fayolle, Jaafar & Ayupp (2018) have shed light on the paradoxical impact of strict adherence to rules and procedures within a hierarchy culture, which can occasionally hinder the agility and responsiveness vital for delivering exemplary service.

Ma (2021) has underscored the considerable influence of market culture on service quality across diverse settings, encompassing the airline industry. Lastly, Zhang (2019) has expounded upon the fact that market culture's effect on service quality can

fluctuate contingent on regional and cultural factors. It is pertinent to note that, despite this body of research, there exists a discernible research gap in comprehending how corporate culture can be employed as a strategic tool to enhance organizational performance, especially when moderated by service quality, within the airline sector in Kenya. This research endeavors to bridge this knowledge void, contributing to the understanding of the nuanced interplay between corporate culture, service quality, and organizational performance in the context of the Jubba aviation industry.

1.4 Objectives

1.4.1 Main Objective

To determine the moderating role of service quality on the relationship between corporate culture on organizational performance at Jubba Airways Limited.

1.4.2 Specific Objectives

1. To establish the influence of clan culture on organizational performance at Jubba Airways Limited.
2. To assess the influence of adhocracy culture on organizational performance at Jubba Airways Limited.
3. To determine how hierarchy culture influences organizational performance at Jubba Airways Limited.
4. To evaluate the effects of market culture on organizational performance at Jubba Airways Limited.

- 5a. To establish the moderating effect of service quality on the relationship between clan culture and organizational performance at Jubba Airways Limited.
- 5b. To determine the moderating effect of service quality on the relationship between Adhocracy culture and organizational performance at Jubba Airways Limited
- 5c. To evaluate the moderating effect of service quality on the relationship between Hierarchy Culture and organizational performance at Jubba Airways Limited.
- 5d. To establish the moderating effect of service quality on the relationship between Market Culture and organizational performance at Jubba Airways Limited.

1.5 Research Hypothesis

- H₀₁:** Clan Culture has no significant effect on organizational performance at Jubba Airways Limited.
- H₀₂:** Adhocracy Culture has no significant effect on organizational performance at Jubba Airways Limited.
- H₀₃:** Hierarchy Culture has no significant effect on organizational performance at Jubba Airways Limited.
- H₀₄:** Market Culture has no significant effect on organizational performance at Jubba Airways Limited.
- H_{05a}:** There is no statistically significant moderating effect of service quality on the relationship between clan culture and organizational performance at Jubba Airways Limited.

H_{05b}. There is no statistically significant moderating effect of service quality on the relationship between adhocracy culture and organizational performance at Jubba Airways Limited.

H_{05c}. There is no statistically significant moderating effect of service quality on the relationship between hierarchy culture and organizational performance at Jubba Airways Limited.

H_{05d}. There is no statistically significant moderating effect of service quality on the relationship between market culture and organizational performance at Jubba Airways Limited.

1.6 Significance of the Study

The research findings of this study clearly outline the effect of corporate culture, service quality on organizational performance in the airline zone at Jubba Airways Limited. It guides airlines that are trying to employ information systems into their operations to show them the benefits that are to most likely come with the introduction of information systems. The study findings assist business managers in the business group by backing knowledge and skills regarding the role of organizational culture in improving service quality and productivity in the organization.

The findings from this study are important in enhancing policies and procedures that relates to information systems and operational quality locally and globally. This helps in fostering success, trigger profitability, as well as leading towards a greater efficiency throughout daily tasks. The study findings help the government through regulatory bodies to design operation rules and any incentive support plans in line

with the best practices that could help propel the performance of the airline companies. Having the data of effective organizational culture in the corporate group is essential to improve performance.

Organizational performance is a vital measure of the success and competitiveness of an organization in achieving its goals and fulfilling its mission. For Jubba Airways, a leading provider of flights to destinations in East Africa and Middle East, this study will help Jubba to enhance its customer satisfaction, loyalty, retention, and word-of-mouth by delivering high-quality services that meet or exceed the expectations of its customers as well as assess its strengths and weaknesses, identify areas for improvement, and monitor its progress and achievements.

The study findings provide an anchor to future studies on achieving service quality through implementation of certain corporate culture. Further, the findings open up gaps in research on moderating effect of service quality on the relationship between corporate culture and organizational performance in the airline sector, that can be filled in future studies by diverse academicians.

1.7 Scope of the Study

The scope of the study presents the factors under which the study was conducted. The study focused on the moderating effect of service quality on the relationship between corporate culture and organizational performance in the airline sector at Jubba Airways Limited. The study target population was 310 personnel and a sample size of 175 respondents selected using proportional sampling for the period August-October

2023. Primary data was collected using structured questionnaires. Both descriptive and inferential statistics were used to analyze and test study hypotheses.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides concept review, theoretical review and empirical review of literature including the critique of the literature applicable and finally the summary of the chapter.

2.2 Concept of Organizational Performance

Organizational performance has been defined by Effiyanti, Lubis, Sofyan, and Syafruddin, (2021) as the transformation of inputs into outputs, aimed at attaining certain results. Based on content, this provides information about the relationship between minimal and effective (economic) costs, effective costs and realized outputs (efficiency), as well as between outputs and results achieved (effectiveness). Conçu (2020) define organizational performance as to the degree to which the organization, with some informational, financial, and human resources, positions itself effectively on the business market. In postal and Courier service industry, Gusmão Christiananta, and Ellitan (2018) define organizational performance as the total performance results achieved by an organization, in accordance with the organization's mission. Further, Musheke and Phiri, (2021) define organization performance of courier firms as the evaluation of the constituents that try to assess the capability and ability of a company in achieving the constituents' aspiration levels using efficiency, effectiveness, or social referent criteria.

The International Air Transport Association (2023) uses many performance indicators to track the annual performance of its member airlines. These performance measures can be classified under the following categories; Operating performance: aircraft departures, kilometers flown, and hours flown. Firm size: available seat kilometers (ASK) length of scheduled network, and passenger number. Operating efficiency: revenue passenger traffic (RPK). Traffic: Passenger Ton Kilometers performed (PTK), and Freight Ton Kilometers performed (FTK). Load statistics: passenger load factor. Financial performance: operating result.

Profitability measures the extent to which a business generates profits from the factors of production. It is therefore the excess revenue over the firm total costs obtained by matching revenues with the expenses incurred to create those revenues, plus the gain or loss on the sale of capital assets. Profit is a source of cash flow for firms. The amount of profit made by a firm is either retained for funding future investment opportunities or distributed to shareholders as dividend. Even though the amount of profit made in a particular year by a firm does not automatically translate into exactly the same amount of cash, it is unlikely that less profitable firms would have more cash flows than highly profitable firms, all other things being equal. Therefore, profitable firms are expected to have more cash than less profitable firms (Velnampy & Kajanathan, 2017). Profitability is a measure of the amount by which a company's revenues exceeds its relevant expenses. Profitability ratios are used to evaluate the management's ability to create earnings from revenue-generating bases within the organization. A profit ratio indicates how effectively management can make profits from sales (Ajanthan, 2016).

2.3 Concept of Corporate Culture

Corporate culture refers is defined as a “mutual meaning” that is collectively held by members that distinguish one organization from the others (Saragih & Saluy, 2022) It is the firm’s capacity to meet its goals and objectives by using the resources in a skilful and efficient manner (AlShehhi, AlZaabi, Alnahhal, Sakhrieh & Tabash, 2021) further, it comprises of the organization's values, assumptions, interpretations as well as techniques (Opoku, Hongqin, & Aram, 2022). Pallathadka (2020) define organization culture as entailing expectations and to other parties, to entail leadership (gradually) forms ideas that affect to a greater degree what goes on in the firm; as such this is dependent on the upcoming leaders in the organization. In line with Marampa, Khananda, & Anggraeni (2021) Corporate culture refers can be explained as a collection of values, beliefs, behavioural trends that form the epicentre of the organizations identity and is instrumental in moulding employee conduct. Corporate culture refers to the shared values, beliefs, norms, and behaviors that shape an organization's identity, guide its interactions, and influence its overall functioning (Pinho, Rodrigues, & Dibb, 2014). It plays a critical role in shaping how employees perceive their work environment, interact with equals and customers, and make decisions (Yirdaw, 2016). Corporate culture is often considered the personality of an organization and has a deep impact on employee morale, engagement, performance, and ultimately, the organization's success. There are several types of corporate cultures, each characterized by distinct values and priorities:

2.3.1 Clan Culture

Clan Culture places a strong emphasis on collaboration, teamwork, and employee development (Simoneaux & Stroud, 2014). Organizations with a clan culture often resemble a close-knit family, where there is a sense of unity, mutual support, and a focus on nurturing employee relationships. This type of culture encourages open communication, mentorship, and a shared commitment to achieving common goals. Clan culture is a type of organizational culture that emphasizes collaboration, teamwork, trust, and loyalty among its members. Rose, (2023) observed that clan culture can have positive effects on organizational performance in the aviation industry by enhancing employee engagement, motivation, satisfaction, and retention. Clan culture can also foster a strong safety culture that promotes learning from errors, sharing feedback, and resolving conflicts. Clan culture can be supported by effective leadership that encourages participation, empowerment, and communication among employees.

However, Almuslamani & Daud (2022) observed that clan culture also has some potential drawbacks that can affect organizational performance in the aviation industry. Clan culture can lead to groupthink, conformity, and resistance to change, which can hinder innovation and adaptation to new challenges. Clan culture can also create conflicts with other cultures, such as national or professional cultures, that may have different values, norms, and expectations. Clan culture can be challenged by external factors, such as competition, regulation, or crisis, that may require more flexibility and diversity in the organization.

2.3.2 Adhocracy Culture

In contrast, the Adhocracy Culture is characterized by its focus on innovation, creativity, and adaptability (KOŁODZIEJ, 2022). Organizations with this culture value risk-taking and encourage employees to experiment with new ideas and approaches. Adhocracy cultures often embrace change and are quick to respond to emerging trends and challenges. This type of culture is prevalent in industries where constant innovation and agility are essential, such as technology and startups.

Adhocracy culture is a type of organizational culture that emphasizes flexibility, innovation, and collaboration. In an adhocracy, decision-making is decentralized, which means that everyone has the freedom to share their ideas and make decisions that contribute to the success of the team or company. Chege, Gichunge, & Muema (2022) stated, adhocracy culture can have positive effects on organizational performance in the aviation industry by enhancing creativity, adaptability, and customer satisfaction. Adhocracy culture can also foster a learning culture that promotes continuous improvement, experimentation, and feedback.

However, Tortorella., Prashar, Carim Junior, Mostafa, Barros, Lima, & Hines (2023) observed that adhocracy culture also has some potential challenges that can affect organizational performance in the aviation industry. Adhocracy culture can lead to ambiguity, instability, and conflict, which can hinder coordination, efficiency, and quality. Adhocracy culture can also create difficulties in maintaining a consistent and coherent identity, vision, and strategy for the organization. Adhocracy culture can be influenced by external factors, such as competition, regulation, or crisis, that may require more structure and control in the organization.

2.3.3 Hierarchy Culture

Hierarchy Culture places a premium on structure, rules, and formalized procedures. Organizations with this culture tend to have clear hierarchies, well-defined roles, and standardized processes. Hierarchy cultures emphasize stability, consistency, and adherence to established protocols. They are often found in industries where safety, compliance, and operational efficiency are paramount, such as aviation and healthcare (Uddin, Luva, and Hossian 2017).

Each of these types of corporate cultures has its strengths and weaknesses, and the most effective culture depends on the organization's goals, industry, and external environment (Simoneaux & Stroud, 2014). Some organizations may exhibit a dominant culture, while others may have a blend of different cultural elements. Regardless of the type, fostering a positive and healthy corporate culture is crucial for attracting and retaining talent, promoting employee engagement, and achieving long-term success in today's competitive business landscape. Hierarchy culture is a type of organizational culture that emphasizes long-term stability, consistent structure, and a shared set of values throughout the entire organization. Elnagar, Abdelkawi, Elshaer, & Salama (2022) observed that hierarchy culture can have positive effects on organizational performance in the aviation industry by enhancing coordination, efficiency, and quality. Hierarchy culture can also foster a strong safety culture that promotes compliance with the regulatory and ethical standards of the aviation industry and ensures the safety and security of its passengers, staff, and operations. Hierarchy culture can be supported by effective leadership that provides clear direction, guidance, and control over the employees.

2.3.4 Market Culture

The Market Culture centers around competition, results, and a strong customer focus. Organizations with this culture prioritize achieving measurable outcomes and exceeding customer expectations. Market cultures often reward high performance and individual achievements (Martnez-Caas & Ruiz-Palomino, 2014). They tend to be results-oriented and emphasize financial success as a key indicator of organizational effectiveness. Market culture is a type of organizational culture that emphasizes competitiveness, results, and customer orientation. In a market culture, decision-making is driven by market data, customer feedback, and profitability goals. Manyanga, Makanyeza, & Muranda (2022) observed that market culture can have positive effects on organizational performance in the aviation industry by enhancing customer satisfaction, loyalty, retention, and word-of-mouth. Market culture can also foster a performance culture that promotes accountability, efficiency, and quality. Market culture can be supported by effective leadership that provides clear direction, guidance, and incentives for the employees.

However, market culture also has some potential challenges that can affect organizational performance in the aviation industry. Beer (2023) observed that market culture can lead to short-termism, stress, and conflict, which can hinder innovation, collaboration, and employee well-being. Market culture can also create difficulties in balancing the needs and expectations of different stakeholders, such as customers, employees, shareholders, regulators, and society. Market culture can be influenced by external factors, such as competition, regulation, or crisis, that may require more flexibility and diversity in the organization.

2.4 Concept of Service Quality

In order to develop and maintain client loyalty, contentment, and retention, service quality is crucial. Profitability rises as operating costs are decreased. Managers in the service sector are under intense pressure to demonstrate that their services are client-focused and have potential for progress, to satisfy customer needs, and to win over customers' loyalty for repeat trade. When compared to a customer whose expectation was not met during the initial interaction, only a satisfied customer is more likely to return for additional business in the future. Airports in developing category one (CAT1) nations, with an emphasis on Mallam Aminu Kano International, were the subject of a study by Nwaogbe *et al.*, (2017).

There are four different categories of tangible commodities: (1) pure tangible products, (2) tangible goods with a corresponding intangible service, (3) a major intangible service with corresponding tangible goods (Hybrid), and (4) pure services (Lai, 2015). This idea is consistent with, who claimed that the level of passenger pleasure may be impacted by the in-flight services provided by flight attendants. Therefore, flight crew should focus concrete services like safety, seat comfort, the quality of in-flight meals, and onboard entertainment in order to build good service to users or passengers. This will help to generate a positive company image. This includes any language proficiency or proper in-flight behavior that may influence your pleasure with high-quality services.

Chilembwe (2014) adopted a mix technique for data collection (face-to-face interviews and questionnaires) for managers and aviators to analyze service quality and customer satisfaction at the Malawian airport and airline. The SERVQUAL

measurements were used to gauge passenger satisfaction with flying. The research showed that customers were not happy with the level of service, and perception gaps between customers and management were identified. Several authors have written extensively over the years about measuring the degree of service quality and passengers' happiness for airports and airlines (Suzuki, 2014). However, one issue that these researches all agreed on was that there currently isn't a single approved extent for the airside and landside in the industry.

One of the things preventing the growth of the civil aviation service industry is the quality of airline service, which is the primary criterion used by customers to evaluate airline services. Enhancing and perfecting the quality of airline services can increase the global influence of Chinese airline services (Zhang, 2019), in addition to promoting the high-quality growth of China's civil aviation industry and increasing airline passenger revenue (Ma, 2021). To improve airline service quality and broaden the consumer base for airline firms, objective evaluation of service quality is a must. The majority of academic research on airline service quality is focused on customer satisfaction models since improving service quality is an efficient way to increase passenger contentment. In this regard, Wang (2014) conducted a study on Shandong Airlines' Chinese customers' happiness that was based on the service quality theory. The customer satisfaction index model of China's civil aviation industry was used by Badama (2015) to analyze the service quality level of Mongolian airlines. She concluded that the customer satisfaction levels for ticketing and ground services have an impact on passengers' experiences with airlines, which in turn affects their loyalty to the carrier.

Customers will be satisfied with the service if the service provider prioritizes kindness and consideration. The understanding in caring is what made the service successful. However, contempt for consumers or ignorance of their needs can also result in their becoming unhappy with the service (Agnihotri & Krush, 2015). The word "quality" describes what constitutes good service. As a result, the customer or service user becomes the firm's focal point. As a result, there will be prospects for sustainable business because the organization's strategy can be changed to suit the needs of service users or customers (Thongyam, 2017).

2.5 Theoretical Review

2.5.1 Contingency Theory

Fielder 1960 presented contingency theory. The theory is a method for studying organizational behavior in which it is explained how external variables like technology, culture, and the setting affect the structure and operation of organizations. According to contingency theory, the organization's design must meet the ecological conditions (Su, Swanson & Chen, 2016). Research is being done to ascertain which managerial strategies and practices are suitable for certain circumstances. The Theory was developed in the 1960s in opposition to conventional management theory as the optimum method for setting up tasks at work. According to the contingency theory, there is no 'one best way' to organize, and businesses operate most effectively when they change how they operate in response to external conditions (Markovic, Iglesias, Singh & Sierra, 2018).

According to contingency theories, a leader's efficacy depends on the situation and a host of variables; including the work at hand, the leader's personality, and the composition of the group they are leading (Davidson, Dey & Smith, 2015). In order to maintain performance, businesses must adapt to the changing business environment, even if they do not want to. The most important contribution that contingency theory has made to organizational science is 'making us aware that there are different ways to organize positively and starting to enumerate the potentials and their consequences. This theory was used in the study to explain how market culture influence service quality.

2.5.2 Institutional Theory

Scott in 1995 put forth the Institutional Theory. Organizations are social institutions that have reached a high level of resilience, according to proponents of institutional theory (Namin, 2017). Regulative, normative, and cognitive institutional pillars have been identified as the three key ones that structure and govern organizational behavior. According to Sankaran, Killen & Pitsis (2023), the cognitive, normative, and regulative components, along with the related activities and resources, create stability and control organizational performance. Policy documents express regulations that are shown by rules, awards, and consequences. Through a set of values, norms serve as guidelines for organizational behavior.

Social components of cognition influence decisions made within the framework of an organization. Institutes communicate organizational values via a diversity of methods, such as social structures, symbolic systems, and habits (Kaplanidou & Karabaxoglou,

2015). Institutional theorists contend that an organization's internal environment plays a critical role in shaping the creation of innovative organizational structures. This study makes use of institutional theory, which links organizational culture (teamwork) to strategy execution in an organization. According to the theory, organizations are not passive participants and have a variety of options for responding to institutional limits, including imitating to them or altering them (Saleem, Zahra & Yaseen, 2017). The institutional theory's prepositions so support the erratic teamwork. This theory was used in the study to explain how adhocracy culture influence service quality.

2.5.3 Stakeholder Theory

Stakeholder theory revolves around the organization and the actors who have "a stake" in the organization (thereby "stakeholders. In words of Freeman and Reed (1983) stakeholders are groups and individuals who can influence the achievement of company goals or those who are affected by the activities of the company during the company's pursuit of goals". Attempts have been made to put stakeholders into different groups and thereby making the concept more comprehensible. These groups might have different and sometimes conflicting expectations (Fernando & Lawrence, 2014). Stakeholder theory shifts financial performance focus from the organization to the entire stakeholder entity, thus accountability of an organization is not limited to financial performance. The management of the organization is expected to perform its accountability towards its stakeholders by exercising activities that are perceived as important by its stakeholders (Freeman (1994). Stakeholder theory proposes a link between stakeholder management and performance. By inducing constructive contributions from stakeholders, management can use them to accomplish

organizational goals (Donaldson & Preston, 1995). Freeman (1994) and Freeman *et al.*, (2007) claims that the stakeholder's interests is an important starting point for managers and provides a foundation that drives their ongoing success. Cooperation among stakeholders is one of the most important managerial mind-sets that determine the long-term profitability of the company. Harrison & Wicks (2013) develops this idea further and suggests that the idea of firm performance has to be extended to the well-being of the firm's stakeholders.

Based on stakeholder theory, organizational management is expected to perform activities that are important to their stakeholders and report those activities back to stakeholders. To explain the relationship of intellectual capital, financial performance, and firm value, stakeholder theory should be viewed from two fields, which are the ethics field and managerial field. Ethics field argues that all stakeholders have the right to be treated fairly by the organization, and managers should manage the organization for the benefit of all stakeholders (Freeman (1994). Managerial fields of stakeholder theory views that the stakeholder's ability to influence corporate management should be seen as a control over the resources needed by an organization (Watts and Zimmerman, 1986). Maximum management over the entire potential of the organization will give the opportunity to create value added that will increase the company's financial performance and increase the firm value in the capital market which is the purpose of stakeholders in influencing the company's management (Freeman (1994).

The stakeholder theory argues that managers should make decisions so as to take account of the interests of all stakeholders in a firm including not only financial

claimants, but also employees, customers, communities and governmental officials (Manville & Ober, 2003; Clarke 2004). Freeman (1994) concludes that a firm cannot maximize market value if it ignores the interest of its stakeholders in the long-term. Clarke (2004) over time, a firm's board of directors and its CEO, acting as stewards, are more motivated to act in the best interests of the firm rather than for their own selfish interests as they tend to view a firm as an extension of themselves Freeman (1994) concludes that a firm cannot maximize market value if it ignores the interest of its stakeholders in the long-term.

Basically, value added is the increase in wealth generated by the productive use of the firm's resources prior to its allocation among shareholders, bondholders, workers and the government. To evaluate firm performance created and accrued to all stakeholders, a stakeholder view of the firm calls for the use of the value creation as a measure of the total wealth created (Riahi-Belkaoui, 2003).

Stakeholders' theory is therefore adopted in this study to enhance the analyzing and understanding the effects of the different elements of corporate culture could be integrated to stakeholders' concerns into the decision-making processes and to maximize organizational performance in the long- term.

2.6 Empirical Review

2.6.1 Clan Culture on Organizational Performance

Using data from China's 2007 Annual Census on Industrial Enterprises, Xiong *et al.*, (2021) explore the impact of clan culture on the financial and social performance of

privately-owned enterprises (POEs). Their study reveals that a strong clan culture hampers the financial performance of POEs while enhancing their social performance, particularly the well-being of internal employees. Furthermore, the study indicates that the relationship is influenced by regional marketization and social trust.

Joseph, and Kibera, (2019) investigate the influence of clan culture on the performance of microfinance institutions in Kenya. They adopt a descriptive cross-sectional survey design and collect primary data through structured questionnaires from the chief executive officer, human resource manager, and marketing manager. Utilizing factor analysis and hierarchical regression, the research finds a significant impact of clan culture on non-market performance.

In a study by Chege *et al.*, (2022), the focus is on the effect of the role culture implementation approach on university performance in Kenya. They employ a descriptive research approach and include 444 senior university employees from all 74 accredited universities in Kenya in their target population. The findings reveal a significant association between clan culture and research output, satisfactory university ranking, student placement by KUCCPS, and graduation rate.

Mgumba *et al.*, (2023) aim to determine the relationship between clan culture and the performance of public secondary schools in Turbo Sub-county, Kenya. Their research employs a correlational research design, covering all 31 public secondary schools in Turbo Sub-County. Data collection involves self-administered questionnaires and document analysis guides, targeting 181 teachers with TSC registration who are permanently employed. Analysis using Pearson product moment correlation and

regression models uncovers a positive and significant relationship between clan culture and the performance of secondary schools in Turbo Sub-County.

Therefore, clan culture can have both positive and negative impacts on organizational performance in the aviation industry. It is important for organizations to balance the benefits of clan culture with the need for creativity, diversity, and change. It is also important for organizations to consider the cultural backgrounds and preferences of their employees and customers when designing and implementing their clan culture.

2.6.2 Adhocracy Culture on Organizational Performance

In a study conducted by Mchaizi *et al.*, (2023), the research delves into the impact of adhocracy culture on the performance of public universities in Western Kenya, guided by dynamic capabilities theory. The participant pool consisted of 226 individuals, including 27 top management members, 86 deans of schools, 9 responsible for strategic departments, 95 senior assistant administrators, and 9 student presidents from all nine universities in Western Kenya. The researchers employed stratified random sampling to select a sample size of 144 respondents. Data collection primarily relied on questionnaires. The findings highlighted a positive and significant influence of adhocracy culture strategy on the performance of public universities in Western Kenya. This study offers valuable insights for Western Kenya universities and other public institutions, shedding light on essential adhocracy culture initiatives crucial for their optimal performance, sustainability, and growth.

Misigo *et al.*, (2019) undertook an examination of the influence of adhocracy culture on the performance of public water companies in Kenya. Employing both descriptive

and correlational research designs, they compiled a statistical sample of 185 employees across all hierarchical levels in 17 selected public water companies. The results derived from regression analysis indicated that a one-unit change in adhocracy culture corresponded to a 0.327 unit increase in performance, signifying a positive impact of adhocracy culture on organizational performance.

In a different context, Naranjo-Valencia *et al.*, (2016) explored the associations between a firm's culture, innovation, and performance within Spanish industrial companies. Their study focused on Spanish organizations with over 15 employees situated in southeastern Spain. The findings demonstrated that organizational culture could either foster innovation and performance or hinder them, depending on the values upheld by the culture. Additionally, the research identified adhocracy culture as the most potent predictor of performance. Another study by Felipe *et al.*, (2017) disclosed a positive relationship between adhocracy culture and firm productivity.

The examination of adhocracy culture and its relevance to organizational processes conducted by Zeb *et al.*, (2021) presents an intriguing subject matter that should captivate both practitioners and researchers. The study gathered data in 2018, employing meticulously adapted questionnaires that underwent rigorous testing. Bivariate correlations and hierarchical regression emerged as the chosen methods for data analysis. The findings underscore the statistical appropriateness of adhocracy culture in predicting performance and fostering innovation within the organization.

Consequently, it becomes evident that adhocracy culture can yield both favorable and unfavorable consequences for organizational performance in the aviation industry. Organizations must strive to strike a balance between the advantages of adhocracy

culture and the necessity for lucidity, uniformity, and alignment. Furthermore, Strengers, Mutsaers, Van, & Graamans (2022) emphasize the importance of considering the cultural backgrounds and preferences of their employees and customers when developing and implementing their adhocracy culture initiatives.

2.6.3 Hierarchy Culture on Organizational Performance

Kuark and Yang (2016) conducted empirical research to explore the relationship between Hierarchical Culture, Empowerment, and Organizational Effectiveness in construction enterprises. The study involved a survey of executives from construction companies in Seoul, the metropolitan area, and non-metropolitan areas. Data analysis was carried out using SPSS Statistical Techniques, including Reliability analysis, Factor analysis, and Multiple Regression analysis. The study's findings revealed several significant insights. Firstly, Hierarchical Culture exhibited a significantly positive influence on Organizational Effectiveness. Secondly, Hierarchical Culture was also found to have a significantly positive impact on Empowerment. Lastly, both Hierarchical Culture and Cultural Empowerment significantly influenced Organizational Effectiveness positively.

On the other hand, Al Dari *et al.*, (2021) developed a theoretical framework that examines the relationship between hierarchy cultures and knowledge technological capabilities on organizational learning. They collected data through a questionnaire survey involving 693 employees working in knowledge management centers across various law enforcement units in the United Arab Emirates (UAE). Structural equation modeling was employed to analyze the data, and the results demonstrated

that hierarchy culture and knowledge technological capabilities play a substantial role in predicting organizational learning behavior.

Nevertheless, it's worth noting that hierarchy culture may have certain drawbacks that could impact organizational performance in the aviation industry. As noted by GÜL (2023), hierarchy culture may lead to rigidity, bureaucratic processes, and resistance to change, potentially impeding innovation and adaptability to new challenges. It can also create challenges in terms of communication, collaboration, and empowerment among employees, particularly when dealing with individuals from various hierarchy levels or departments. External factors like competition, regulations, or crises may necessitate greater flexibility and diversity within the organization. In light of these factors, hierarchy culture can have both positive and negative effects on organizational performance in the aviation industry.

2.6.4 Market Culture on Organizational Performance

Khedhaouria *et al.*, (2020) harnessed the Competing Values Framework (CVF) to investigate the connections between market culture and the performance of small firms. Their study, encompassing 106 small Tunisian firms, offers empirical evidence that market culture significantly influences the performance of small firms by fostering innovative and proactive behaviors.

Reino *et al.*, (2020) delved into the relationships between market culture and financial performance in both production and service companies in Estonia. This cross-sectional study involved an analysis of the market culture within 19 SMEs and large service and production companies, with a total of 2,256 respondents. They employed

confirmatory factor analysis and non-parametric Spearman rank correlation in their study. The results clearly demonstrated that Market culture exhibited a strong positive correlation with financial indicators. It was found that Market culture significantly related to performance in certain years.

However, it's essential to acknowledge that a market culture does not exert strong normative pressure, which may encourage innovative, risk-taking, and proactive behaviors (Brettel *et al.*, 2015). In such a culture, the role of the leader as a mentor tends to be less effective, and the absence of normative pressure often fosters competitive attitudes (Engelen *et al.*, 2014). This heightened level of competition among members stimulates creative behaviors and generates the personal initiative necessary for innovativeness in small businesses (Brettel *et al.*, 2015).

Therefore, market culture can have both positive and negative impacts on organizational performance in the aviation industry. Organizations must find a balance between the advantages of a market culture and the necessity for creativity, diversity, and sustainability. Additionally, they should consider the cultural backgrounds and preferences of their employees and customers when implementing their market culture to ensure positive outcomes.

2.6.5 Service Quality and Organizational Performance

In the aviation industry, two pivotal concepts are service quality and organizational performance. Service quality pertains to the extent to which a service either meets or exceeds customer expectations, while organizational performance encompasses the

efficacy and efficiency with which an organization realizes its objectives and fulfills its mission. These two notions are intricately linked and can mutually affect one another in diverse ways. Service quality, for instance, can heighten customer satisfaction, loyalty, retention, and positive word-of-mouth, consequently bolstering an organization's market share, profitability, and overall competitiveness. Moreover, service quality can cultivate a performance-driven culture characterized by accountability, efficiency, and excellence, which in turn can enhance operational, financial, and human resource outcomes. Studies, like that of Chmielewska, Stokwiszewski, Markowska, & Hermanowski (2022), have delved into the organization's existing culture, an integral aspect in service quality. They discovered that the organizational culture wields a substantial impact on service quality within the organization, as elucidated through descriptive statistics, correlation, and regression analysis.

Additionally, Alghamdi (2018) explored the correlation between service quality and organizational performance, taking into account the moderating influence of organizational culture. Their findings unveiled a statistically significant and positive relationship between service quality, specifically when influenced by clan and market culture, and organizational performance. Furthermore, Famiyeh *et al.*, (2018) delved into the mediating role of employees' organizational commitment in the nexus between organizational culture and organizational performance. Their study unveiled that organizational culture, beyond its direct influence, exerts an indirect impact on organizational performance through the mediation of employee organizational commitment, emphasizing the significance of this indirect influence.

Akpa (2021) contributed to the discourse by exploring the connection between organizational culture and organizational performance, drawing from Schein's theory of organizational culture, Denison's organizational culture model, and the theory of organizational excellence by Thomas Peters and Robert Waterman. Their research indicated that a harmonious alignment between employees' commitment and organizational values enhances performance towards achieving organizational goals. Sese (2023) observed that service quality also has the capacity to bolster a robust safety culture, ensuring compliance with regulatory standards and enhancing safety and security within the aviation industry. However, they noted that service quality can present challenges in reconciling the needs and expectations of various stakeholders, potentially impacting the organization's strategic direction. Moreover, service quality can lead to short-termism, stress, and conflict, potentially hindering innovation, collaboration, and employee well-being, which are vital for long-term sustainability and growth.

In this intricate landscape, Chung and Tan (2022) emphasized the importance of organizations adopting a comprehensive and systematic approach to measure and enhance their service quality and organizational performance. They underscored the significance of utilizing various tools and methodologies to achieve these objectives effectively in the aviation industry.:

Quality management systems: These are sets of policies, processes, and procedures that enable organizations to plan and execute their activities in a safe and efficient manner. Quality management systems can help organizations to identify, measure, control, and improve their service quality and organizational performance.

Customer feedback systems: These are methods of collecting and analyzing data from customers about their perceptions and experiences of the services provided by the organization. Customer feedback systems can help organizations to understand their customers' needs and expectations, evaluate their service quality performance, and identify areas for improvement.

2.7 Research Gap

The research reviewed studies looking at the relationship between corporate culture and service quality, for example; Priporas, Stylos, Rahimi & Vedanthachari (2017) observed that clan culture has a significant impact on service quality in various contexts. Ma (2021) observed that market can significantly impact service quality in various contexts, including the airline industry. Lastly, Zhang (2019) found that market culture's impact on service quality can differ based on regional and cultural contexts. Notable, from the reviews there was less interest in research on moderating effect of service quality on the relationship between corporate culture and organizational performance in the airline sector, a research gap that the study seeks to fill.

2.8 Conceptual Framework

A conceptual framework, according to Miles and Huberman (2017), is a visual or written output that outlines the essential elements to be researched, either visually or narratively, the essential works, ideas, or variables, and the hypothesized connections among them. The independent and dependent variables in this research were as follows;

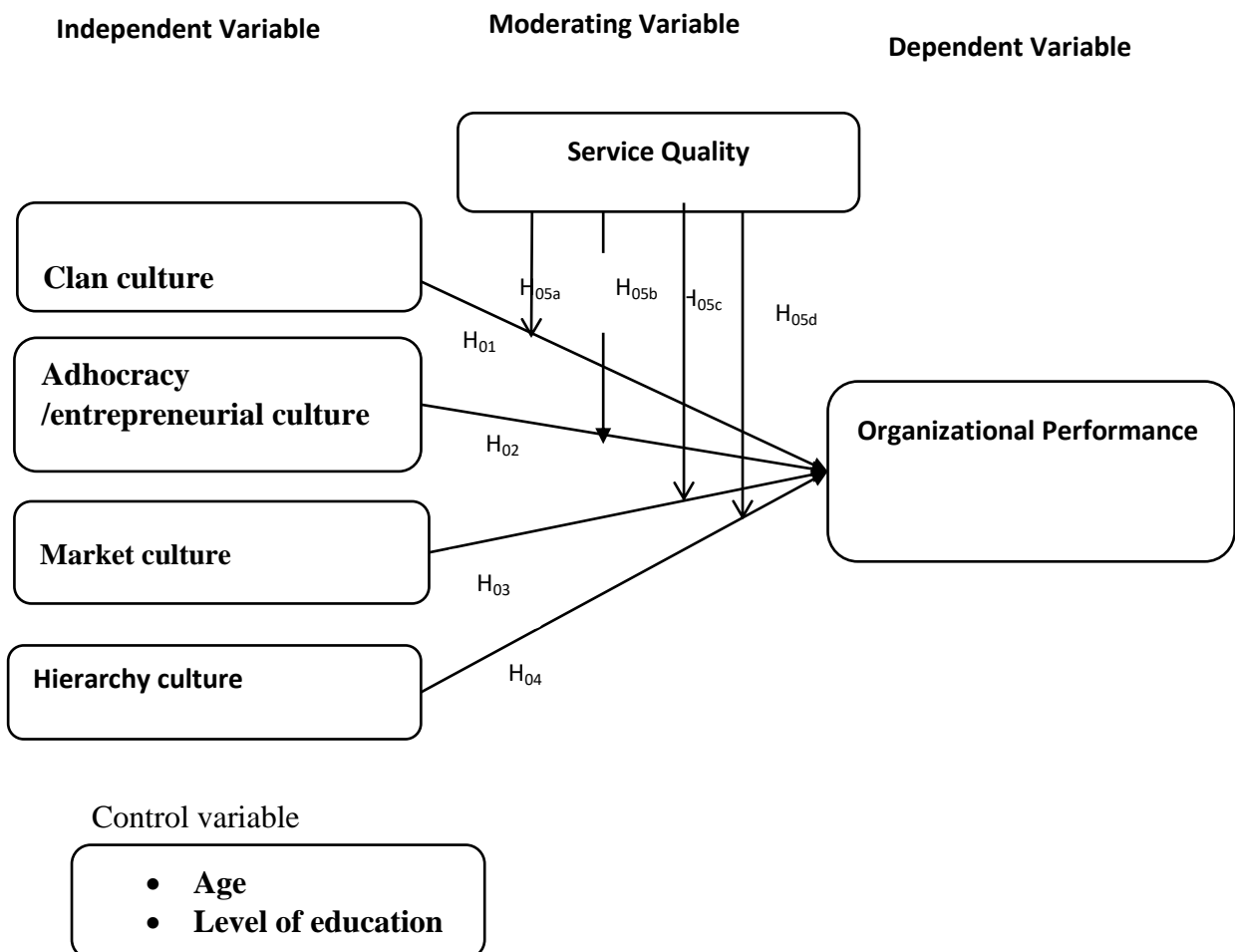


Figure 2-1 Conceptual Framework

Source: Researcher, 2023

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides an overview of the research methodology applicable in carrying out the research. This entails the description of the research approach and research framework of the proposal. The section provides the method for data collection, analysis and interpretation. The areas covered included; the research design, the target population, sample size, sample procedure, data collection procedures and instruments and data analysis.

3.2 Research Design

This study utilized an explanatory research design since it is suitable for reviewing the research issues. The explanatory research design was a powerful tool that bridges the gap between descriptive and causal research. Its importance lied in its capacity to uncover causal relations, provide insights into underlying devices, and facilitate evidence-based decision-making across various disciplines (Saunders *et al.*, 2012).

3.3 Target Population

The concept of ‘population targeted for research’ describes a large group of people, things, or entities that a researcher is interested in and hopes to learn more about through a research study. The population of the study consisted of the administrative personnel who have control over safety management at Jubba Airways Limited. The topic of the analysis as the study's target population, with the management personnel directly involved in the aviation industry's safety serving as the observational unit.

Airport security, facilitation and housekeeping, apron management, infrastructure development and maintenance, airport rescue and firefighting services, and safety and environmental management. A total of 310 personnel and a sample size of 175 respondents selected using proportional sampling from the six departments made up the target population for the period August- October 2023.

Table 3.1: Target Population

Department	Total Population (N)
Safety Department	14
Ground Operations	21
Flight Operations	12
Dispatch	9
Engineering Department	254
Total	310

Source: KCAA, 2022

3.4 Sample Design

The study sampled managers utilizing stratified random sampling procedures due to their duty station at JKIA, Kenya's busiest airport (Saunders *et al.*, 2009). By dividing the target population into pertinent and significant strata, Stratified Random Sampling modifies random sampling (Saunders *et al.*, 2019). The strata composed of the management teams from several departments. This strategy was advised since it ensures that the sample was representative of the total population (Saunders *et al.*, 2019).

3.4.1 Sample Size Determination

Given that the population is finite, the sample size (n) in this study will be modified using the Yamane formula (1967). (Mugenda and Mugenda, 2012). By using the

Yamane formula, the sample size was calculated at various precision levels (e) of 5%, 10%, or 0.1. 50% of the variability (p) is equal to (0.05), thus;

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{310}{1 + 310(0.05)^2}$$

$$n = 175$$

Where: n = sample size.

N = total target population

e = the acceptable significance level (5%).

Table 3.2: Sample Size

Department	Total Population	
	(N)	Sample Size
Safety Department	14	8
Ground Operations	21	12
Flight Operations	12	7
Dispatch	9	5
Engineering Department	254	143
Total	310	175

Source: KCAA, 2022

3.4.2 Sampling Technique

Sampling technique refers to the process of selecting a representative sample in order to ascertain the factors by which the researcher selects representative respondents from the target population. Saunders *et al.*, (2014) define sampling as a procedure that allows for the selection of a subset of the population. As such, the sampling procedure should ensure that a representative sample of the target population is chosen (Cooper & Schindler, 2014). The sample frame from which the population and sample for the study was obtained from the Human Resource employees' registry.

The sample was selected from three defined department clusters. In the second stage of sampling, stratified random sampling was used to select respondents from their respective sections as clusters. Stratification was necessary because respondents were heterogeneous in terms of sections and the activities they are involved in. This study considered stratification based on the section of the company where they were classified according to the department. Respondents were randomly selected from the strata (section/departments) to eliminate bias.

3.5 Data Collection Instruments

The tool for collection of primary data for this study was semi-structured questionnaires. In this case, the use of closed-ended questionnaires was applicable for survey. The questions were designed based on 5-point Likert scale format. The use of these questionnaires allowed for collection of subjective as well as objective data from the study population that eventually led to obtaining statistically major results. The application of questionnaires as the instrument allowed for the protection of respondent's privacy. The self-administered questionnaires were considered easier

due to time-saving aspect (HR, 2022). The numerous measures on the questionnaires were developed from the study constructs.

3.6 Data Collection Procedure

The quantitative data was obtained through self-administered questionnaires while collection of the qualitative data was done by use of semi-structured interviews. The questionnaires were administered to the participants at their respective offices, whereby the questionnaires were left and collected later by the researcher after the respondents fill them. The researcher provided the participants with consent forms to sign before filling the questionnaires. The researcher also obtained an introductory letter from the university prior to actual field data collection.

3.7 Pilot Testing

The study conducted pilot test for the purposes of checking the reliability of the questions within the data collection instruments (HR, 2022). The pilot study was done at Jambo Jet Head offices in Nairobi. Pilot testing is always done by choosing 10% of the total sample population that were not be included in the final research (Bryman & Bell, 2015).

3.7.1 Reliability of Research Instrument

The internal reliability test of the questions in the questionnaire was tested by use of Cronbach Alpha's reliability coefficient, α . In this case, a greater internal reliability is revealed when α moves closer to 1.0 of the items in the scale (Venkatesh *et al.*, 2022). Cronbach proves the level of variable reliability as well as stability. In testing for the

reliability, when the alpha value is at 0.7 or greater, then the instrument is acceptable and considered reliable.

3.7.2 Validity of Research Instrument

Both construct and content validities were applicable in the study and confirmatory factor study was used to test for validity. Construct validity ensured that questions within the research tool were aligned to research objectives through factor analysis. On the other hand, content validity ensured that questions were valid with the knowledge and assistance of the supervisor (Cooper & Schindler, 2014).

3.8 Data Processing, Analysis and Presentation

The data collected was in raw arrangement and in two formats i.e. qualitative and quantitative. In descriptive statistics, charts and tables were used while inferential statistics, multiple regression was used and no charts. The transformation of data into a form that can be used effectively and is wanted is what is known as data processing. This conversion or processing is carried out either manually or automatically using a specified series of actions. After the data was firstly coded, cleaned, summarized, and tabulated, they were entered into the computer so that SPSS could perform the analysis.

Data analysis is a process of analyzing all the information and evaluating the relevant information that can be helpful in better decision making, Silvia & Skilling (Sylvia, 2022). The data collected was analyzed using Statistical Package for Social Sciences (SPSS) version 21. Correlation, regression, ANOVA and model summary were also generated. This study used Pearson Product Moment correlation to test the link

between; clan culture, adhocracy culture, market and hierarchy culture (independent variables) and organizational performance (dependent variable). Pearson's moment correlation was tested at 5% level of significance. A multiple regression analysis model was used to define the effects of each of the independent variables (factors) with respect to dependent variable. Regression is concerned with describing and evaluating the link between a given variable and one or more other variables. More exactly, regression is an attempt to explain actions in a variable by reference to movements in one or more variables. Regression analysis was tested using t-test at 5% level of significance. Analysis of variance (ANOVA) was used to test the significance of the model. R^2 was used to measure the extent of goodness of fit of the regression model. The data was found to be normally distributed.

3.8.1 Multiple Regression Model Specification

The following is the general linear regression model that was used:

$$Y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \varepsilon \dots\dots\dots\text{Model 1(direct)}$$

Where:

Y= Organizational performance

C= Control Variables

β_0 = Constant

X_1 = Clan culture

X_2 = adhocracy culture

X_3 = Hierarchy culture

X_4 = Market culture

ε = Error term

β_1, \dots, β_4 = the coefficients associated with X_1, X_2, X_3 and X_4 respectively

3.8.2 Hierarchical Regression Model Specification

The following models was used in assessing the moderating role of tax complexity. A moderating variable is a type of variable that affects the relationship between a dependent variable and an independent variable. Moderating variable (or moderator) affects the strength and direction of a relationship between variables. A moderator is something that acts upon the relationship between two variables and changes its direction or strength.

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \varepsilon \dots \dots \dots \text{Model 2}$$

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5M + \beta_6x_1 * M + \varepsilon_3 \dots \dots \dots \text{Model 3}$$

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5M + \beta_6x_1 * M + \beta_7x_2 * M + \varepsilon_3 \dots \dots \text{Model 4}$$

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5M + \beta_6x_1 * M + \beta_7x_2 * Mx_2 * M + \beta_8x_3 * M + \varepsilon_3 \dots \dots \text{Model 5}$$

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \beta_5M + \beta_6x_1 * M + \beta_7x_2 * Mx_2 * M + \beta_8x_3 * M + \beta_9x_4 * M + \varepsilon_3 \dots \text{Model 6}$$

Where:

Y= Organizational performance

C= Control Variables

β_0 = Constant

X_1 = Clan culture

X_2 = adhocracy culture

X_3 = Hierarchy culture

X_4 = Market culture

ε = Error term

$\beta_1 \dots \beta_4$ = the coefficients associated with X_1, X_2, X_3 and X_4 respectively

3.9 Testing the Assumptions of Multiple Regression Model

The assumptions of multiple regression model tested were; normality, linearity, homoscedasticity and autocorrelation. Normality test was used to determine whether the data sets were normally distributed. Normality holds that the distribution of the test is bell-shaped with 0 (zero) mean, with 1 (one) standard deviation and a symmetric bell-shaped curve (Saunders *et al.*, 2015). Normality test was done using Kolmogorov-Smirnov test. If the results of the test were significant that was $p < 0.05$ then rejecting the null hypothesis meant rejecting the assumption of normality for the distribution (Field, 2009).

3.9.1 Linearity

This was tested by creating a scatter plot using SPSS Statistics where the researcher plotted the dependent variable against the independent variable and then visually inspect the scatter plot to check for linearity. From the scatter diagram, the residuals were distributed evenly around the zero line (the regression line). The conclusion was that the data was linearly distributed.

3.9.2 Multi-Collinearity.

This was tested by establishing the inter-correlations between the independent variables. Multi-collinearity problem occurs when the independent variables are highly linked to each other (Niazi *et al.*, 2023). Multi-collinearity was tested statistically by use of VIF (Variance Inflation Factor). Multi-collinearity was also tested by an examination of tolerance and Variance Inflation Factor (VIF) with the thresholds of more than 0.1 and VIF of 10 (Hairr *et al.*, 2013). All constructs had a

VIF factor of greater than 0.1 and less than 10. Hence, Multi-collinearity was a problem.

3.9.3 Normality Test

To measure normality on primary data, the Shapiro-Wilk (S-W) normality test was conducted. According to Shapiro-Wilk (S-W) test, if the p-value is greater than 0.05, the data were described as normally distributed. The test was done to test the normality of the dependent variable application of quality management systems. The hypothesis to test was whether the data was normally distributed as given by H₀ and H₁, set at $\alpha = 0.05$, the rule was rejected H₀, if p-value was less than α , else fail to reject H₀: (Garson, 2014).

3.9.4 Heteroscedasticity Test

Heteroscedasticity was done to test whether heteroscedasticity problem existed in the regression model or not. Heteroscedasticity tends to produce p-values that were minor than they should be. The parameter was that if the value of significance was greater than 0.05 there was no problem of heteroscedasticity but if the value of significance was less than 0.05 there was a problem of heteroscedasticity.

3.10 Measurement of the Study Variables

Table 3.3: Measurement of Study variables

	Study variables	Measurement	Sources
Dependent variable	Organizational Performance	Five-point Likert scale	Gilbert and Wong (2003). (Farooq <i>et al.</i> , 2018)
Independent variables	Clan or supportive culture	Five-point Likert scale	(Han, 2012) and (Fiordelisi, 2014).
	Adhocracy/ an entrepreneurial culture	Five-point Likert scale	Veiseh <i>et al.</i> , 2014) and (Hartnell <i>et al.</i> , 2011)
	Market culture	Five-point Likert scale	(Pinho <i>et al.</i> , 2014). (Miguel, 2015) (Han, 2012)
	Hierarchy culture	Five-point Likert scale	(Hartnell <i>et al.</i> , 2011). (Fiordelisi, 2014).

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introductions

The chapter indicates results of data and hypothesis testing done to investigate how corporate culture affects organizational performance at Jubba Airways Limited. The chapter outlines the demographics of the participants, factor analysis, a descriptive analysis, assumptions made in the regression model, and presents outcomes of hypotheses testing and investigates the moderating impact of service quality on the connection between corporate culture and organizational performance at Jubba Airways Limited.

4.2 Response Rate

The participants were presented in terms of employees in Jubba Airways Limited of Kenya. The response rate was analyzed as per questionnaire order. Out of total 175 distributed questionnaires to employees, 136 instruments were returned (77.71%). However, after data screening and cleaning (checking for missing data and outliers) 7 questionnaires were found unusable (6 had missing values and 4 had outliers) and excluded remaining with 126 usable questionnaire. Hence, the total response rate for usable questionnaires was 72%. This response rate was achieved by the researcher and assistant visiting the research sites on a daily basis, patiently waiting for the respondents to fill the questionnaires on site or making personal reminder calls and visits. Those not immediately available were allowed to use drop and pick later method. According to Cooper and Schindler (2014), research can move on with a

response rate of more than 60%. A response rate of 72% was deemed sufficient to carry out the analysis and present the results.

4.3 Demographic Characteristics

Demographic data plays a crucial role in providing insights about research participants and ensuring that the study's sample accurately represents the target population (Salkind, 2010). The findings are presented in Tables 4.1. The findings show that the survey participants were predominantly male, with 57.9% being male and 42.1% female. This gender distribution may be reflective of the workforce composition at Jubba Airways Limited. The respondents' ages are categorized into four brackets. With a substantial portion of individuals possessing Diploma and Degree qualifications (38.9% and 33.3%, respectively), the workforce appears to be well-educated, potentially contributing to the company's capacity for diverse roles and responsibilities. Additionally, the presence of individuals holding Certificate and Postgraduate Degree qualifications (9.5% and 4%, respectively) signifies specialized expertise and a potential focus on particular areas within the organization. The data provides insights into the distribution of respondents across various departments within Jubba Airways Limited. The Engineering Department stands out with 64.3% of respondents, suggesting it might be the largest department. The Safety Department, Flight Operations, and Dispatch have fewer representatives. The data on years of experience in the department reveals that a significant portion, 48.4%, has been in their respective departments for 1-5 years, followed by 40.5% who have worked in their departments for 6-10 years, indicating a reasonably stable workforce.

Table 4.1: Demographic Characteristics

		Frequency	Percent
Gender	Male	73	57.9
	Female	53	42.1
	Total	126	100
Age bracket	30 years and below	7	5.6
	31 - 40	39	31
	41 - 50	57	45.2
	51 - 60	23	18.3
	Total	126	100
Level of education	KCPE	5	4
	KCSE	13	10.3
	Certificate	12	9.5
	Diploma	49	38.9
	Degree	42	33.3
	Postgraduate Degree	5	4
Department	Total	126	100
	Safety Department	9	7.1
	Ground Operations	19	15.1
	Flight Operations	9	7.1
	Dispatch	8	6.3
	Engineering		
	Department	81	64.3
Years have you worked in your department	Total	126	100
	1- 5 years	61	48.4
	6 - 10 years	51	40.5
	over 10 years	14	11.1
	Total	126	100

Source: Research Data, 2023

4.4 Factor Analysis

The study employed the Principal Component Method to investigate components that were highly connected with Adhocracy Culture, Market Culture, Hierarchy Culture, organisation culture, performance of Jubba Airways Limited and Clan Culture in order to increase the trustworthiness of the data. Components with weak or negative correlations were discarded during the analysis. The Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin Test of Sampling Adequacy were employed to assess the tool's validity. All variables went through a component factor analysis using varimax

rotation to extract components from each construct. Hair *et al.*'s recommendations were followed to remove items with a loading factor below 0.50 and retain those above 0.50. This section details and evaluates the data after accurately allocating items to their corresponding dimensions.

4.4.1 Factor Analysis for Clan Culture

The 9 constructs connected to Clan Culture are shown in Table 4.2 principal component matrix, which shows how the factors were loaded using the varimax rotation method.

Table 4.2: Factor Analysis for Clan Culture

	Component
Our organization regularly conducts team building activities.	0.772
Our organization encourages cross functional collaboration.	0.794
Our managers develop and create a spirit of unity, trust and innovation in the organization.	0.823
Managers encourage positive values in our organization.	0.814
Our culture encourages employee's loyalty and sense of belonging.	0.911
Our organization provides prior awareness on new strategies.	0.886
Our organization encourages certain degree of flexibility of employees in executing change processes.	0.779
Our organization has change management policies that are known to staff.	0.859
Our organization enhances open communication both upwards and downward.	0.737
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.858
Bartlett's Test of Sphericity, Approx. Chi-Square	2321.398
df	45
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	7.104
% of Variance	71.045
Cumulative %	71.045

Extraction Method: Principal Component Analysis.

a 1 components extracted.

Source: Research Data, 2023

The study also included the Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin Measure of Sampling Adequacy for Technological Innovatio in Table 4.2. The results showed that a significant Chi-Square (2) of 2321.398 with a p-value = 0.000. The Bartlett's Test of Sphericity yielded these results. Additionally, the data met the criteria for factor analysis on the variable of Clan Culture because the Kaiser-Meyer-Olkin measure of sampling adequacy was 0.858, which was greater than the permissible value of 0.5. Additionally, Table 4.2 factor analysis results showed that only one component, accounting for 71.045% of the variance in Clan Culture. All items had loadings greater than 0.7 and were thus retained for further analyses.

4.4.2 Factor Analysis for Adhocracy Culture

All of the constructions relevant to Adhocracy Culture methods are shown in Table 4.3 principal component matrix, which shows how the factors were loaded using the varimax rotation method. The study also included the Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin Measure of Sampling Adequacy in Table 4.3.

Table 4.3: Factor Analysis for Adhocracy Culture

Component Matrixa	Component 1
Our top management always allocate more resources for R&D	0.906
Every employee in our organization need instructions ..	0.908
Our top management leads in innovation and creativity to enhance service delivery.	0.894
Our internal hierarchy influence strategy implementation in the organization.	0.904
Our internal hierarchy influence strategy implementation ..	0.876
Our informal norms and rules which are followed by everyone influence strategy implementation.	0.926
our organization top management encourages risk taking, diversity, independence, and adaptability towards service delivery to enhance customers satisfaction.	0.910
We have clear communication channels in our organization.	0.918
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.897
Bartlett's Test of Sphericity, Approx. Chi-Square	2098.00
df	28
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	6.558
% of Variance	81.97
Cumulative %	81.97
Extraction Method: Principal Component Analysis. a 1 components extracted.	

Source: *Research Data, 2023*

The results in Table 4.3 of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy further substantiate the suitability of the data for factor analysis, with a KMO value of 0.897, significantly exceeding the acceptable threshold of 0.5. This indicates that the correlations between the variables are robust and ample for factor analysis. Moreover, Bartlett's Test of Sphericity yielded a highly significant chi-

square value of 2098.00 with a p-value of 0.000 ($p < 0.05$), affirming the presence of substantial relationships between the variables.

The findings showed that one main component, as indicated that 1 component was extracted. This suggests that the items related to Adhocracy Culture are closely related and can be summarized by a single underlying factor. Furthermore, this component explains a substantial proportion of the variability in these items, accounting for an impressive 81.97% of the total variance. Such a high percentage underscores the importance of this factor in capturing the essence of Adhocracy Culture within the organization.

The individual factor loadings for each item on this component are notably high, ranging from 0.876 to 0.926. These values significantly exceed the recommended threshold of 0.40, as suggested by Hair *et al.*, (2014). High factor loadings signify a strong association between the items and the underlying factor, reinforcing the notion that these items collectively represent a coherent construct of Adhocracy Culture. Regarding item retention, the majority of items demonstrate strong factor loadings, aligning with the recommended minimum of 0.40. Therefore, all items, except for three, were retained for further analysis. This decision reinforces the idea that most of these items collectively contribute to the single underlying Adhocracy Culture.

4.4.3 Factor Analysis for Hierarchy Culture

The study performed a factor analysis on the Hierarchy Culture. The findings are illustrated in table 4.4.

Table 4.4: Factor Analysis for Hierarchy Culture

	Component 1
The final goal of hierarchy culture is efficiency and effectiveness.	0.725
Our organization rules and regulations towards service quality is clearly stipulated.	0.693
Each activity towards service quality delivery is set with pre-defined procedures and rules.	0.742
We have clear communication channels in place towards customer's satisfaction.	0.839
We have stability, consistency, and reinforcement towards our key services to meet our key mandate.	0.875
The ultimate objective of a hierarchical culture is to achieve optimal efficiency and effectiveness.	0.886
Our organization prioritizes stability, reliability and support in order to successfully fulfill the primary goals and obligations.	0.832
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.87
Bartlett's Test of Sphericity, Approx. Chi-Square	2748.991
df	55
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	7.559
% of Variance	68.721
Cumulative %	68.721

Extraction Method: Principal Component Analysis.

a 1 components extracted.

Source: Research Data, 2023

Results in Table 4.4 shows Kaiser-Meyer-Olkin (KMO) of 0.87 indicating strong sampling adequacy and suggesting that the correlations between the variables are substantial and suitable for factor analysis. Bartlett's Test results, with a significant chi-square value and a p-value of 0.000 ($p < 0.05$), reinforce the existence of substantial relationships between the variables, further supporting the appropriateness of the data for factor analysis. 1 component was extracted suggesting that the items

associated with Hierarchy Culture are strongly interconnected and collectively represent a cohesive construct. This single component captures a substantial proportion of the total variance, explaining 68.721% of it. This high explanatory power underscores the significance of Hierarchy Culture as a fundamental aspect of organizational strategy development and execution.

The factor loadings for each of the seven items related to Hierarchy Culture are notably robust, surpassing the recommended threshold of 0.50, as advocated by Hair *et al.*, (2014). These high factor loadings signify a robust relationship between each item and the underlying factor, affirming that these items together form the construct of Hierarchy Culture. Thus, all eleven items pertaining to Hierarchy Culture are retained for further analysis. Their strong factor loadings substantiate their meaningful contribution to the single underlying factor Hierarchy Culture.

4.4.4 Factor Analysis for Market Culture

The analysis of Market Culture involved conducting the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity, as presented in Table 4.4.

Table 4.5: Factor Analysis for Market Culture

	Component 1
Our organization solve internal conflicts to avoid ineffective service delivery to customers.	0.674
Customers' interests are not ignored in decision making in our organization.	0.761
Our organization top management feel market changes and react promptly.	0.865
We endeavor in gathering customer and competitor information.	0.796
Our top managers enhance appropriate goal setting, planning and decision-making towards service quality delivery.	0.883
Our top management encourages open communication competition, competence, and achievement towards service quality for our customers.	0.825
Service quality delivery is our task focus leadership.	0.842
Competition and organizational goal achievement towards service is our main agenda.	0.856
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.862
Bartlett's Test of Sphericity, Approx. Chi-Square	2164.213
df	55
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	7.617
% of Variance	69.248
Cumulative %	69.248
Extraction Method: Principal Component Analysis.	
a 1 components extracted.	

Source: Research Data, 2023

The KMO measure yielded a value of 0.862, indicating an acceptable level of sampling adequacy. Additionally, the Bartlett's Test resulted in a significant chi-square (χ^2) value of approximately 2164.213, with a p-value of 0.000, and with 55 degrees of freedom. These findings signify that there are substantial correlations present within the data. Based on Field Data (2023), these results demonstrate that the data is suitable for factor analysis, specifically for examining Market Culture. The

KMO measure exceeding the threshold of 0.5 indicates that the sample size is adequate for conducting the analysis (Field, 2013).

The findings from Table 4.5, which presents the total variance explained for Market Culture, are as follows: The factor analysis resulted in two components with initial eigenvalues of 7.617. These components cumulatively explained 69.248% in Market Culture. This demonstrates that the derived components capture a substantial portion of the variability in Market Culture. These findings highlight the significant role of the identified components in explaining the variance in Market Culture.

After conducting the factor extraction and choosing the appropriate model, the second step in factor analysis and principal component analysis involved performing a Varimax rotation to identify the underlying factors of Market Culture. The goal was to transform the initial factors into new ones that are easier to interpret. The results are presented in Table 4.4.

The factor loadings in the rotated principal component matrix indicate the strength and direction of the relationship between each item and the underlying factors. In this analysis, it was found that 11 items exhibited high factor loading scores above the minimum recommended value of 0.40 or 0.5 (Hair *et al.*, 2014). These items demonstrated a significant contribution in explaining Market Culture and were retained for further analysis. The retained 11 items in the rotated principal component matrix represent the key factors associated with Market Culture.

4.4.5 Factor Analysis for Service quality

The factor analysis on the service quality activity involved assessing the sampling adequacy using the Kaiser-Meyer-Olkin (KMO) Measure and conducting the Bartlett's Test of Sphericity. Findings are shown in Table 4.6

Table 4.6: Factor Analysis for Service quality

	Component
	1
The airline adheres to its flight schedule.	0.644
We deliver services as promised.	0.717
The airline has state of the art latest aircrafts.	dropped
The staff uniform appears attractive.	0.769
Employee's behaviors instilled confidence to customer.	0.775
There's always some help no matter what is the problem.	dropped
The airline has a good safety record.	0.74
The airlines flight materials are visually appealing.	0.796
The airlines employees are willing to help passengers.	0.547
The airlines services are communicated consistently.	dropped
The airline gives individual attention to customers.	0.635
The airlines employees are respectful to its customers.	0.684
Employees are available to answer to customer requests.	0.75
The airline has visually appealing facilities.	dropped
Disabled, sick and infants are treated well.	0.757
The airlines check-in and boarding systems are efficient.	0.638
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.783
Bartlett's Test of Sphericity, Approx. Chi-Square	1821
df	45
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	6.598
% of Variance	65.98
Cumulative %	65.98
Extraction Method: Principal Component Analysis. a 1 components extracted.	

Source: Research Data, 2023

The results from Table 4.6 are as follows: The KMO Measure of Sampling Adequacy yielded a value of 0.783, which exceeds the recommended threshold of 0.5 (Hair *et al.*, 2010). This indicates that the sample size in relation to the measurement items for the service quality was adequate for factor analysis. The KMO value of 0.783 suggests that there is sufficient common variance among the variables, supporting the appropriateness of conducting the analysis.

Furthermore, the Bartlett's Test of Sphericity produced a significant chi-square value of approximately 1821.00, with 45 degrees of freedom and a p-value of 0.000. This indicates that the correlation matrix is not an identity matrix, demonstrating the presence of relationships among the items. The significant result of the Bartlett's Test suggests that the data is suitable for factor analysis and supports the detection of underlying structure within the Service quality. Based on these findings, it can be concluded that the data for the Service quality activity meets the criteria for factor analysis. The KMO Measure indicates sufficient sampling adequacy, while the significant Bartlett's Test result supports the presence of relationships among the items. This provides confidence in the subsequent factor analysis and the ability to identify meaningful factors within the Service quality.

Based on the eigenvalues, one component was derived from the service quality, in line with Leech *et al.*, (2013). The initial eigenvalues for the 1 component was 6.598, accounting for 65.98% of the variance, respectively. These eigenvalues indicate the amount of variance in the original variables accounted for by each component. The four eigenvalues surpass the accepted threshold value, suggesting that these components explain a substantial portion of the variance. The components

successfully account for a significant proportion of the variance, indicating their ability to capture the essence of the service quality.

The principal component analysis with Varimax rotation, as indicated in Table 4.9, aimed to identify the underlying factors by establishing the factor loadings for each of the 10 constructs within the service quality. The factor loadings represent the strength and direction of the relationship between each item and its corresponding factor. In this analysis, it was observed that 12 items exhibited factor loadings above the recommended threshold of 0.50 (Hair *et al.*, 2014), 4 items were dropped. This implies that these 10 items made a significant contribution to explaining the service quality and were deemed important for further analysis.

4.4.6 Factor Analysis for Organizational performance

The provided results in table 4.7 presents the results of a factor analysis conducted to understand the underlying structure of organizational performance at Jubba Airways Limited within the context of the study.

Table 4.7: Factor Analysis for Organizational performance at Jubba Airways Limited

	Component
	1
Total ticket sales have grown faster than that of our main competitors	0.894
In the last 3 years our profit have been increasing	0.851
The airline has seen an improvement in operational efficiency	0.932
Market share has increased faster than that of our main competitors	0.952
We have achieved better customer satisfaction on product quality compared with those of our competitors	0.94
Our ticketing service are better compared to those of our competitors	0.957
The airport staff and flight crew are well-mannered, prompt, expertise and helpful to travelers.	0.903
The airline has seen a consistent growth in domestic air traffic and cargo handling.	0.781
KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.846
Bartlett's Test of Sphericity, Approx. Chi-Square	2155.176
df	28
Sig.	0.000
Total Variance Explained	
Initial Eigenvalues	6.524
% of Variance	81.552
Cumulative %	81.552
Extraction Method: Principal Component Analysis. a 1 components extracted.	

4.5 Descriptive Statistics

This section provides the descriptive statistics of mean, standard deviation and percentages for all the study variables.

4.5.1 Descriptive Statistics for Clan Culture

The findings in Table 4.7 provide a comprehensive overview of how respondents in the study perceive Clan Culture in Jubba Airways Limited. Findings in Table 4.7 showed that On average, organization regularly conducts team building activities (Mean = 3.53, Std Dev = 1.319), with a slight variation in responses. Respondents had a moderately positive perception of cross-functional collaboration (Mean = 3.52, Std Dev = 1.276), indicating general agreement among participants. Managers were seen as playing a role in fostering unity, trust, and innovation (Mean = 3.46, Std Dev = 1.263), with relatively consistent responses. Respondents had a somewhat less positive perception of managers encouraging positive values (Mean = 3.24, Std Dev = 1.417), indicating more variability in responses. The culture encouraging employee loyalty and a sense of belonging received moderately positive feedback (Mean = 3.29, Std Dev = 1.345), with some variation in responses. On average, respondents agreed that the organization provides prior awareness on new strategies (Mean = 3.37, Std Dev = 1.361), with slight variability in perceptions. Respondents perceived that the organization encourages some degree of flexibility in employees during change processes (Mean = 3.29, Std Dev = 1.303), with varied responses.

Respondents generally agreed that the organization's change management policies are known to staff (Mean = 3.29, Std Dev = 1.320), with relatively consistent perceptions. The organization's encouragement of open communication was moderately positively perceived (Mean = 3.42, Std Dev = 1.416), with some variation in responses. Respondents reported a moderately positive perception of the clan culture (Mean = 2.945, Std Dev = 1.109), indicating some variability in how participants viewed this aspect of the Service quality.

Table 4.3: Descriptive Statistics for Clan Culture

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
Our organization regularly conducts team building activities.	3.530	1.319	-0.740	-0.758
Our organization encourages cross functional collaboration.	3.520	1.276	-0.623	-0.819
Our managers develop and create a spirit of unity, trust and innovation in the organization.	3.460	1.263	-0.781	-0.580
Managers encourage positive values in our organization.	3.240	1.417	-0.414	-1.251
Our culture encourages employee's loyalty and sense of belonging.	3.290	1.345	-0.533	-1.088
Our organization provides prior awareness on new strategies.	3.370	1.361	-0.628	-0.940
Our organization encourages certain degree of flexibility of employees in executing change processes.	3.290	1.303	-0.519	-1.004
Our organization has change management policies that are known to staff.	3.290	1.320	-0.395	-1.159
Our organization enhances open communication both upwards and downward.	3.420	1.416	-0.609	-1.069
Clan Culture	2.945	1.109	-0.041	-1.192

4.5.2 Descriptive Statistics for Adhocracy Culture

The findings presented in the Table 4.9 provide insights into the level of Adhocracy Culture within the Jubba Airways Limited. Findings revealed that employees perceive that the top management consistently allocates more resources for research and development (Mean = 3.37), but there is considerable variability in responses, as indicated by the relatively high standard deviation (Std Dev = 1.468). This suggests that while many employees may agree with this perception, there are also those who strongly disagree. Findings suggests that, on average, employees feel that they require

instructions and regulations to govern various processes within the organization (Mean = 3.29). The standard deviation (Std Dev = 1.379) signifies a degree of variation in how employees value the need for instructions and regulations, with some having a stronger need than others. Employees reported a moderately positive perception of top management leading in innovation and creativity to enhance service delivery (Mean = 3.43). However, the standard deviation (Std Dev = 1.196) indicates some variation in responses, suggesting that while most employees perceive top management's role positively, there are variations in the degree of agreement.

The findings suggests that, on average, respondents perceive a moderate influence of the internal hierarchy on strategy implementation (Mean = 3.21). The standard deviation (Std Dev = 1.279) implies that there is variability in how employees view this influence, with some seeing it more positively than others. On average, employees perceive that informal norms and rules followed by everyone influence strategy implementation (Mean = 3.33). The standard deviation (Std Dev = 1.233) suggests that there is some variability in responses, indicating that some employees might view this influence more positively or negatively.

The findings indicates that top management is perceived as encouraging risk-taking, diversity, independence, and adaptability towards service delivery to enhance customer satisfaction, with a mean score of 3.20. The standard deviation (Std Dev = 1.327) implies that there is a degree of variability in how employees perceive this encouragement, with some expressing stronger agreement or disagreement. Respondents reported a moderately positive perception of clear communication channels within the organization (Mean = 3.17). However, the standard deviation (Std

Dev = 1.309) suggests that there is some variation in how employees perceive the clarity of communication channels. The overall perception of Adhocracy Culture within the organization received a mean score of 3.008. The standard deviation (Std Dev = 1.101) indicates some variability in how participants view this aspect of the Service quality.

Table 4.9: Descriptive Statistics for Adhocracy Culture

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
Our top management always allocate more resources for research and development.	3.370	1.468	-0.378	-1.388
Every employee in our organization need instructions and regulations to govern every process.	3.290	1.379	-0.641	-1.052
Our top management leads in innovation and creativity to enhance service delivery.	3.430	1.196	-0.598	-0.907
Our internal hierarchy influence strategy implementation in the organization.	3.210	1.279	-0.372	-1.243
Our internal hierarchy influence strategy implementation in the organization.	3.170	1.301	-0.448	-1.184
Our informal norms and rules which are followed by everyone influence strategy implementation.	3.330	1.233	-0.584	-0.882
our organization top management encourages risk taking, diversity, independence, and adaptability towards service delivery to enhance customers satisfaction.	3.200	1.327	-0.539	-1.102
We have clear communication channels in our organization.	3.170	1.309	-0.569	-1.185
Adhocracy Culture	3.008	1.101	-0.090	-1.268

Source: *Research Data, 2023*

4.5.3 Descriptive Statistics for Hierarchy Culture

The descriptive statistics for hierarchy culture, with means and standard deviations in parentheses, offer valuable insights into how employees perceive hierarchy culture within the Jubba Airways Limited. Employees perceive that the final goal of the

hierarchy culture is to achieve efficiency and effectiveness (Mean = 3.38, Std Dev = 1.219). On average, employees believe that the organization's rules and regulations regarding service quality are clearly stipulated (Mean = 3.43, Std Dev = 1.189). The findings indicates that, on average, employees perceive that pre-defined procedures and rules guide each activity related to service quality delivery ((Mean = 3.38, Std Dev = 1.192). Employees, on average, believe that the organization has clear communication channels in place to ensure customer satisfaction ((Mean = 3.47, Std Dev = 1.211). Respondents perceive that the organization prioritizes stability, consistency, and reinforcement to meet its key mandate ((Mean = 3.67, Std Dev = 0.996). Employees perceive that the ultimate objective of a hierarchical culture is to achieve optimal efficiency and effectiveness ((Mean = 3.62, Std Dev = 1.102). On average, the organization places a high value on stability, reliability, and support to successfully fulfill its primary goals and obligations ((Mean = 3.53, Std Dev = 1.100). The overall perception of hierarchy culture within the organization received (Mean = 3.066, Std Dev = 1.042).

Table 4.4: Descriptive Statistics for Hierarchy Culture

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
The final goal of hierarchy culture is efficiency and effectiveness.	3.380	1.219	-0.688	-0.529
Our organization rules and regulations towards service quality is clearly stipulated.	3.430	1.189	-0.769	-0.415
Each activity towards service quality delivery is set with pre-defined procedures and rules.	3.380	1.192	-0.806	-0.405
We have clear communication channels in place towards customer's satisfaction.	3.470	1.211	-0.693	-0.517
We have stability, consistency, and reinforcement towards our key services to meet our key mandate.	3.670	0.996	-1.360	1.646
The ultimate objective of a hierarchical culture is to achieve optimal efficiency and effectiveness.	3.620	1.102	-1.092	0.354
Our organization prioritizes stability, reliability and support in order to successfully fulfill the primary goals and obligations.	3.530	1.100	-0.924	0.305
Hierarchy Culture	3.066	1.042	-0.104	-1.057

Source: *Research Data, 2023*

4.5.4 Descriptive Statistics for Market Culture

The descriptive statistics for market culture provide insights into how employees perceive the Jubba Airways Limited's approach to market culture. On average, employees perceive that the organization takes measures to resolve internal conflicts in order to prevent ineffective service delivery to customers ((Mean = 3.21, Std Dev = 1.336). The findings indicates that, on average, customers' interests are not ignored in the decision-making process within the organization ((Mean = 3.52, Std Dev = 1.086). Employees perceive that the top management of the organization is responsive to

market changes and reacts promptly (Mean = 3.59, Std Dev = 1.068). On average, the organization is seen as actively gathering information about customers and competitors ((Mean = 3.44, Std Dev = 1.135). Employees perceive that top managers play a role in enhancing appropriate goal setting, planning, and decision-making toward service quality delivery ((Mean = 3.32, Std Dev = 1.171). The findings suggests that, on average, top management encourages open communication, competition, competence, and achievement in the context of service quality for customers ((Mean = 3.37, Std Dev = 1.237). Employees perceive that service quality delivery is a key focus of leadership within the organization (Mean = 3.34, Std Dev = 1.227). On average, the organization places emphasis on competition and the achievement of organizational goals in the context of service delivery (Mean = 3.31, Std Dev = 1.274). The overall perception of market culture within the organization received a mean score of 3.559.

Table 4.51: Descriptive Statistics for Market Culture

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
Our organization solves internal conflicts to avoid ineffective service delivery to customers.	3.210	1.336	-0.585	-1.140
Customers' interests are not ignored in decision making in our organization.	3.520	1.086	-0.938	0.109
Our organization top management feel market changes and react promptly.	3.590	1.068	-0.872	-0.188
We endeavor in gathering customer and competitor information.	3.440	1.135	-0.610	-0.802
Our top managers enhance appropriate goal setting, planning and decision-making towards service quality delivery.	3.320	1.171	-0.584	-0.672
Our top management encourages open communication competition, competence, and achievement towards service quality for our customers.	3.370	1.237	-0.677	-0.681
Service quality delivery is our task focus leadership.	3.340	1.227	-0.601	-0.838
Competition and organizational goal achievement towards service is our main agenda.	3.310	1.274	-0.578	-0.922
Market Culture	3.559	0.914	-0.554	-0.422

Source: Research Data, 2023

4.5.5 Descriptive Statistics for Service quality

The primary focus of this research is to investigate the moderating effect of Service quality on the relationship between corporate culture and the performance of the Jubba Airways Limited. To achieve this, the study examines the descriptive statistics related to Service quality, as presented in Table 4.12. Findings showed that employees the airline consistently adheres to its flight schedule (Mean = 3.67, Std Dev = 1.026), willing to help passengers ((Mean = 3.70, Std Dev = 1.105) and delivers services as promised (Mean = 3.52, Std Dev = 1.122). Also, the staff uniform is seen as

attractive (Mean = 3.53, Std Dev = 1.056) and employees' behaviors are perceived as instilling confidence in customers ((Mean = 3.59, Std Dev = 1.112). The airline is perceived as having a good safety record (Mean = 3.62, Std Dev = 1.172). The airline's flight materials are considered visually appealing ((Mean = 3.62, Std Dev = 1.087).

However, results showed that the airline is seen as giving less individual attention to customers ((Mean = 3.33, Std Dev = 1.332), not fully being respectful towards customers (Mean = 3.33, Std Dev = 1.414), having employees less available to answer customer requests (Mean = 3.22, Std Dev = 1.332), less treating disabled, sick, and infants well (Mean = 3.32, Std Dev = 1.231) and moderately check-in and boarding systems are perceived as efficient (Mean = 3.46, Std Dev = 1.204). The overall perception of Service Quality received a mean score of 3.421.

Table 4.62: Descriptive Statistics for Service quality

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
The airline adheres to its flight schedule.	3.670	1.026	-0.888	0.484
We deliver services as promised.	3.520	1.122	-0.733	-0.541
The staff uniform appears attractive.	3.530	1.056	-0.913	0.207
Employee's behaviors instilled confidence to customer.	3.590	1.112	-0.862	0.099
The airline has a good safety record.	3.620	1.172	-0.670	-0.603
The airlines flight materials are visually appealing.	3.620	1.087	-0.710	-0.286
The airlines employees are willing to help passengers.	3.700	1.105	-1.221	0.801
The airline gives individual attention to customers.	3.330	1.332	-0.867	-0.734
The airlines employees are respectful to its customers.	3.330	1.414	-0.697	-0.960
Employees are available to answer to customer requests.	3.220	1.332	-0.561	-1.007
Disabled, sick and infants are treated well.	3.320	1.231	-0.734	-0.570
The airlines check-in and boarding systems are efficient.	3.460	1.204	-0.869	-0.234
Service Quality	3.421	1.039	-0.903	0.002

4.5.6 Descriptive Statistics for Organizational performance at Jubba Airways Limited

Organizational performance at Jubba Airways Limited encompasses various aspects, including sales and profit growth, market expansion, capital growth, and customer loyalty. The data presented in Table 4.13 sheds light on employees' perceptions of the organization's performance in this key area. Employees at Jubba Airways generally believe that the company's total ticket sales have experienced moderate growth in comparison to their main competitors (Mean = 3.09, Std Dev = 1.132). Over the last

three years, the organization's profitability is perceived to have moderately increased by the employees (Mean = 3.02, Std Dev = 1.103). There is a prevailing perception among employees that the organization has made moderate strides in enhancing its operational efficiency, which can contribute to overall effectiveness ((Mean = 3.02, Std Dev = 1.135). Employees express a belief that the organization's market share has not been expanding at a faster rate than that of its primary competitors, indicating a less competitive advantage in the market ((Mean = 2.98, Std Dev = 1.183). A general sentiment within the workforce is that customers are less satisfied with the quality of the organization's products compared to those of its rivals, reflecting a commitment to delivering quality ((Mean = 3.14, Std Dev = 1.276). Employees perceive that the organization's ticketing services outshine those of competitors, highlighting a competitive edge in customer service (Mean = 3.17, Std Dev = 1.321). The airport staff and flight crew are characterized as courteous, prompt, knowledgeable, and helpful, reinforcing the importance of quality service ((Mean = 3.29, Std Dev = 1.245).

There is a prevailing perception that the organization has witnessed consistent low growth in domestic air traffic and cargo handling (Mean = 2.99, Std Dev = 1.217). When considering all these aspects collectively, the average perception of organizational performance is reasonably moderate ((Mean = 3.075, Std Dev = 1.085)

Table 4.7: Descriptive Statistics for Organizational performance at Jubba Airways Limited

n=126	Std.			
	Mean	Deviation	Skewness	Kurtosis
Total ticket sales have grown faster than that of our main competitors	3.090	1.132	-0.208	-0.930
In the last 3 years our profit have been increasing	3.020	1.103	0.041	-0.715
The airline has seen an improvement in operational efficiency	3.020	1.135	-0.014	-0.984
Market share has increased faster than that of our main competitors	2.980	1.183	-0.101	-0.946
We have achieved better customer satisfaction on product quality compared with those of our competitors	3.140	1.276	0.057	-1.081
Our ticketing service are better compared to those of our competitors	3.170	1.321	0.074	-1.191
The airport staff and flight crew are well-mannered, prompt, expertise and helpful to travelers.	3.290	1.245	-0.029	-1.115
The airline has seen a consistent growth in domestic air traffic and cargo handling.	2.990	1.217	0.259	-1.024
organizational performance	3.075	1.085	0.152	-1.098

Source: *Research Data, 2023*

4.6 Assumption of Regression Model

4.6.1 Normality

This study performed normality tests using the widely used Kolmogorov-Smirnov and Shapiro-Wilk methods to make sure the data were appropriate for multivariate analysis. These techniques were advised by Ghasemi and Zahediasi (2012) and Garson (2012). Table 4.14 results demonstrate that the data's normality was not in question because the K-S and S-W tests for each variable were not significant. As a result, multivariate analysis was found appropriate for the data distribution in this investigation.

Table 4.8: Normality Test

	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Unstandardized Residual	0.036	126	.200*	0.994	126	0.611
Standardized Residual	0.036	126	.200*	0.994	126	0.611
Studentized Residual	0.036	126	.200*	0.994	126	0.611

* This is a lower bound of the true significance.

a Lilliefors Significance Correction

Source: Survey Data, 2023

4.6.2 Multicollinearity

When the independent variables have a high correlation with one another, multicollinearity occurs. The correlation matrix, which calculates the Pearson's bivariate correlations among all independent variables, is one of the approaches available to test for multicollinearity. The magnitude of the correlation coefficients must be less than 0.80 to rule out multicollinearity. The Variance Inflation Factor (VIF), another technique, shows how much the variation in regression estimates rises as a result of multicollinearity. When VIF values above 10, multicollinearity is likely to be present. Furthermore, multicollinearity is indicated by tolerance values of less than 0.1. The findings in Table 4.15 showed that all of the independent variables' VIF values were under 10. In light of this, there was no proof of multicollinearity for all predictor variables .

Table 4.9: Multicollinearity

	Collinearity Statistics	
	Tolerance	VIF
Clan Culture	0.387	2.583
Adhocracy Culture	0.325	3.075
Hierarchy Culture	0.410	2.441
Market Culture	0.597	1.675
Service quality	0.655	1.526

a Dependent Variable: Organizational performance

Source: Survey Data, 2023

4.6.3 Linearity Test

ANOVA is one of many tests offered by SPSS that is capable of being used to evaluate the linearity assumption (Field, 2009; Garson, 2012). According to the general rule, an ANOVA's p-value of less than 0.05 indicates that the correlation between independent variables is linear, and a p-value of more than 0.05 indicates that the association deviates from linearity (Hair *et al.*, 2010).

According to table 4.16, which summarizes the results of the linearity tests, there is a linear relationship between Organizational performance and Clan Culture ($F = 259.751$, $p = .000$), Adhocracy Culture ($F = 212.254$, $p = .000$), and Hierarchy Culture ($F = 199.727$, $p = .000$). The overall results indicate that all independent variables and the dependent variable (Organizational performance) have a substantial linear connection. This result shows that the linearity assumption is valid, allowing regression analysis to be used to establish the cause-and-effect relationship between the variables under consideration.

Table 4.16: Linearity Test

		ANOVA for linearity	
		F	Sig.
Organizational performance	* Clan Culture	259.751	0.000
Organizational performance	* Adhocracy Culture	212.254	0.000
Organizational performance	* Hierarchy Culture	199.727	0.000
Organizational performance	* Market Culture	317.001	0.000
Organizational performance	* Service quality	201.421	0.000

Source: Survey Data, 2023

4.6.4 Heteroscedasticity Test

Homoscedasticity is the property of errors having an equal variance at all levels of independent variables (Williams *et al.*, 2013). Levene's test, which assesses whether the variance of independent and dependent variables is equal, was employed in this work to determine heteroscedasticity. It is implied that the group variances are not homoscedastic and are therefore unequal or heteroscedastic if the p-value of the Levene's test is statistically significant at $\alpha = 0.05$ (i.e., less than 0.05), which violates a fundamental tenet of linear regression models. Levene's statistic was used to calculate the p-values for each variable, and the results are displayed in Table 4.17. This shows that homoscedasticity is not a problem.

Table 4.17: Heteroscedasticity Test

	Levene Statistic	df1	df2	Sig.
Organizational performance	2.141	2	123	0.095
Clan Culture	2.385	2	123	0.069
Adhocracy Culture	1.437	2	123	0.232
Hierarchy Culture	2.033	2	123	0.110
Market Culture	1.855	2	123	0.137
Service quality	0.335	2	123	0.563

Source: Survey Data, 2023

4.7 Correlation Analysis

Correlation analysis is used to determine the relationship between two variables. The strength of the relationship is measured by the correlation coefficient, which can range from -1 to 1. A positive correlation means that the two variables move in the same direction, while a negative correlation means that they move in opposite directions. A correlation of 0 means that there is no relationship between the two variables. Table 4.18 illustrates the correlation results. From the findings in table 4.16, the relationship between clan culture and organizational performance was found to be positive and significant, $\rho = 0.842$, p -value < 0.01 . Furthermore, the relationship between adhocracy culture and organizational performance was found to be positive and significant, $\rho = 0.793$, p -value < 0.01 . The findings also showed that the relationship between hierarchy culture and organizational performance is positive and significant, $\rho = 0.848$, p -value < 0.01 . Additionally, there was positive and significant correlation between service quality and organizational performance, $\rho = 0.545$, p -value < 0.01 .

Table 4.18: Correlation Analysis

N =169		OP	CC	AC	HC	MC	SQ
Organizational performance (OP)	Pearson Correlation Sig. (2-tailed)	1					
Clan Culture (CC)	Pearson Correlation Sig. (2-tailed)	.728** 0.000	1				
Adhocracy Culture (AC)	Pearson Correlation Sig. (2-tailed)	.734** 0.000	.759** 0.000	1			
Hierarchy Culture(HC)	Pearson Correlation Sig. (2-tailed)	.655** 0.000	.639** 0.000	.716** 0.000	1		
Market Culture(MC)	Pearson Correlation Sig. (2-tailed)	.414** 0.000	.492** 0.000	.500** 0.000	.583** 0.000	1	
Service quality(SQ)	Pearson Correlation Sig. (2-tailed)	.561** 0.000	.509** 0.000	.513** 0.000	.449** 0.000	.473** 0.000	1

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

Source: Survey Data, 2023

4.8 Regression Analysis

4.8.1 Model Summary

The model summary provides information about the model fit, including the R-squared value, the adjusted R-squared value, the F-statistic, and the p-value for the F-statistic. The R-squared value indicates the percentage of the variance in the dependent variable that is explained by the model. The adjusted R-squared value adjusts for the number of independent variables in the model. The F-statistic is a measure of how well the model fits the data. The p-value for the F-statistic is the probability that the model is a good fit for the data. Table 4.17 illustrates the model summary.

Table 4.1910: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.906a	0.821	0.815	0.46723

a Predictors: (Constant), age , level of education, Market Culture, Adhocracy Culture, Hierarchy Culture, Clan Culture

Source: Survey Data, 2023

Findings in Table 4.19 shows that the collective influence of the variables, including hierarchy culture, clan culture, adhocracy culture, and market culture, explains approximately 81.8% of the total variance in organizational performance ($R^2 = .818$, Adjusted $R^2 = .811$). The Adjusted R^2 value, which accounts for the number of significant predictors in the model, is slightly lower at .811, but it still indicates a strong fit of the model. This suggests that the model's predictors are robust in explaining organizational performance while considering potential over fitting issues. In practical terms, this means that the combination of hierarchy culture, clan culture, adhocracy culture, and market culture has a significant and positive effect on organizational performance, as demonstrated by the high R^2 and Adjusted R^2 value.

4.8.2 ANOVA Model

The ANOVA model is a statistical model that is used to analyze the variance in a data set. This model is used to explain the variation in the dependent variable by the independent variables. The model is also used to test the hypothesis that the means of the dependent variable are equal. Table 4.20 highlights the ANOVA model.

Table 4.20: ANOVA Model

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	120.775	4	30.194	138.311	.000b
	Residual	26.415	121	0.218		
	Total	147.19	125			

a Dependent Variable: Organizational performance

b Predictors: (Constant), age, level of education Market Culture, Adhocracy Culture, Hierarchy Culture, Clan Culture

Source: Survey Data, 2023

The ANOVA model finding displayed in Table 4.21, indicate that the combined effect of these independent variables on organizational performance is statistically significant. The F-statistic, which is 138.311 with a p-value of .000, confirms this significance. In ANOVA, the F-statistic tests whether the variance explained by the model (Regression) is significantly greater than the unexplained variance (Residual). In this case, the F-statistic is high, and the associated p-value is very low, suggesting that the model is indeed fit for predicting organizational performance based on the factors of hierarchy culture, clan culture, adhocracy culture, and market culture.

4.8.3 Hypotheses Testing and Discussion

The null hypothesis (H_{01}) proposed that there is no significant influence of Clan Culture on organizational performance at Jubba Airways Limited at Jubba Airways Limited. However, the research findings revealed that clan culture had coefficients of estimate (β_1) of 0.456, and the associated p-value was 0.000, which is less than the significance level α of 0.05. This means that the null hypothesis was rejected; indicating that clan culture indeed has a significant and positive effect on performance

of Jubba Airways Limited in Kenya. For every unit increase in Clan Culture, there was an associated increase in Organizational performance at Jubba Airways Limited of up to 0.456 units. The research findings strongly support the notion that clan culture has a significant and positive effect on Organizational performance at Jubba Airways Limited in Kenya. This conclusion aligns harmoniously with the broader body of research that delves into the profound impact of Clan Culture on organizational performance at Jubba Airways Limited.

The null hypothesis (H_{02}) posited that there is no significant influence of Adhocracy Culture on organizational performance at Jubba Airways Limited at Jubba Airways Limited. However, the research results unequivocally paint a different picture, revealing that Adhocracy Culture is indeed a potent driver of performance. The empirical analysis yielded a substantial coefficient estimate ($\beta_2 = 0.346$) for Adhocracy Culture, accompanied by a strikingly low p-value (p-value = 0.000). This p-value falls well below the widely accepted significance level α of 0.05. Consequently, the null hypothesis must be resolutely rejected, decisively affirming that Adhocracy Culture exerts a significant and decidedly positive effect on Organizational performance at Jubba Airways Limited. It's noteworthy that each unit increase in Adhocracy Culture corresponds to a commendable uptick in Organizational performance at Jubba Airways Limited, specifically by 0.346 units. The study's findings align with and extend the insights from prior empirical research in the field of Adhocracy Culture.

The null hypothesis (h_{03}) suggested that there is no significant influence of hierarchy culture on organizational performance at Jubba airways limited. However, the

research findings contradicted this hypothesis. The coefficients of estimate for hierarchy culture were found to be statistically significant, with $\beta_3 = 0.198$ And a p-value of 0.003 (less than $\alpha = 0.05$). As a result, the null hypothesis was rejected, signifying that hierarchy culture indeed has a significant and positive effect on organizational performance at Jubba airways limited. For each unit increase in hierarchy culture, there was an associated increase in organizational performance at Jubba airways limited of up to 0.198 unit. The findings strongly align with previous studies that market culture had significant effect on organizational performance at Jubba airways limited. The research findings from the current study, which reject the null hypothesis and affirm the significant and positive impact of hierarchy culture on organizational performance at Jubba airways limited in Kenya, are notably consistent with a body of prior research. These previous studies contribute to a broader understanding of the importance of market culture in enhancing organizational performance at Jubba airways limited.

Hypothesis (H_{04}), which stated that there is no significant influence of market culture on organizational performance at Jubba airways limited, the findings indicate that the coefficient of estimate for market culture is $\beta_4 = -0.026$. However, the associated p-value is 0.675, which is greater than the significance level ($\alpha = 0.05$). Since the p-value (0.675) is greater than the chosen significance level (0.05), the study fails to reject the null hypothesis. This suggests that market culture does not have a statistically significant effect on performance of Jubba airways limited, Kenya. The study's findings, which suggest that market culture does not have a statistically significant effect on the performance of the Jubba airways limited in Kenya, appear to disagree with the insights provided by the empirical review of the mentioned studies..

Table 4.21: Coefficients of Estimate

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	0.234	0.192		1.217	0.226
Age	0.023	0.010	0.098	2.376	0.018
Level of education	0.002	0.014	0.007	0.160	0.873
Clan Culture	0.439	0.073	0.456	6.022	0.000
Adhocracy Culture	0.336	0.073	0.346	4.594	0.000
Hierarchy Culture	0.204	0.066	0.198	3.069	0.003
Market Culture	-0.026	0.061	-0.022	-0.420	0.675

a Dependent Variable: Organizational performance

Source: Survey Data, 2023

4.9 Hierarchical Regression Analysis (Moderating effect)

The study sought to determine the moderating effect of service quality on the relationship between clan culture, adhocracy culture, hierarchy culture and market culture and organizational performance at Jubba Airways Limited. A hierarchical regression model was employed to determine the moderation. The findings are shown in Table 4.22.

For H_{05a} , the analysis indicates that service quality significantly moderates the relationship between clan culture and organizational performance (CC*OP) at Jubba Airways Limited. The significant positive moderating effect of service quality on the relationship between clan culture ($\beta = 0.97$, $p < 0.05$) indicates that the positive effect of clan culture on Organizational performance at Jubba Airways Limited strengthens when service quality is high. The R-squared change ($R^2\Delta = 0.026$) demonstrates that the introduction of service quality in the model explains an additional 2.6% variance in organizational performance at Jubba Airways Limited. Thus, therefore, H_{05a} is accepted, indicating that service quality does have a significant moderating effect on

the relationship between clan culture and organizational performance at Jubba Airways Limited.

In model 5, results showed that service quality significantly moderates the relationship between adhocracy culture (AC) and organizational performance at Jubba Airways Limited. The significant negative interaction term between Service quality and adhocracy culture (AC*SQ) ($\beta = 0.72$, $p < 0.05$) implies that the positive effect of adhocracy cultures on compliance strengthens when service quality is high. The R-squared change ($R^2\Delta = 0.025$) shows that the inclusion of service quality in the model explains an additional 2.5% variance in organizational performance at Jubba Airways Limited. Therefore, H_{05b} is rejected, indicating that service quality does have a significant moderating effect on the relationship between adhocracy culture and organizational performance at Jubba Airways Limited.

For H_{05c} , the results in model 6 indicate that service quality does not significantly moderate the relationship between hierarchy culture (HC) and organizational performance at Jubba Airways Limited. The non-significant interaction term between service quality and hierarchy culture (HC * SQ) ($\beta = -0.01$, $p > 0.05$) implies that the effect of service quality on the relationship is not substantial. The R-squared change ($R^2\Delta = 0.00$) indicates that the inclusion of service quality in the model has a minimal impact on the variance explained by organizational performance at Jubba Airways Limited. Therefore, H_{05c} is accepted, indicating that service quality does not have a significant moderating effect on the relationship between hierarchy culture and organizational performance at Jubba Airways Limited.

For H_{05d} , the results in model 7 indicate that service quality does significantly moderate the relationship between market culture (MC) and organizational performance at Jubba Airways Limited. The significant interaction term between service quality and market culture (MC * SQ) implies that the effect of service quality on the relationship is significant ($\beta = 0.51, p < 0.05$). Therefore, The R-squared change ($R^2\Delta = 0.020$) indicates that the inclusion of service quality in the model has a impact on the variance explained by organizational performance at Jubba Airways Limited thus H_{05d} is rejected. This indicates that service quality does have a significant moderating effect on the relationship between hierarchy culture and organizational performance at Jubba Airways Limited.

Table 4.22: Hierarchical Regression Analysis

DV=OP	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	β (s.e)	β (s.e)	β (s.e)	β (s.e)	β (s.e)	β (s.e)
(Constant)	0.04(.06)	0.04(0.05)	0.01(0.04)	-0.02(0.03)	-0.02(0.03)	(-0.03(0.03)
Age	-0.03(0.04)	-0.03(0.04)	-0.00(0.04)	-0.01(0.04)	-0.01(0.04)	-0.01(0.04)
Level of education	0.06(0.05)	0.07(0.05)	0.04(0.05)	0.03(0.05)	0.03(0.05)	0.04(0.05)
Zscore(CC)	0.44(.06)**	0.12(0.05)*	-0.34(0.04)**	-0.22(0.04)**	-0.23(0.05)**	-0.18(0.04)**
Zscore(AC)	0.34(.07)**	0.13(.06)*	0.10(0.04)*	-0.22(0.05)**	(-0.24(0.06)**	-0.19(0.05)**
Zscore(HC)	0.20(.06)**	0.21(.07)*	0.14(0.05)*	0.23(0.04)*	0.23(0.04)*	-0.15(0.05)**
Zscore(MC)	-0.02(0.07)	0.09(.06)	0.10(0.04)*	0.12(0.04)**	0.15(0.07)*	0.22(0.06)**
Zscore(SQ)		0.57(0.07)**	-0.05(0.07)	-0.23(0.06)**	(-0.22(0.06)**	-0.21(0.06)**
Zscore(CC*SQ)			0.97(0.07)**	0.58(0.07)**	0.60(0.08)**	(0.51(0.07)**
Zscore(AC*SQ)				0.72(0.07)**	0.75(0.09)**	0.57(0.09)**
Zscore(HC*SQ)					-0.07(0.11)	-0.24(0.11)*
Zscore(MC*SQ)						0.51(0.08)**
Model Summary						
R Square	0.821	0.872	0.898	0.923	0.923	0.943
Adjusted R Square	0.819	0.869	0.893	0.913	0.913	0.942
Std. Error of the Estimate	0.909	0.794	0.580	0.486	0.487	0.446
Change Statistics						
R Square Change	0.340	0.051	0.026	0.025	0.000	0.020
F Change	35.262	84.244	231.732	113.177	0.429	51.287
df1	4	1	1	1	1	1
df2	266	265	264	263	262	261
Sig. F Change	0.000	0.000	0.000	0.000	0.513	0.000

Source: Survey Data, 2023

4.10 Discussion of the Findings

The results of the study at Jubba Airways Limited reveal the significant and positive impact of clan culture on the organization's performance in Kenya's aviation industry. This finding aligns with a growing body of research investigating clan culture's influence on performance across diverse industries and contexts. In comparison, Xiong *et al.*, (2021) present a more complex picture of clan culture's effects, demonstrating that while a strong clan culture can hinder the financial performance of Private-Owned Enterprises (POEs), it enhances the social performance, particularly in terms of employees' well-being. This variation underscores the context-dependent nature of clan culture's influence. Joseph and Kibera (2019) also find a positive relationship between clan culture and performance, extending the evidence beyond one industry or region. Chege *et al.*, (2022) expand the exploration to the education sector, showing that clan culture significantly associates with multiple dimensions of university performance. Mgumba *et al.*, (2023) further substantiate clan culture's influence on non-market performance, emphasizing its relevance across diverse organizations. In summary, Jubba Airways Limited's findings, in harmony with previous studies, underscore the multifaceted role of clan culture in organizational performance and highlight the importance of considering each organization's unique context when assessing this impact, contributing to a comprehensive understanding of clan culture's role across industries and settings.

The results obtained from the study at Jubba Airways Limited indicate a significant and distinctly positive influence of adhocracy culture on the organization's performance, emphasizing the constructive role this culture plays in the company's context. This finding resonates with prior research, including Mchaizi *et al.*, (2023),

who found a favorable and substantial impact of adhocracy culture strategy on the performance of public universities in Western Kenya. Similarly, Misigo *et al.*, (2019) reported positive results from regression analysis, signifying a beneficial effect of adhocracy culture on organizational performance. Naranjo-Valencia *et al.*, (2016) highlighted the dual nature of organizational culture, which can either foster innovation and performance or impede them, depending on the cultural values. Moreover, they identified adhocracy culture as the most influential predictor of performance. Additionally, Felipe *et al.*, (2017) revealed a positive relationship between adhocracy culture and firm productivity, further supporting the positive impacts of adhocracy culture on performance. The findings from Zeb *et al.*, (2021) reinforce the statistical appropriateness of adhocracy culture in predicting performance and promoting innovation within the organization. These collective results reaffirm the importance of adhocracy culture in enhancing organizational performance across various contexts and industries.

The results of the study conducted at Jubba Airways Limited underscore the significant and positive impact of hierarchy culture on the organization's overall performance, in line with findings by Kuark and Yang (2016) and Al Dari *et al.*, (2021). Both studies revealed hierarchy culture's positive influence on organizational effectiveness and its role in predicting organizational learning behavior. However, it's important to consider GÜL's (2023) cautionary note that hierarchy culture may bring about rigidity, bureaucratic processes, and resistance to change, which can hinder innovation and adaptability and create communication and collaboration challenges. Hence, while hierarchy culture contributes positively to organizational performance, a

balanced approach that considers its benefits and potential limitations is essential in different organizational contexts and industries.

Contrary to the findings of the study, which suggest that market culture does not have a statistically significant effect on the performance of Jubba Airways Limited in Kenya, prior research by Khedhaouria *et al.*, (2020) and Reino *et al.*, (2020) revealed that market culture significantly influences the performance of small firms by fostering innovative and proactive behaviors. However, it's important to note that market culture's influence is not driven by strong normative pressure. Instead, it encourages innovative, risk-taking, and proactive behaviors, fostering a competitive atmosphere among members that drives creative behaviors and personal initiative, particularly in small businesses. This suggests that the absence of significant market culture effects on Jubba Airways Limited's performance could be due to the unique context and dynamics of the aviation industry in Kenya.

The hierarchical regression analysis highlighting the significant role of service quality as a moderator in the relationships between organizational cultures and overall organizational performance at Jubba Airways Limited aligns with the broader discourse on organizational culture and service quality. Studies such as Chmielewska, Stokwizewski, Markowska, & Hermanowski (2022) have emphasized the substantial influence of organizational culture on service quality within an organization. This connection underscores the importance of how the prevailing culture can either promote or hinder service quality. Moreover, the findings from Alghamdi (2018) further reinforce this connection by revealing a statistically significant and positive relationship between service quality, especially when influenced by clan and market

culture, and organizational performance. This suggests that a conducive organizational culture, in conjunction with service quality, can drive superior performance outcomes. Famiyeh *et al.*, (2018) delved into the mediating role of employee organizational commitment, underscoring that organizational culture, beyond its direct impact, can indirectly affect organizational performance. This indirect influence highlights the critical importance of fostering a culture that aligns with organizational values and employee commitment. The observations from Akpa (2021), which emphasize the positive relationship between employee commitment and organizational values, further stress the notion that a well-crafted organizational culture can lead to better performance. Furthermore, Sese (2023) highlights the broader impact of service quality, demonstrating its potential in fostering a robust safety culture within the aviation industry. This illustrates the cascading effects of service quality on various aspects of organizational functioning. In line with these findings, Chung and Tan (2022) underscore the importance of adopting a comprehensive and systematic approach to measuring and enhancing service quality and organizational performance. Their emphasis on the use of various tools and methodologies aligns with the idea that service quality and organizational culture are intertwined, influencing each other and collectively shaping organizational performance. Consequently, the hierarchical regression analysis at Jubba Airways Limited provides valuable insights into how service quality acts as a moderator, bridging the gap between organizational cultures and overall organizational performance, as supported by the existing literature.

4.11 Hypotheses Testing

Table 4.21 presents the summary of the hypothesis and whether they were rejected or not rejected.

Table 4.23: Hypotheses Test and Results

Hypothesis Formulated	Beta (β)	ρ – values	R ²	Decision
Main Effects				
H₀₁ : Clan culture has no significant effect on organizational performance at Jubba Airways Limited.	0.456	0.000		Rejected
H₀₂ : Adhocracy culture has no significant effect on organizational performance at Jubba Airways Limited.	0.346	0.000	0.821	Rejected
H₀₃ : Hierarchy culture has no significant effect on organizational performance at Jubba Airways Limited.	0.198	0.003		Rejected
H₀₄ : Market culture has no significant effect on organizational performance at Jubba Airways Limited.	-0.022	0.675		Rejected
Moderation –Service Quality				
	Beta (β)	ρ – values	R²Δ	
H_{05a} . There is no statistically significant moderating effect of service quality on the relationship between clan culture and organizational performance at Jubba Airways Limited	0.97	P<0.05	0.026	Rejected
H_{05b} . There is no statistically significant moderating effect of service quality on the relationship between adhocracy culture and organizational performance at Jubba Airways Limited.	0.72	P<0.05	0.025	Rejected
H_{05c} . There is no statistically significant moderating effect of service quality on the relationship between hierarchy culture and organizational performance at Jubba Airways Limited.	-0.07	p.>0.05	0.000	Accepted
H_{05d} . There is no statistically significant moderating effect of service quality on the relationship between market culture and organizational performance at Jubba Airways Limited.	0.51	p.<0.05	0.020	Rejected

Source: Research Data (2023)

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of the findings, conclusion and recommendations. This is done in line with the objectives of the study. The main objective of the study was to determine the moderating role of service quality on the relationship between corporate culture on organizational performance at Jubba Airways Limited.

5.2 Summary

The descriptive findings illuminate several facets of Jubba Airways Limited's clan culture and their impact on performance. The organization is notably engaged in team building activities, encourages cross-functional collaboration, and fosters a managerial environment that prioritizes unity, trust, and innovation. Additionally, there is a consistent practice of providing prior awareness of new strategies and ensuring that employees are well-versed in change management policies. Furthermore, open communication channels appear to be well-established. Nonetheless, there exists greater variability in the perceptions regarding the encouragement of positive values, employee loyalty, a sense of belonging, and the degree of flexibility in managing change processes. These areas warrant further attention and exploration. The correlation analysis has brought to light a significant positive relationship between clan culture and the organizational performance of Jubba Airways Limited. This signifies the importance of the organization's cultural attributes in shaping its overall performance. Furthermore, the regression analysis underlines the positive impact of clan culture on the organizational performance of

Jubba Airways Limited. This suggests that a clan culture, with its emphasis on collaboration, shared values, and mutual support, can be leveraged as a valuable asset for the organization's sustained success.

The descriptive analysis of adhocracy culture within Jubba Airways Limited provides valuable insights into various aspects of the organization's culture. While some elements, such as the need for regulations and the influence of informal norms, exhibit a relatively moderate level of consensus among employees, other facets show greater variability in responses. Notably, there are variations in perceptions concerning the allocation of resources for research and development, the role of top management in fostering innovation, and the encouragement of risk-taking and adaptability within the organization. The regression analysis, however, uncovers a significant and positive relationship between adhocracy culture and the organizational performance of Jubba Airways Limited. This finding suggests that the organization's culture, which encourages flexibility, innovation, and a willingness to take risks, has a constructive impact on its overall performance.

Summarily, the findings offer a comprehensive view of employees' perceptions regarding the elements encompassed within the hierarchy culture at Jubba Airways Limited. It becomes apparent that employees hold diverse perspectives on these elements. While certain facets, such as stability and reinforcement, garner relatively consistent agreement among respondents, others, notably the final goal and ultimate objective of the hierarchy culture, reveal more variability in responses. Moreover, the regression analysis unearths a compelling insight – hierarchy culture holds a

substantial and positive influence on the organizational performance of Jubba Airways Limited.

In summary, the findings shed light on the diverse array of perceptions held by employees concerning the various elements associated with market culture at Jubba Airways Limited. Notably, while some aspects, like customer involvement in decision making, elicit relatively consistent agreement among respondents, others, such as the emphasis on competition and organizational goal achievement, evoke a wider range of responses. However, it's important to highlight that the study's regression model indicates that market culture has an insignificant effect on the organizational performance of Jubba Airways Limited.

Finally, the findings emphasize the diverse range of perceptions that employees at Jubba Airways Limited hold regarding different aspects of service quality. While certain facets, such as the willingness of employees to assist passengers, elicit a relatively consistent consensus among respondents, others, like the level of individual attention provided to customers, evoke a wider range of responses. Moreover, the hierarchical regression analysis demonstrates the significant role of service quality as a moderator in the relationships between the organizational cultures—clan culture, adhocracy culture, and market culture—and the overall organizational performance at Jubba Airways Limited.

5.3 Conclusions

In conclusion, Jubba Airways Limited's clan culture plays a pivotal role in shaping its performance. The organization's emphasis on a clan culture, characterized by strong

interpersonal relationships and a shared sense of purpose, has a demonstrably positive effect on its performance. However, there are areas where cultural practices could be further reinforced, particularly in terms of fostering positive values, enhancing employee loyalty and belonging, and promoting flexibility during change processes.

The adhocracy culture at Jubba Airways Limited, characterized by its emphasis on adaptability, innovation, and risk-taking, has a noteworthy influence on the organization's performance. While there are variations in how different aspects of this culture are perceived by employees, the overall effect on organizational performance is positive.

The hierarchy culture at Jubba Airways Limited plays a pivotal role in shaping the organization's performance. This culture, which emphasizes stability, consistency, and reinforcement, is perceived positively by employees. Although there are variations in how certain elements are perceived, the overall impact on organizational performance is significantly favorable.

The market culture at Jubba Airways Limited encompasses a spectrum of elements, and employees hold varying perceptions about these components. While certain aspects of this culture align with consistent agreement among employees, the overall effect on organizational performance is found to be inconsequential.

The organization's approach to service quality is viewed through a lens of varying employee perspectives. While some elements of service quality garner general agreement, others exhibit greater diversity in employee perceptions. Moreover, the

research highlights the pivotal role of service quality as a moderator in shaping the connection between organizational culture and organizational performance.

5.4 Recommendations

5.4.1 Practice and Management

The findings highlight the pivotal role of cultivating a robust clan culture within Jubba Airways Limited as a means of enhancing organizational performance. In this regard, effective management strategies should focus on encouraging and sustaining key elements of clan culture, such as team building activities, cross-functional collaboration, and open communication. Moreover, it is imperative for management to reinforce the importance of instilling positive values and employee loyalty, particularly during periods of organizational change, while also fostering a culture of adaptability.

In the context of an adhocracy culture, the study results emphasize the significance of sustaining and further developing this cultural dimension. Management should proactively promote flexibility, innovation, and a culture that encourages calculated risk-taking. Equally important is ensuring that employees possess a clear understanding of the pivotal role played by top management in driving innovation and the allocation of resources for research and development.

Regarding the hierarchy culture, the findings underscore the importance of preserving and reinforcing this cultural element. Management's focus should be on prioritizing stability, reliability, and support within the organization. Additionally, it is essential to

ensure that employees are well-informed about the final goal and ultimate objective of the hierarchy culture to foster clarity and alignment.

However, the research suggests that while aspects of the market culture are recognized to varying degrees within the organization, they may not exert a substantial influence on organizational performance. Consequently, management may choose to allocate its resources and efforts to prioritize cultural elements that have a more discernible impact on performance outcomes.

Furthermore, the findings stress the importance of active management and continual improvement of service quality within Jubba Airways Limited. Management must take into account the varying employee perceptions and make concerted efforts to establish a consistent and high-quality service standard that seamlessly aligns with the organizational culture. This alignment is crucial for delivering superior service and enhancing the overall performance of the organization

5.4.2 Policy implication

From a policy perspective, Jubba Airways Limited has the opportunity to formalize and fortify the key components of clan culture within the organization. This initiative could encompass the development of specific policies and practices that not only encourage collaboration, trust, and innovation but also foster an alignment of individual values with the overarching organizational culture. This approach will serve to solidify and perpetuate the positive aspects of clan culture.

In a similar vein, Jubba Airways can proactively formalize and strengthen the elements of adhocracy culture within the company. This undertaking involves the establishment of explicit policies and practices that endorse a culture of adaptability and innovation, ensuring that these crucial traits are embedded in the organizational fabric. Additionally, clear policies can be put in place to guide the allocation of resources for research and development, further enhancing the organization's innovative capabilities.

Furthermore, Jubba Airways may opt to formalize and reinforce aspects of the hierarchy culture, which emphasize stability and consistency. This entails the creation of specific policies and practices that bolster the culture of reliability, support, and the attainment of ultimate goals. These policies will provide clarity and direction, ensuring that the hierarchy culture remains a solid pillar of the organization.

As part of a comprehensive strategic approach, Jubba Airways can allocate its resources and efforts to nurture and accentuate those cultural elements that have a more pronounced and tangible effect on organizational performance. This strategic realignment of cultural priorities will help the organization in better aligning its values and practices with its performance objectives, ultimately fostering growth and competitiveness in the aviation industry.

Lastly, Jubba Airways Limited can consider implementing policies and practices that standardize service quality and align it with the prevailing organizational cultures. This approach will help maintain a unified commitment to delivering excellent service that supports and enhances the overall performance of the organization.

5.4.3 Implication to Theory

The study findings highlight the relevance of contingency theory in understanding how the impact of organizational culture on performance is contingent upon the specific cultural dimensions present in the organization. Specifically, it demonstrates that clan culture, adhocracy culture, and hierarchy culture each have a distinctive influence on organizational performance. This aligns with the core concept of Contingency Theory, which suggests that there is no one-size-fits-all approach to organizational effectiveness. Instead, the effectiveness of a particular organizational culture depends on the specific context and circumstances within the organization.

The findings also align with Institutional Theory in the sense that they reveal the influence of organizational culture as an institutional force. Clan culture, adhocracy culture, and hierarchy culture can be seen as institutionalized norms and values within the organization, shaping how employees and leaders behave. This reflects how institutional forces, such as organizational culture, can affect organizational practices and performance. The inconsequential effect of market culture could suggest that it is not as strongly institutionalized within Jubba Airways Limited, compared to the other cultures.

The study's results demonstrate the relevance of Stakeholder Theory, as the findings indicate that organizational culture, service quality, and their interactions play a vital role in shaping overall organizational performance. This underscores the importance of considering not only internal stakeholders (such as employees) but also external stakeholders (such as customers) when assessing organizational performance. It

highlights that the management of service quality is a critical aspect of fulfilling the expectations of stakeholders, thereby impacting organizational performance.

5.5 Limitation and Recommendations for Further Research

While this study has provided valuable insights into the impact of corporate culture on organizational performance, there are several limitations that should be acknowledged: first, The study focused exclusively on Jubba Airways Limited, which may limit the generalizability of the findings to other airlines or industries. Future research should consider a more diverse sample of airlines to ensure broader applicability. This study only explored four specific corporate culture dimensions. To gain a more comprehensive understanding, future research should incorporate other cultural dimensions, such as consistency culture, to capture a wider range of cultural influences on performance. The study used internal service quality as a moderator. Future research could extend this by involving customers to measure external service quality. This would provide a more holistic view of how culture affects the overall service quality perceived by customers. This research primarily utilized quantitative methods. Future studies could complement these findings with qualitative approaches, such as interviews or focus groups, to gain deeper insights into the perceptions and experiences of employees and customers regarding the organization's culture and its impact on performance.

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APPENDICES

Appendix I: Research Questionnaire

Instructions: Kindly answer the questions below by ticking the appropriate answer or writing your answer in the space provided.

Section A: Background Information

1. Gender: Male Female
2. Your age bracket? 30 years and below 31-40 41-50 51-60
3. What is your level of education?
4. What is your department?
5. For how many years have you worked in your department?
.....
6. Number of employees in your department?

SECTION B: CLAN CULTURE

7. To what extent is the following clan or supportive culture aspects reflected in your company? Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

		5	4	3	2	1
CC1	Our organization regularly conducts team building activities.					
CC2	Our organization encourages cross functional collaboration.					
CC3	Our managers develop and create a spirit of unity, trust and innovation in the organization.					
CC4	Managers encourage positive values in our organization.					
CC5	Our culture encourages employee's loyalty and sense of belonging.					
CC6	Our organization provides prior awareness on new strategies.					
CC7	Our organization encourages certain degree of flexibility of employees in executing change processes.					
CC8	Our organization has change management policies that are known to staff.					
CC9	Our organization enhances open communication both upwards and downward.					

SECTION C: ADHOCRACY CULTURE

8. To what extent are the following adhocracy/an entrepreneurial culture aspect reflected in your company? Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

	Proxy Statement	5	4	3	2	1
AC1	Our top management always allocate more resources for research and development.					
AC2	Every employee in our organization need instructions and regulations to govern every process.					
AC3	Our top management leads in innovation and creativity to enhance service delivery.					
AC4	Our internal hierarchy influence strategy implementation in the organization.					
AC5	Our internal hierarchy influence strategy implementation in the organization.					
AC6	Our informal norms and rules which are followed by everyone influence strategy implementation.					
AC7	our organization top management encourages risk taking, diversity, independence, and adaptability towards service delivery to enhance customers satisfaction.					
AC8	We have clear communication channels in our organization.					

SECTION D: MARKET CULTURE

9. To what extent are the following market culture aspect reflected in your company?
Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

		5	4	3	2	1
MC1	Our organization solve internal conflicts to avoid ineffective service delivery to customers.					
MC2	Customers' interests are not ignored in decision making in our organization.					
MC3	Our organization top management feel market changes and react promptly.					
MC4	We endeavor in gathering customer and competitor information.					
MC5	Our top managers enhance appropriate goal setting, planning and decision-making towards service quality delivery.					
MC6	Our top management encourages open communication competition, competence, and achievement towards service quality for our customers.					
MC7	Service quality delivery is our task focus leadership.					
MC8	Competition and organizational goal achievement towards service is our main agenda.					

SECTION E: HIERARCHY CULTURE

10. To what extent are the following hierarchy culture aspect reflected in your company? Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

		5	4	3	2	1
HC1	The final goal of hierarchy culture is efficiency and effectiveness.					
HC2	Our organization rules and regulations towards service quality is clearly stipulated.					
HC3	Each activity towards service quality delivery is set with pre-defined procedures and rules.					
HC4	We have clear communication channels in place towards customer's satisfaction.					
HC5	We have stability, consistency, and reinforcement towards our key services to meet our key mandate.					
HC6	The ultimate objective of a hierarchical culture is to achieve optimal efficiency and effectiveness.					
HC7	Our organization prioritizes stability, reliability and support in order to successfully fulfill the primary goals and obligations.					

SECTION F: SERVICE QUALITY

11. To what extent are the following organizational performance/service quality aspects reflected in your company? Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

		5	4	3	2	1
SQ1	The airline adheres to its flight schedule.	1				
SQ2	We deliver services as promised.					
SQ3	The airline has state of the art latest aircrafts.					
SQ4	The staff uniform appears attractive.					
SQ5	Employee's behaviors instilled confidence to customer.					
SQ6	There's always some help no matter what is the problem.					
SQ7	The airline has a good safety record.					
SQ8	The airlines flight materials are visually appealing.					
SQ9	The airlines employees are willing to help passengers.					
SQ10	The airlines services are communicated consistently.					
SQ11	The airline gives individual attention to customers.					
SQ12	The airlines employees are respectful to its customers.					
SQ13	Employees are available to answer to customer requests.					
SQ14	The airline has visually appealing facilities.					
SQ15	Disabled, sick and infants are treated well.					
SQ16	The airlines check-in and boarding systems are efficient.					

SECTION G: ORGANIZATIONAL PERFORMANCE

12. To what extent are the following organizational performance aspect reflected in your company? Use a scale of 1-5 where 5-To a very great extent, 4-To a great extent, 3-To a moderate extent, 2-To a little extent, and 1-To no extent

		1	2	3	4	5
OP1	Total ticket sales have grown faster than that of our main competitors					
OP2	In the last 3 years our profit have been increasing					
OP3	The airline has seen an improvement in operational efficiency					
OP4	Market share has increased faster than that of our main competitors					
OP5	We have achieved better customer satisfaction on product quality compared with those of our competitors					
OP6	Our ticketing service are better compared to those of our competitors					
OP7	The airport staff and flight crew are well-mannered, prompt, expertise and helpful to travelers.					
OP8	The airline has seen a consistent growth in domestic air traffic and cargo handling.					

Thank you

Appendix II: University Introduction Letter



MOI UNIVERSITY
SCHOOL OF BUSINESS AND ECONOMICS
POSTGRADUATE OFFICE

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P.O. Box 3900-30100
Eldoret Annex Campus
ELDORET, Kenya

MU/SBE/ML/PG/33

5th September, 2023

TO WHOM IT MAY CONCERN

Dear Sir/Madam

RE: PETER NYABATE NYAKUNDI - EASA/EMBA/0245/23

The above-named is a student of Moi University, School of Business and Economics. He is undertaking Executive Master of Business Administration (Aviation Option).

Mr. Nyakundi has successfully completed his coursework, defended his proposal, and is proceeding to the field to collect his research titled "*Effects of Organizational Culture on Employee Productivity Among Domestic Airlines in Kenya*"

Any assistance accorded to him will be highly appreciated.

Yours faithfully,

SCHOOL OF BUSINESS &
ECONOMICS
MOI UNIVERSITY
P. O. Box 3900 ELDORET 30100

DR. RONALD BONUKE
POSTGRADUATE CHAIR, SBE

cj/RB

Appendix IV: Plagiarism Certificate



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ISO 9001:2019 Certified Institution

THESIS WRITING COURSE

PLAGIARISM AWARENESS CERTIFICATE

This certificate is awarded to

PETER NYABATE NYAKUNDI

EASA/EMBA/0245/23

In recognition for passing the University's plagiarism

Awareness test for Thesis entitled: **MODERATING EFFECT OF SERVICE QUALITY ON THE RELATIONSHIP BETWEEN CORPORATE CULTURE AND ORGANIZATIONAL PERFORMANCE** similarity index of 7% and striving to maintain academic integrity.

Word count: 22392

Awarded by

Prof. Anne Syomwene Kisih

CERM-ESA Project Leader Date: 1/12/2023