

**ORGANIZATION CULTURE AND PERFORMANCE IN FAMILY RUN  
BUSINESSES: A CASE OF RIVA PETROLEUM DEALERS LIMITED NAKURU  
COUNTY, KENYA**

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**MAY, 2022**

## DECLARATION

This Research project is my original work and has not been presented for any award in any other University or institution of learning.

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This Research Project has been submitted for examination with my approval as the university supervisor.

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## **DEDICATION**

This Research project is dedicated to my friends Muthoni Mucheru and Winfred Mbuthia for all their undying support and my mum Jane Nyaguthii for all her prayers. I am grateful for all their moral support and encouragement.

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## OPERATIONAL DEFINITION OF TERMS

<b>Adhocracy Culture</b>	In a business context, is a corporate culture promotes adaptability and constant innovation coupled with risk taking
<b>Balance Score Card</b>	Is a business structure used by management to translate and track strategic goals .Goals are translated into objectives that are measured, monitored and changed if necessary
<b>Clan Culture</b>	Is a dynasty like type of business environment that emphasizes solidarity and like mindedness of intentions, drives and values
<b>Family Run Business</b>	Refers to an enterprise in which two or more family members participate in everyday running of the enterprise, and the majority of ownership or control lies within a family.
<b>Hierarchical Culture</b>	Is a type of organizational that promotes building sustainable organization structure, rules and processes by ensuring a clearly defined flow of authority and control
<b>Market Culture</b>	Is a type of corporate culture that puts insistence on being aggressive and outdoing other enterprises in its market environment but also between its members of the team
<b>Organization Performance</b>	Refers to actual results or output as measured against goals or objectives, or as measured against its intended output
<b>Organization Culture</b>	Refers to the basic beliefs, philosophies, suppositions, values and conduct that give rise to the distinctive societal and conceptual environment of an organization
<b>Performance</b>	Is the accomplishment of a given duty measured against provided standards of precision, proficiency, value, & pace

## **ABBREVIATIONS AND ACRONYMS**

<b>BSC</b>	Balanced Scorecard
<b>ERC</b>	Energy Regulatory Commission
<b>KPC</b>	Kenya Pipeline Company
<b>KPRL</b>	Kenya Petroleum Refineries Ltd
<b>OCAI</b>	organizational cultural assessment instrument
<b>SPSS</b>	Statistical Package for Social Science

## ABSTRACT

Riva petroleum dealers profit curve has been on the decline. In the year ended 2014-2015 the company reported a growth in profit of 10% from the previous year. However in the year ending 2016 the profits declined by 3%. In the year ending 2018 the company managed to break even with minimal profits. Every organization local, global, big or small has a culture and while there is a universal agreement that organization culture exists and affects organizations operations there is no agreement on how it influences behavior and whether it can actually be changed. Without an understanding of what culture is and how it affects other key elements of the organization its positive effects may also not be acknowledged. This lack of agreement also hinders development of approaches that can help organizations in analyzing their culture, maintaining and transforming it. In an ever changing business environment, increased competition and globalization, businesses and organizations must preserve good practices as well as transform outdated practices and any other practices that hinder growth as well as cultivate a competitive advantage. Organization culture affects what people do, recruitment process, leadership, strategy and structure. This research project was to investigate the impact of organization culture on family run business. The particular targets were to examine how the four types of culture that is adhocracy, market, clan and hierarchical culture influences the family run organization. The examination used both descriptive and explanatory research design. The examination was a contextual analysis of Riva Petroleum Dealers in Nakuru County. The study was completed by utilizing self-managed polls. The number of inhabitants in the examination was 68 representatives of Riva Petroleum Dealers Ltd in Nakuru County. Since the objective populace was a reasonable size the analyst embraced enumeration methods to remember every one of the 68 workers for Rift valley area. Essential information was collected by utilizing self-regulated polls. Organized surveys was utilized as an information assortment instrument and contained shut finished inquiries which was joined by a rundown of every single imaginable answer from which the respondent will pick from. The poll was given to decide the chose representatives view and conclusions on the examination targets under investigation. The crude information was cleaned, coded and broken down to guarantee exactness, constancy and culmination. The information was broken down utilizing quantitative information examination techniques. Information from the polls was coded and went into the computer utilizing Statistical Package for Social Science rendition 25.0. This assisted with running straightforward elucidating investigations which was displayed utilizing recurrence Tables. From the findings, there is a positive significant relationship between clan culture and performance of Riva Petroleum Dealers Ltd as shown by a regression coefficient of 0.241. The results also indicate that there is a positive significant relationship between hierarchical cultures on performance of Riva Petroleum Dealers Ltd as shown by a regression coefficient of 0.219. The results also indicate that there is a positive significant relationship between market cultures on performance of Riva Petroleum Dealers Ltd as shown by a regression coefficient of 0.173. The results also indicate that there is a positive significant relationship between adhocracy cultures on performance of Riva Petroleum Dealers Ltd as shown by a regression coefficient of 0.201.

## **CHAPTER ONE: INTRODUCTION**

### **1.1 Background of the Study**

Family enterprises, according to Abouzaid (2011), are the most widespread and oldest form of business in the world. Family businesses have played an important part in the commercial scene for many years and continue to do so now. They may be found in every industry as well as the three industrial revolutions, and their sizes range from microscopic to medium to huge (Andrea & Mary, 2013). To sustain good performance, family-owned firms must have a knowledge transfer plan.

Family-owned enterprises can start small and expand into small, medium-sized, and huge corporations. Family-owned enterprises make major contributions to the economy by creating jobs, producing cash, and amassing wealth. Family-owned enterprises make about 90% of all firms in the United States. It is believed that between 70% and 80% of Kenyan enterprises are held by families. According to the Institute for Family Enterprises (IFFB), (2018), family-owned businesses employ 60% of Kenyans. In the business succession chain, however, just 30% of family-owned enterprises survive to the second generation, 13% to the third generation, and 3% to the fourth generation (Bizri, 2016)

According to Homaidi, Almaqtari, and Ahmad (2019), Indian family enterprises faced leadership issues, resulting in poor family-owned firm performance. In this context, Homaidi, Almaqtari, and Ahmad (2019) discovered that the organizational culture of family businesses was oriented on trust, which resulted in a failure to complete required documentation, resulting in poor firm performance. The corporate culture hampered the development of entrepreneurial abilities, restricting the expansion of family-owned firms.

According to Palladan, Abdulkadir, and Chong (2016), family-owned firms in Nigeria confront a variety of leadership and performance difficulties. Firms' income has been poor, as has the profitability of family-owned company operations, due to a lack of effective regulations and attempts to govern family enterprises. The manager's experience in family-owned businesses also influenced the organizations' success metrics.

According to Denver (2018), leadership issues in Zimbabwean family companies include a lack of effective supervision of family members working for the firm, a lack of

appropriate procedures to ensure the company's existence and succession, and poor decision making. These concerns contributed to declining profitability in family-owned firms and the failure of the majority of businesses to pass on to the next generation.

In order to reach their targets, provide products and services, and obtain a competitive edge, businesses need high-performing individuals. Low performance can lead to dissatisfaction and personal loss, while high performance can boost employee productivity, happiness, and trust (Vans cotter, Motowidlo, & cross, 2000). Culture has an effect on every aspect of an organization. It exposes a company's true nature, including its activities, priorities, and how customers, employees, and shareholders are handled (Brown, Gallagher & Brown, 2008). It is paramount to investigate and to figure out factors that lead to effectiveness of an organization's growth and development.

Deal and Kennedy (1982) argued that organizational culture was important for success and established a model based on two dimensions that showed that the business environment in which a company operated had the greatest single effect on its culture. To explain what they believed was needed to succeed in that environment, they coined the word "corporate culture. "The focus shifted from national culture to organizational culture as a result. A well thought out, clients-based, encouraging, and human-focused organizational culture, according to Peters and Watersman (1980), is a key factor in company success. Deal and Kennedy (1982) and Peters and Watersman (1982) both concentrate on how organizational culture influences efficiency.

According to Barney (1986), a pioneer in the study of culture as a resource for earning a superiority over other companies. Companies with a distinct and difficult-to-copy culture have a competitive edge. He goes on to say that an enterprises' culture can be a determinant of long-term competitive edge if it is valuable, rare, and imperfectly unique. The views and desires of the people in the company are influenced by family relationships (Denison, Lief, & Ward, 2004). In a family company, where family relationships affect employees' values and desires, organizational culture is more important (Denison, Lief, & Ward, 2004).

Saffold (1988) identified two key facts about culture: first, culture can shape organizational processes, but processes can also shape and alter culture. This ever-changing relationship is a reflection of culture's commitment to performance. Second,

several studies show that the connection linking culture and accomplishment is more elaborate than it appears.

A positive organizational culture is a vital tool for putting new ideas into action. Employee behavior is affected, and productivity rises (Kim Jean Lee & Yu, 2004). The degree of individual and organizational output is significantly affected when an individual's values and organizational objectives are well matched. Staff would be more dedicated to organizational goals if they believe a corporation has interest in their development, transparent communication with the members of staff, and a unifying system led by effective leadership (Joo & Lim, 2009)

### **1.1.1. Organization Culture**

Organizational culture, according to Chatman and Eunyoung (2003), is a set of common assumptions, principles, and conviction's that point people towards what they deem as acceptable and unacceptable conduct. An organization's culture is defined by its policies, activities, and values. Organizational culture, according to Kotter & Heskett (1992), there are two major elements that result in an effective culture that is structural stability and integration of outstanding standards of corporate culture. According to Kotter, culture includes beliefs that members of a group commit to and practice that appear to go on for a period of time even when the membership dynamic shifts.

Kilman et al (1985) characterized culture as an organization's common philosophies, ideologies, principles, assumptions, opinions, attitudes, and norms. Culture, according to Uttal (1983), is a set of common principles (what matters) and convictions (how things unfold) that communicate with a firm's citizens, company structure, and measurement structures to create behavioral habits. Edgar Schein defined three levels of organizational cultures in the 1980s: objects and attitudes, espoused beliefs, and assumptions. The three levels apply to how apparent various cultural phenomena are to the observer.

Espoused principles are the organization's specified values and rules of conduct, which may be tangible, measurable, or verbally identifiable. It's how members reflect the company in terms of their behavior and common beliefs. This is reflected in the organization's mission, vision, beliefs, and ideologies. The alignment of these three subcultures, according to Schein, is crucial to their development. Many issues accredited to bureaucracy, environmental conditions, or manager character conflicts are actually the product of a lack of agreement between these cultural factors (Schein, 1985, 1990).

Quin and Cameron culture models will be the subject of this research. Quin and Cameron (1999) identified four forms of culture: Clan culture, which is characterized by a rather pleasant working atmosphere where members of the team identify with a lot of each other's beliefs and it closely resembles an extended family. Members, or the heads of companies, are seen as mentors, and even viewed as father figures. Loyalty and customs unify the members resulting in a high degree of commitment in clan culture. Inside the organization, the focus is on the sustainable benefits of manpower development, personal relationships and morale are highly valued. Success is measured by a firm's willingness to listen to its customer's demands and its concern for its employees. Teamwork, participation, and consensus are highly valued within the company (Quin & Spreitzer, 1991). A number of studies on family-run businesses have found that family-run businesses appear to adhere to this culture (Dyer, 1986; Gersick, Davis, McCollom, & Lansberg, 1997; Sanchez and Marin et al., 2015)

A highly formalized, organized working environment indicates a hierarchical society. Laws, order, and bureaucracy are valued in hierarchical cultures. Internal regulation and centralized decisions are fundamental to hierarchical culture (Erdem & Kekli, 2013). Procedures decide what people do in these organizations. The leaders are proud of their skills in coordinating and planning in a fitting and efficient way. The most important thing is to keep the company running smoothly. Laws, orders, and job descriptions are all written down. The long term goal focuses on consistency, performance, and reliable and well defined task execution. In the sense of dependable delivery, success is established.

Marketing culture can be seen in result-oriented organizations that concentrate on understanding their audiences and promoting the expertise needed to generate meaning for customers. Advocating for the idea that key target of the business is generating superior consumer value in the most cost-effective way possible (Brown, Gallagher & Brown, 2008). People here are driven and focused on achievement of their goals. Leaders are simultaneously drivers, manufacturers, and rivals. The organization strives to win and emphasizes on winning throughout the organization. The importance of reputation and achievement should not be overlooked. People concentrate on competitive practices and meeting measurable objectives and goals in the long run.

Adhocracy culture emphasizes on flexibility, external focus and its ability to meet and adapt to change and new challenges with emphasis on growth and acquisition, Erdem

and Kekli (2013). It is characterized by innovators and risk-takers as leaders. A dedication to experimentation and innovation is what holds the company together. The drive is on setting trends. In the long run company's focus is on expansion and building new revenue streams. Accomplishment is described as the development of new innovations of goods or services; leading in this area is regarded as advantageous. Person initiative and independence are encouraged by the company. (2005) {Tharp}.

### **1.1.2. Organization Performance**

Nayyer (1994), referred performance as the extent to which a person fulfills his or her position in accordance with the organization's established standards. According to Romanoff (1989), success refers to a set of outcomes created for a length of time rather than attributes or personal characteristics. What an individual or a system does is called performance. Performance assessment involves the addition of a judgment of the importance or status of the quantified performance measurement, whereas performance measurement is the quantification of what was achieved (Ilgen & Schneider 1991). Organizational efficiency can be measured in a variety of ways. Financial performance can be calculated in two ways. Financial methods of measuring performance include profitability of investment, profits, sales, and profit generated by its assets. Non-financial methods of measuring performance include customer satisfaction, quality, market share, benchmarking and objectives.

The BSC was created by Kaplan and Norton (1992) as a management tool that incorporates all possible stakeholder demands and converts objectives into behavior. Four viewpoints make up the frame of the balanced score card. Each viewpoint includes relevant strategic objectives, metrics, and steps for achieving them. The related targets and metrics are connected to each other inside a balanced score card, showing the structure of the causal relationship. Among the four viewpoints are: Financial ratios and different cash flow metrics can be used in the financial context. The customer's point of view: this may involve the amount of time spent serving one customer and custodial services.

External market procedures are used in the internal perspective. The learning viewpoint is concerned with how to maintain and develop one's ability to adapt and improve. Employee preparation, organization connected to all staff and organization development are all possibilities. The balanced score card must begin with the organization's plan and

vision. Lynch and Cross (1991) created a performance pyramid based on the premise that organizations function at various levels, each with its own emphasis, and that it was critical that these levels collaborate. Starting with corporate efficiency, Cross and Lynch (1991) propose calculating nine dimensions of organizational performance company's vision ,the market place, financial capability, customers fulfillment , flexibility, productivity ,quality, timely delivery, cycle time, waste control and operations. In this research study organization performance will be include and refer to customer satisfaction and retention, profitability, and employee satisfaction and human resource development.

### **1.1.3 Riva Petroleum Dealers Ltd**

The Ministry of Energy and Petroleum regulates oil companies in Kenya. Energy Regulatory Commission is in charge of overseeing the market (ERC).Only the top ten oil marketing companies control approximately 77 percent of the market in Kenya, where there are over sixty registered oil companies. Kenya's petroleum industry began in 1903, with kerosene as the primary import in tins, followed by gasoline in jerricans and drums, before the Royal Dutch Company Shell built its first depot at Shimanzi on Mombasa Island. The petroleum sector is comprised of the Ministry of Energy, the Energy Regulatory Commission (ERC), the Kenya Pipeline Company (KPC), the Kenya Petroleum Refineries Ltd (KPRL), and all oil firms. Kenya had more than 60 registered oil companies as of July 2018.The industry was dominated by major companies such as Oil Libya, Vivo Energy, and Total. Local firms such as Kenol Kobil, National Oil Corporation, Tosha, and Dalbit Petroleum were also present, but their market share was small in comparison to the dominant players. Upstream, midstream, and downstream are the three main industries that make up the oil and gas industry. Speculation and fracking are major concerns in the upstream market.

Riva Petroleum was founded in June 1996 and is a limited-liability corporation. From its modest origins as a reseller, the company has grown into a well-known brand with a well-established brand name, as well as a valued company among the government, suppliers, and players in the oil industry, service providers, and customers. Riva Petroleum Dealers Limited has expanded to become one of East Africa's most profitable oil marketing companies under the brand name "RIVA. “With branches in major cities and headquarters in Westland's Nairobi, the Mayfair Suites is the company's headquarters.

Riva Petroleum was founded in 1996 by Engineer Peter Njeru with just a few workers, the majority of whom were not oil industry professionals. Riva Petroleum began as an oil marketer for the Shell brand of lubricants, and later expanded into the fuel industry by opening a gas station. The majority of its target market was in the Rift Valley Area, where it sold to commercial flower farms and commercial organizations on both a retail and wholesale basis.

## **1.2 Statement of the Problem**

Riva petroleum dealers profit curve has been on the decline. In the year ended 2014-2015 the company reported a growth in profit of 10% from the previous year .However in the year ending 2016 the profits declined by 3% .In the year ending 2018 the company managed to break even with minimal profits (Njenga, 2018).This was attributed to increased competition, internal business processes, and employees productivity levels. Due to increased competition Riva has lost some of its major customers to competitor's .Kula (2018) carried a survey of the major customers who have left and one of the major reasons cited was better services such as fuel cards issued by some major competitors. Riva petroleum dealers recorded an all-time high employee turnover in the year 2018 (Mwongeli, 2018).This research study aims to investigate the effect of organization culture on profitability, customer satisfaction and employee satisfaction

This ever-changing business environment is a threat to performance of petroleum companies. To counter these changes and improve on their performance, strategic responses are required. Strategic responses towards environmental turbulence will reconfigure operations of these companies as a way of improving on their performance. It is therefore important to determine some of the response strategies that these companies have adopted in the wake of the ever-changing business landscape (Habib, Bastl & Pilbeam, 2015).

Chege (2012) researched the constraints of strategy execution for enterprises in Kenya's petroleum sector and concluded that the most significant barriers were technology, resource distribution, job responsibilities, prioritizing, organizational structure, principles, and reluctance to change. Kieyah (2011) analyzed Kenya's petroleum business, while Deloitte (2013) investigated the oil and gas prospects of East Africa. The Institute of Economic Affairs did research on the state of Kenya's petroleum business

following its deregulation in 2000. Maina (2016) explored the influence of organizational culture on the success of commercial banks in Kenya. Awuor (2015) investigated the influence of organizational culture on organizational performance: a case study of the telecommunications sector.

Marin, et al. (2016) performed a survey on 491 Spanish companies with various levels of family participation. The aim of this research, which was conducted using a configurationally approach and the organizational cultural assessment instrument (OCAI), was to investigate and evaluate the cultural typology of family businesses based on their level of involvement. Poza and Maheshwari (1997) conducted a survey on twenty-six family-owned companies to learn more about their history and practices. Mwau (2016) conducted a study on the impact of organizational culture on Kenya power efficiency.

Oduol (2015) performed research in commercial banks. In 2014, Kamamia prepared a study on the Kenya Institute of Monetary Studies. On the effect of organizational culture on performance. Seku performed research in Kenya on the influence of organizational culture on the efficiency of public water companies. The purpose of this research is to investigate the influence of culture on the success of family-owned businesses. There has been various empirical studies on the effect of organization culture on performance conducted abroad however there are few research conducted in Kenya that focus on family founded /owned companies.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objective of the Study**

The main objective of this study was to investigate organization culture and performance in family run businesses: a case of RIVA petroleum dealers limited Nakuru County, Kenya.

#### **1.3.2 Specific Objectives**

The specific objectives of the study were;

- i. To examine the effect of clan culture on performance of Riva Petroleum Dealers limited
- ii. To determine the effect of hierarchical culture on performance of Riva Petroleum Dealers limited

- iii. To investigate the effect of market culture on performance of Riva Petroleum Dealers limited
- iv. To determine the effect of adhocracy culture on performance of Riva Petroleum Dealers limited

#### **1.4 Research Hypothesis**

**H<sub>01</sub>:** Clan Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd.

**H<sub>02</sub>:** Hierarchical Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd

**H<sub>02</sub>:** Hierarchical Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd.

**H<sub>04</sub>:** Adhocracy Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd

#### **1.5 Significance of the Study**

The study will be significant to the management of Riva Petroleum Dealers limited. It will help them understand if and how culture impacts on employee performance and whether there is a need to change it. It will also help the leadership of the company to view its impact on culture and performance. The research study will contribute to already existing research on family run businesses and factors that influence performance. There are several research surveys on culture and its impact on performance of different organizations in Kenya however only very few are conducted on family run businesses which make a large number of entrepreneurs in Kenya. This research study will add to the few that have already been done and add emphasis on the importance of enhancing culture for organizations that will eventually lead to business success. The research also aims to shed light on the importance of valuing culture and placing it on the same level of importance as strategy, Leadership and internal processes. The research will shed light for entrepreneurs and family business owners on the influence they have on day to day running of their businesses by the professionals hired and how it impacts the performance of their businesses.

### **1.6 Limitations of the Study**

This study faced a few limitations .To start with some employees viewed the research negatively and might have answered the questionnaires untruthfully .The management may also not have viewed the research as significant. To solve the researcher explained the benefits of the research to the management. To the employees the researcher ensured they understood that their responses were kept confidential and that the research was meant for academic purposes only. The research survey only included one family run business and the level of family involvement and management style may be different in different family run business hence research findings could not be used for generalization. There is few research studies conducted in Kenya on family businesses hence there was difficulty getting secondary data. The research study concentrated on the four types of culture and their impact on performance and did not explore other areas influenced by culture such as hiring procedures, leadership style, organization learning and change. To overcome some of the limitations that arose the researcher had an introductory letter from the university showing that this research was purely for Academic purposes.

### **1.7 Scope of the Study**

This study was carried out in the months of December 2019 to February 2021. This study used both descriptive and explanatory research Geographically Riva Petroleum Dealers has operations in Rift valley, Mount Kenya and Nairobi Region, however this research study only focused on Riva petroleum dealer's branches in Nakuru County.

### **1.8 Organization of the Study**

This research study is divided into five sections. The first chapter discusses the study's setting, issue statement, research purpose, research questions, study importance, scope, and limits. Chapter 2 includes a theoretical literature review, an empirical literature review, an outline of research gaps, and a discussion of conceptual framework. Chapter 3 covers study design, target population, sample size, data collecting, reliability and validity, data interpretation, data presentation, and ethical considerations. Chapter 4 covers the study findings and debates, while Chapter 5 covers the conclusions and research suggestions.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter focuses on the theoretical and empirical literature reviews that are appropriate for the research study. This chapter goes through the hypotheses that were used to build the research structure. The study's specific variables will be discussed next, as well as any gaps that might exist.

### **2.2 Theoretical Literature Review**

This research study was guided by Balance score card model, Schein's Theory of Organizational Culture and Denison's Culture and Effectiveness Model. These are theories mostly used in study and understanding of organization culture.

#### **2.2.1 Balanced Score Card Model**

Kaplan and Norton (1992, 1993, and 1996) proposed the Balanced Scorecard as a conceptual structure for identifying, assessing, and measuring factors that influence an organization's success. The Balanced Scorecard (BSC) is a strategic performance management tool that is a semi-standard standardized report supported by validated design methods and automation tools that managers can use to track the execution of activities by employees under their authority and monitor the effects of these acts (Norton, 2000). It is the most well-known of several similar systems (it is the most widely adopted performance management framework reported in the annual survey of management tools undertaken by Bain & Company, and has been widely adopted in English-speaking western countries and Scandinavia in the early 1990s).

The balance score card is a management tool that aids in the definition and implementation of a company's vision and strategy. It provides feedback on both internal and external business processes so that strategic performance and outcomes can be maximized over time. The balance score card (Schneiderman, 2002) connects performance indicators by examining a company's strategic strategy from four angles: financial, customer, innovation and learning, and internal business process.

According to Pearson and Robinson (2011), BSC is also a management framework that allows businesses to communicate their clarification and plan translation in order to receive positive input. The Balanced Score Card can turn a plan and a vision into a powerful machine that can efficiently convey the strategic intent while motivating and tracking results. The BSC is a series of measures that, according to Niven (2002), are

extracted from an organization's plan and aid management in communicating results and outcomes in order to achieve the organization's mission, vision, and strategic objectives.

### **2.2.2. Schein's Theory of Organizational Culture**

The three realms of the theory are basic fundamental concepts, stated ideals, and objects. Artifacts that are visible, easily seen, and felt symbols of an organization's culture include objects, the physical environment, language, technology, clothes, myths and legends, written ideals, rituals and ceremonies, and myths and legends (James & Jones, 2005). Strategies, goals, common perceptions, shared assumptions, norms, principles, and values espoused by founders and leaders are examples of espoused beliefs and values.

According to James and Jones (2005), basic underlying assumptions are deeply established, implicit, taken-for-granted views that are shared with others at the foundation level of corporate culture. Any challenge to these ideas will cause fear and defensiveness. This theory was chosen to lead this research because it asserts that in order to foster organizational performance, an organizational culture must incorporate the basic underlying assumptions, stated ideals, and arte facts. Edgar Schein, an American management professor, created an organizational culture model in 1980 in order to make culture more apparent within a firm. Organizations, according to Edgar Schein, do not form a culture in a single day; rather, it evolves through time as individuals go through numerous changes, respond to the external environment, and solve problems. They use what they've learned from previous experiences on a daily basis, therefore shaping the corporate culture. New workers work hard to adjust to their new surroundings and live a stress-free existence. According to Schein, an institution's culture consists of three levels: objects, customs, and perceived values.

On the first level, he referred to them as objects, which were features that could be easily seen, heard, and felt by a group of people. Technology, products, and language are examples of observable products. Clothing, office decor, equipment, and employee attitudes, as well as the organization's mission and vision, myths, and tales, are all examples. All of these factors contribute to the formation of corporate culture, according to him, which is influenced by how workers dress, approach their bosses, handle disputes, and interpret job deadlines.

On a deeper stage, there was the idea of value (Schein, 1988). In support of this theory, (Belias & Koustelios, 2014) asserted that understanding organizational culture is the product of a community of people who live in the same place and share similar habits and attitudes. As a result, people who belong to one community share beliefs, norms, history, and objects that distinguish them from others. The third level, according to Schein (2004), consists of assumed values. These values, however unspoken and unquantifiable, have an influence on the company's culture. Certain concealed ideals and evidence have an influence on the company's culture. Late sittings, for example, are forbidden in organizations where female employees outnumber male employees because such a culture makes women uneasy. Male employees, on the other side, will be more competitive and will be willing to stay late. Organizations follow certain characteristics that are not frequently questioned but are widely accepted. The third level of the organization is comprised of these statutes.

Organizational culture, according to Barney (1986), is a set of core assumptions, ideas, values, and symbols that impact how a firm is operated. Based on Schein's (1996) model, Bonavia and Quintanilla developed a scale to quantify the items and innovations presented in the model. Cultural objects, according to Bonavia (2006), are the simplest to reach by self-reporting questionnaires since they are made up of the most recognizable components of organizational culture.

Schein later combines culture and leadership as two sides of the same coin in his later work. If an entrepreneur, for example, founds a company, he or she will have the opportunity to begin imposing ideals, principles, and assumptions on his new workers, and thus begin the culture-creation process (Schein, 2004). The role of leaders as culture administrators and advocates of culture change is emphasized by Donnell and Boyle (2008). Leaders have clout when it comes to rewarding subcultures that adhere to the dominant views, traditions, and assumptions.

The aim of this research is to find an answer to the question of culture and its effect on success. Schein's model delves further into corporate culture and culture building. Employees imitate actions that they see in the organization and that they believe is necessary based on the organization's principles and assumptions in order to stay employed. Employee experiences like these form the company's culture. Entrepreneurs

who are also founders have an influence on the culture of their companies that cannot be overlooked.

### **2.2.3 Denison's Culture and Effectiveness Model**

Denison's (1990) organizational culture model is based on four cultural attributes: participation, continuity, adaptability, and mission. These factors, he said, have an influence on organizational effectiveness. When it comes to culture and effectiveness, the model emphasizes the importance of applying administration approaches to core assumptions and perspectives. An association's values and viewpoints include a collection of organizational strategies, which are actual operations that are usually based on the firm's beliefs. These practices stem from and strengthen the association's guiding principles and perspectives.

Involvement and engagement, according to the notion, entail the development of human competence, ownership, and a sense of responsibility, as well as the achievement of the firm's goals and commitment (Denison, 1990). Effective businesses inspire their workers and develop cross-group relationships (Lawler, 1996). People at all levels believe they carry some responsibility for decisions that affect their jobs, and that their work is especially linked to the organization's goals (Katzenberg, 1993; Spreitzer, 1995). On the other hand, consistency is meant to foster the attitude of true institutions that provide an internal organizational plan based on mutual support.

Firms thrive because they have strong social orders that are constant and trustworthy throughout, that are promoted, and that are well-organized (Davenport, 1993; Saffold, 1988).

Individual and group conduct is guided by basic concepts and is capable of achieving goals despite altering perspectives (Block, 1991). Consistency, which is the outcome of a consistent approach and enforcement, is the foundation for hardness and inner amalgamation (Senge, 1990).

Flexibility describes how beliefs and convictions that strengthen an organization's ability to decode and convert signals from its environment into internal decisions and behavioral adjustments can aid in its survival, development, and improvement (Denison, 1990). Surprisingly, because of their great degrees of flexibility over time, well-incorporated organizations are sometimes the most hardest to change (Kanter, 1993). Clients drive adaptable businesses that capitalize on their shortcomings and have the ability and

experience to adjust (Nadler, 1998; Senge, 1990). These companies are continually updating their processes in order to develop technology and deliver value to their consumers (Stalk, 1988).

The final cultural characteristic is purpose, which describes the sense of a major long-term bearing for the company by defining a social obligation and external goals. It identifies an appropriate approach for an organization and its members by providing a distinct path and objectives (Denison, 1990).

A shared sense of rationale, bearing, and approach may synchronize and inspire individuals toward collective goals (Baker, 2002). Effective companies have a clear purpose and bearing that defines the firm's goals and anticipates its future (Mintzbert, 1994; Hamel and Prahalad, 1994). When a company's mission changes, so do certain aspects of the affiliation's traditions (Ahmad, 2012). The four cultural qualities are concerned with different elements of culture, but more crucially, they are concerned with different portions of culture. The objective and consistency tend to lead to hardness, whereas involvement and compliance allow for flexibility and change. Constancy and engagement indicate that culture will drive the firm's internal changes, whilst goal orientation and flexibility indicate that culture will be beneficial to the firm's unification with its macro environment (Baker, 2002).

## **2.3 Empirical Literature Review**

An empirical review is a collection of research conducted in an area connected to the idea under inquiry in a specific study, the conclusions and recommendations of which are based on empirical data rather than theory. This research attempted to critically analyze studies on themes linked to organizational culture and performance in family-owned enterprises.

### **2.3.1. Clan Culture and Performance**

Sengke (2016) explored how organizational culture affects company success. The study investigated four aspects of company culture: entrepreneurial culture, consensual culture, bureaucratic culture, and competitive culture. The study used a causal research approach to collect data from respondents via questionnaires. Entrepreneurial culture, consensual culture, bureaucratic culture, and competitive culture all have a substantial effect on organizational performance, according to Sengke (2016). Consensual culture had the

biggest effect in this regard, while entrepreneurial culture had the least, leading to the advice that workers be encouraged to be more inventive in their professions.

In a research involving 80 banks in Pakistan, Latif (2016) sought to analyze the impact of organizational culture on bank performance. This study employed a sample of 341 respondents and collected data via questionnaire distribution. In Pakistan, Latif (2016) discovered a favorable and substantial association between collaborative culture and commercial bank performance. The research advocated for collaboration in the execution of operations inside banks in order to promote staff collaboration and, as a result, higher levels of performance for the banks. Organizational culture traits such as change management and teamwork, according to Saad and Abbas (2018), are positively related to the success of Arabian public sector enterprises.

Leithy (2017) conducted study in China to examine the link between organizational culture and organizational performance. The study used a descriptive research style and collected data using questionnaires. It was discovered that there was a favorable association between organizational culture and organizational performance in the organizations studied. These findings, however, differ with those of Aliyu and Rosli (2014), who investigated the impact of organizational culture on the performance of Nigerian SMEs. According to Aliyu and Rosli (2014), there is a negative association between organizational culture and the performance of Nigerian SMEs. According to the findings, organizational attitudes and practices should be properly established in order to increase the performance of SMEs in Nigeria.

Clan culture, according to Njugi et al., (2014), has a considerable involvement on a company's success. This is attributed by its governance of conduct, the company's culture, work environment, the organization's success objectives, and the organization's stability. Marketing culture, entrepreneurial culture, bureaucratic culture, and consensual culture were the key topics of discussion. They come to the conclusion that most workers favor the entrepreneurial culture because it maximizes their abilities, allowing them to use their ingenuity, imagination, and freedom from micromanagement. In terms of employee behavior, Oduol (2015) claims that a positive organizational culture fosters strong behavior. However, she points out that there should be a fit between an organizations envisioned strategies and its culture for there to be an impact on performance. Committed workers are increasingly recognized as the main asset useful to

an organization, Hunjra (2010). They are driven to devote their time and resources to the accomplishment of organizational aims. They have the intellectual capital that has become the most valuable commodity for many organizations (Hunjra, 2010). Employees who are loyal to the organization and their mutual benefits will be more likely to create the social requirement necessary for organizational learning.

Khan (2010) used a sample of 153 public and private sector employees to investigate the influence of team member dedication (Affective commitment, Continuance commitment, and normative commitment) on staff performance in Pakistan's oil and gas industry. According to the data, there is a positive association between employee engagement and work performance. As a result, work performance is now included when assessing employee engagement. As a result, Khan (2010) directed managers to heed to the precursors of employee commitment as well as all things that promote employee loyalty for there to be improved employee efficiency, resulting, firms effectiveness.

An individual employee's connection with the organization is determined by how well they evaluate their interactions and participation in corporate matters. Employee turnover has been demonstrated to be inversely related to employee loyalty. As a result of these characteristics, employee performance increases, implying that strong engagement is directly related to greater organizational performance (Wang, 2010). According to empirical studies, high commitment activities boost efficiency, work productivity, and service quality (Owoyemi et al, 2011 and Boxall & Macky, 2007). These studies examined employee adherence to work activities from the perspective of employers, whereas the current study examines it from the standpoint of employees. According to Boxall and Macky (2007), when employees participate in high-commitment job tasks, their degree of engagement increases.

Employee commitment to the workplace may be linked to human resources activities such as recruiting, selection, and performance assessment, but it can also be used to foster certain psychological bonds (Owoyemi et al, 2011). Employee engagement would yield benefits such as improved employee satisfaction, reduced employee turnover, lowered intention to resign, reduced intention to seek other jobs, lowered absenteeism (Brown, McHardy, McNabb, and Taylor, 2011). Employee engagement should be regarded as a business imperative with this in mind.

Modern management philosophy and practice emphasize the importance of teamwork (Dhurup et al., 2015). Since many companies tasks have grown more elaborate as a result of technological advancements, many organizations have made teamwork a priority. A team, according to many writers, is a community of people with harmonizing skills who work for the same outcomes (Moura et al., 2014). Jones et al (2007) argue that working in a team leads people to linking up, work on personal abilities, and bring in good input without causing disagreement. Similarly, firms emphasizing teamwork will result in revamped workers productivity, enhanced productivity and improved skills in problems solution. The study also showed that team work is needed for all categories of organizations profit driven as well as non-profit organizations (Pfaff and Huddleston, 2003).

Employee involvement helps to create an environment where employee has an inherent incentive to continue in the organization's best interests. Robinson et al. (2004), points out that an active team member goes above and beyond, believes in and connects with the company, strives to make improvements, gets the corporate picture and the larger vision, and respects and assists coworkers. According to Alfes et al. (2010), involved workers do better, are more creative, and will stay with the company.

Staff involvement is characterized by good attitudes (for example, feeling fulfilled, devotion, and pride in the company) and conduct (low labor turnover and absenteeism) of employees, as well as a show of trust, transparency, and an exchange within a psychological agreement where both parties win (Guest, 2009). Staff engagement, on the other hand, has been found to have a poor association with organizational efficiency, partially because engagement does not influence organizational performance directly, but rather through other variables that predict performance (Chughtai, 2008). Customer satisfaction, employee turnover, employee commitments, and other similar constructs have been found to have an effect on employee engagement, which in turn affects organizational efficiency (Right Management, 2009). Most employers agree that motivated workers are more likely to do more, are more productive, and have better working relationships (Psychometric Canada, 2011).

### **2.3.2 Market Culture and Performance**

In a 1992 study, Kotter and Heskett concentrated on the association between corporate culture and success, and discovered that companies that matched their culture to their business environment performed better. More than 60 research studies involving 7619 companies and small businesses in 26 countries realized a clear connection between consumer culture and business performance between 1990 and 2007. (Gallanger & Brown, 2008).

Naranjo-Valencia, J.C., et al (2015) took up a study on the links involving organization culture and innovation in Spanish countries and found that there was no significant effect on market culture on innovation. The study found that the market culture was not sufficient on its own. Gallanger and Brown (2008) performed a study on a number of consistently successful firms and found that market culture is a driver of superior performance

Mwangi and Ombui (2013) explored the influence of competitive strategies on mission hospital performance in Kenya using the instance of Kijabe Mission Hospital. Marketing plans with sufficient personnel and financial resources, social participation methods, brand identities, targeted retailing, market positioning, and the industry's cycle of life are all examples of strategic strategies employed. The study found that cost leadership had the highest influence on mission hospital performance, followed by product/market growth approaches, market emphasis, and differentiation, with differentiation having the least impact.

The balanced scorecard, competitive strategy, and results were investigated by Olson and Slater (2015). It should be remembered that different product-market strategies have different performance criteria. The performance emphases implemented by a company should be tailored to assist in the implementation of a chosen strategy, just as organizational frameworks and processes are tailored to assist in the implementation of a chosen strategy. Many administrators have followed a balanced scorecard approach to assessing success because of the rationale of this approach. However, in all environments, balance means that all steps are equally necessary. The researchers agree that a multi-measure approach to analyzing company output is useful, but they question whether all measures are equal. This study was conducted in United States of America

which is a developed world as opposed to Kenyan context therefore making it difficult to apply its findings for the case of Express Connections Limited.

In another report, Ndunge (2012) looked at how horticultural export firms in Kenya dealt with market challenges. The study's goals were to identify the competitiveness challenges that horticultural export firms in Kenya face, as well as the response strategies used by horticultural export companies in the country to deal with those challenges. According to the report, horticultural export firms in Kenya face a various challenges, such as competition within the industry and for manufacturers, for storage facilities and for distribution channels. Businesses and individuals must find solutions these problems in order to emerge on top. Turnaround strategies and a comprehensive strategy aimed at competitors, product use and user's enlargement, new market entry, e-marketing of the company's products, repackaging and product contrast, target market, out-sourcing of services, differentiating strategies refocusing are among the strategies used by firms to deal with competition, according to the report. This research looked at the horticulture industry, which is facing a number of challenges.

### **2.3.3 Adhocracy Culture and Performance**

Adhocracy culture is a culture that insists on the creation of innovative products and services, as well as growing, adaptability and yield (Cameron & Quinn, 2006; Tseng, 2010). Tseng (2010) looked into the relationship between organizational culture and knowledge conversion on corporate results, concluding that the most important goal of this culture is to foster flexibility and creativity in an environment where doubt and hopelessness abound. External orientation is seen in these attributes, which have enhanced information transfer and organizational efficacy. As a result, the adhocracy culture focuses on progress that satisfies main external concerned parties. This school of thinking concentrates on growing, inventiveness and versatility.

Misigo et al. (2019) investigated the influence of adhocracy culture on public water companies in Kenya. The report's findings demonstrated a good relationship between adhocracy culture and public water business outcomes. Chow and Howe (2016) studied the influence of alternate work schedules on employee performance and discovered that flexibility promotes employees to be more efficient, which leads to greater employee performance. Employees on flexible systems would be happier at work and less prone to

burnout and depression than those on permanent employment, leading in higher production.

Productivity is vital for the sustainability over time that involves competitiveness and profitability of the organization. Studies worldwide have indicated that public as well as private firms are embracing balance between personal life and work ideas, among them flexi work schedule, to lower the unwanted imbalance between work and personal life and hence profit from the resulting enjoyment including higher productivity, higher staff motivation, delightful customer service, higher employee involvement, and reduced absenteeism among others. (Hughes, 2017).

A well-run and strictly implemented robust organizational flexibility program can be of great benefit to both workers and employers alike. Improved employee morale and job participation, better recruiting and staff retention, and the increased efficiency provided by a healthy talent pool are just a few of the advantages for employers. Gains like these can give a business a competitive advantage. Reduced workplace tension, better work/family and work/life balance, and better physical and mental health are only a few of the advantages for workers (Bhate, 2013; Hashim & Hameed, 2012).

Previous research has found that the availability of flexible work schedules is negatively linked to the likelihood of turnover (McNall et al., 2010). Grover and Crooker (2015) discovered that workers who have access to family-friendly policies like flexible hours and group childcare have lower turnover intentions than those who do not. Both theoretical discussions and empirical studies have emphasized the benefits of risk taking and its effect on firm results. On a theoretical level, SMEs' willingness to take relatively high levels of risk allows them to seize lucrative openings in the face of unknown, resulting in long-term profitability (McGrath, 2001).

In a report on the impact of innovation on service sector efficiency, Therrien et al. (2011) found that for companies to generate revenue from innovations, companies must enter the market early and launch innovative products. Gunday et al. (2011) conducted an empirical analysis of companies from Turkey from various sectors to examine the impact of marketing, operation, commodity and organization developments on organizational success, such as achievements in finance, marketing, and development. Marketing, product, and organization advances all have positive effects on manufacturing company

efficiency, according to the study. Augusto et al. (2014) discovered a link between organizational size and process innovation when it comes to organizational efficiency.

#### **2.3.4 Hierarchical Culture and Performance**

Marin et al., (2017) published a report on family-owned businesses and organizational culture. The analysis looked at 491 Spanish companies with varying degrees of family participation. Cameron and Quin's organizational cultural evaluation equipment (OCAI) was used in the research (1999). Clan culture controlled both family-owned and operated businesses and professionally managed businesses, according to the findings. On-family companies had the most hierarchy and consumer cultures.

Acar et al., (2007) investigated 134 companies in Turkey's building and architecture industries. The study found that the industry was dominated by a combination of clan and hierarchy culture, which did not satisfy the industry's business needs. Instead of focusing on growth and creativity, the businesses prioritized stability and teamwork. This might lead to a struggle to stay afloat in the industry. Bureaucracy is a form of government and organization that, according to Max Weber, should exist in a perfect organizational framework. Bureaucracy is an important form of management for achieving rationality, removing turmoil, and preventing ambiguity in an organization (Aydn, 2010). Bureaucracy, in general, is the method of coordinating disparate transactions and activities using logical and objective rules (Başaran, 2000). Though bureaucracy can be found in many organizations, Bursalolu is an exception (2012).

According to Akinyele (2011), the organizational architecture and techniques of oil and gas marketing organizations have a positive influence on market share. According to Lavie, the layout of organizational structure and tactics is positively related to firm effectiveness (2006).

Grewal and Tansuhaj (2001) discovered that more accomplished organizations had well-defined organizational structures as compared to less successful enterprises. Ekpu (2004) identified a link between informal organizational patterns and large business financial performance using large enterprises as a case study. Organizational structure refers to how responsibilities and authority are allocated within a company.

Having the correct organizational system, according to Mansoor et al. (2012), is a recipe for success. In the extant research, two major characteristics of organizational structures are investigated: formalization and centralization (Bucic & Gudergan,

2004). Organizational structure includes the essence of levels of hierarchy, power centralization, and horizontal integration. According to Bucic and Gudergan (2014), organizational structure is the hierarchical framework of roles and accountability structure that monitors, harmonizes, and motivates people to work together to achieve organizational goals. According to Lenz (2010), a company's structure has a significant influence on the performance of its operations strategy. According to Lenz (2018), organizational structure has an impact on efficiency. Adeoye and Elegunde (2012) revealed that the macro-environment had an influence on organizational efficiency in a study of the Nigerian food and beverage sector.

#### **2.4 Summary of Literature Review and Research Gap**

Several empirical research on organizational culture and its effect on success have been conducted. The majority of these studies were conducted in developing countries like Spain and Turkey. Researchers studying the impact of organizational culture on success have disagreed on what factors affect performance (Acar and Acar, 2014). However, there are few studies on culture in family-owned and operated companies. In Kenya, a number of studies on the impact of culture on organizational success have been performed, but only a small percentage of the companies surveyed are family-owned. The question of whether culture has the same effect in family-owned companies remains unanswered. This research study will contribute towards filling this gap and to examine if a relationship exists between the variables.

**Table 2.1: Summary of Gaps**

<b>Studies</b>	<b>Study Focus</b>	<b>Research Design</b>	<b>Findings</b>	<b>Knowledge Gap(s)</b>
Joyce Maina(2016)	Influence of Organizational Culture on Performance of Commercial Banks in Kenya	Descriptive Survey Design	According to the findings, there was a notable vital link in regards to corporate culture and organizational accomplishments in Kenyan commercial banks.	The study only focused commercial banks in Kenya
Kamau. P.M, Wanyoike. R. W (2019)	Corporate Culture and Organizational Performance:	Descriptive and Explanatory Research Designs	According to the findings, there is a clear involvement between a firm's culture and a firm's success.	The study focused on corporate culture only
Anne Tunda Kamamia (2017)	The Effect of Organizational Culture on Organizational Performance	Descriptive survey Research Design	The results revealed that there is a notable link between organizational culture and success.	The study was generalized to organization culture holistically
Mr.A. Sengottuvel, Dr. U. Syed Aktharsha (2016)	The Influence of Organizational Culture on Organizational Performance in Information Technology Sector	Both Qualitative as well as Quantitative	The metrics used to quantify organizational progress are deemed insufficient and do not accurately determine the organization's efficiency.	The parameters study was inclined in the information technology sector alone
FakharShahzad, RanaAdeelLuqman, Ayesha Rashid Khan, LalarukhShabbir (2012)	Impact of Organizational Culture on Organizational Performance	Exploratory approach	According to research, if manpower is devoted and share the same values and habits as the company, they will improve efficiency and help the organization achieve its aims.	The study emphasized on employee commitment and organization performance
Motilewa, B. Deborah, Agboola, G. Mayowa,.Ade niji, C. Grace (2015)	Organizational Culture and Performance	Review Approach	There is proof that the org culture of Covenant university has a good effect on staff motivation, esteem, and goodwill On staff productivity. There is improved efficiency, better work quality and creativity.	The study only covered one learning institution and mainly focused on employee motivation
Hua-Lin Tsai, Shih-Yun Zeng, Chun-Wei Lu, Sheng-Hsu Chuang	The Impacts of Corporate Culture on Organizational Performance	Basic Descriptive Statistics	Study indicated that standardized operations, and procedures could have an impact on all the indices of org performance.	The study dealt with one organization culture that is bureaucratic culture and organization performance
Mashal Ahmed &SaimaShafiq (2014)	The Impact of Organizational Culture on Organizational Performance	Exploratory Study	The findings indicated that all the components of the culture influenced varying areas of organizational performance.	There was generalization of the different components of culture.

## 2.5 Conceptual Framework

The conceptual framework is a collection of cohesive ideas or concepts structured in such a way that they are easily communicated to others (Schwartz, 2006). The conceptual framework shown in Figure 1 depicts the links between independent and dependent variables.

### Independent Variables Dependent Variables

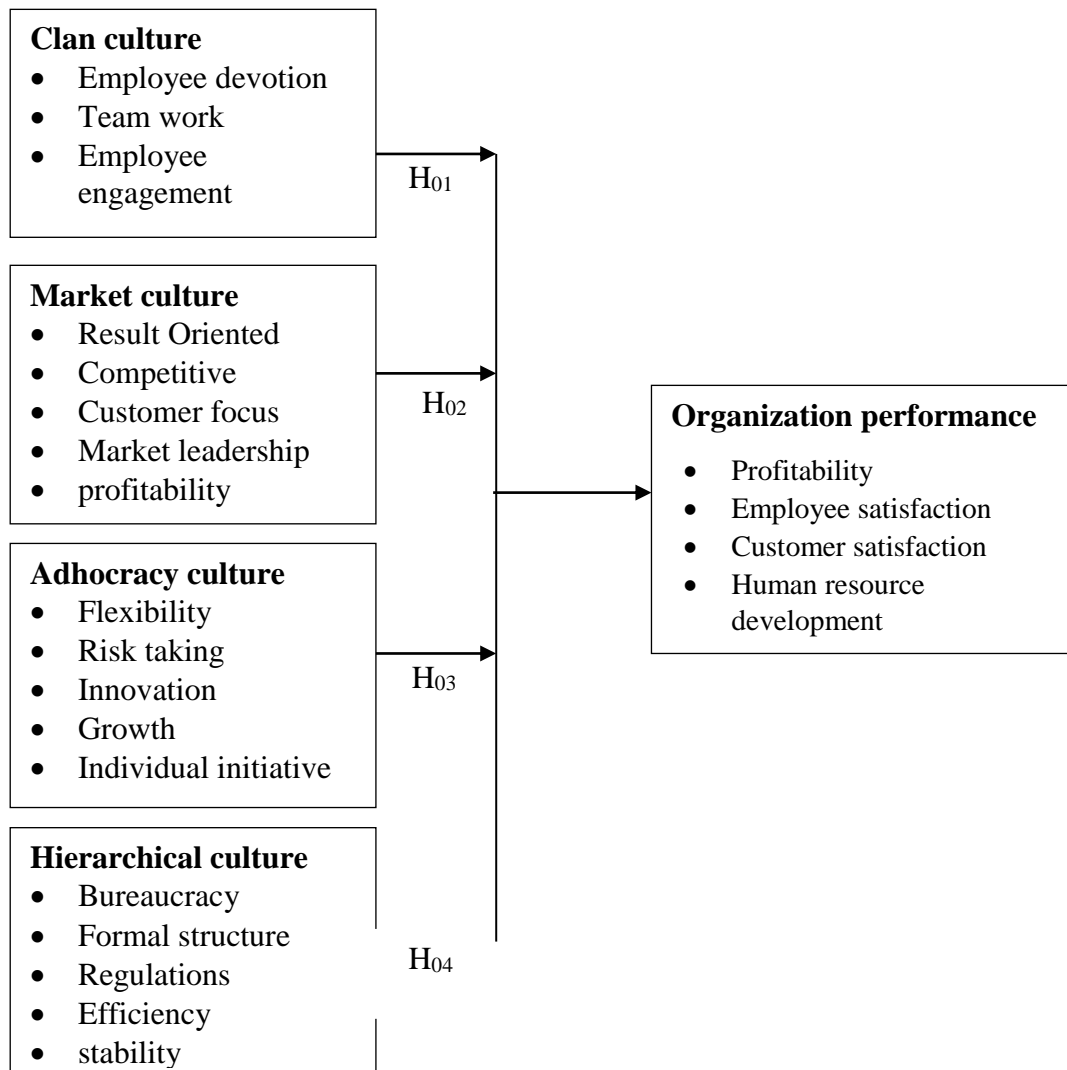


Figure 2.1: Conceptual Framework

## **CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY**

### **3.1 Introduction**

The design, target population, sampling, sample size process, data collection, and procedures are all covered in this chapter. It also shows how data was processed and what methods were used to analyze and present it.

### **3.2 Research Design**

According to Saunders, Lewis, and Thornhill (2007), no research design is necessarily better or worse than another, and research design must be motivated by the researcher's research objectives and questions. Different research designs can be combined in one study. Descriptive studies are used to find out the “what is” and utilizes data collected using observational and survey methods.(1989, Borg & Gall). The data is presented using mean, mode, median, and variance. The aim of an explanatory research design is to find some causal relationships between the factors or variables that are essential to the research issue. It enables the researcher to put very precise hypotheses to the test (cooper and schidler, 2008).As a result, descriptive and explanatory research were used in the study. The study survey and data was collected using self-administered questionnaires.

### **3.3 Target Population**

Target population is a whole group of individuals with some similar notable qualities (Mugenda and Mugenda, 1999). Riva petroleum has a total of 170 permanent employees in Nairobi, East and Central Kenya and Rift valley region. For convenience and time factor the study will narrow down to Rift valley region. Riva Petroleum Dealers has one administrative branch in Rift-valley region based in Nakuru town and nine petrol stations in rift valley region. Five of the nine petrol stations are run by the company and will be the target of the study and four of the remaining stations are franchise agreements with dealers. The study targeted 68 employees from Riva petroleum main branch and five company run petrol stations in Nakuru County. The employees targeted were at different functional levels in the organization. The target population was drawn from accounts, supplies, human resource, operations and administration, marketing, customer service, fuel station/store heads and pump and store attendants. The distribution is represented in the table below;

**Table 3.1: Distribution of Target Population**

<b>Departments</b>	<b>Total Population</b>
Accounts	4
Supplies	6
Human Resource	1
Operations and Administration	5
Marketing	7
Customer service	5
Fuel stations/store heads	15
Pump and store attendants	25
<b>Total</b>	<b>68</b>

### **3.4 Sampling Design and Procedure**

According to Saunders et al., (2009), sampling design is the mechanism or method used by a researcher that selects a subset of a population to participate in a sample. The sample size is deliberately chosen to be illustrative of the whole population and to have the same characteristics. A sampling design, on the other hand, is described by Mugenda and Mugenda (2012) as a method for determining how research samples were obtained from a study population. The researcher used census methods to include all 68 workers in the Rift Valley area since the target population was manageable.

### **3.5 Data Collection Instruments and Procedures**

Self-administered questionnaires were used to collect primary data. Structured questionnaires were used as a data collection tool, and they included closed-ended questions with a list of all possible responses from which the respondent could choose. The aim of the survey was to find out what the selected employees thought about the study objectives. Owing to the technical aspect of the objects on the scale and the need to assess the authenticity of the correspondents' answers, this approach is the strongest. The responders were given four days to complete the questionnaires before they were taken back, giving them plenty of time to do so sufficiently go through the questions at their own pace. This was done so as to increase the response rate.

### 3.6 Validity and Reliability of Research Instruments

#### 3.6.1 Validity of Research Instruments

The accuracy of inferences based on research findings is the validity of an instrument (Kothari, 2003). The validity of a measuring procedure defines how well it measures the variable it claims to measure. The face validity approach was utilized to assess the reliability of the study instruments. The researcher looked over the instrument and compared it to the study's objectives. Furthermore, the research instrument constructions employed were based on both theoretical and empirical data. To establish the questionnaire's validity and reliability. The study relied on techniques utilized in other related investigations, as well as concepts derived from a thorough review of relevant literature. The questionnaire's content validity was assured by having it thoroughly checked.

#### 3.6.2 Reliability of Research Instruments

According to Mugenda and Mugenda (2003), reliability is the consistency of a measure or the extent to which a research instrument produces consistent results after several trials. A pilot test was used in this investigation to guarantee dependability. A pilot test was undertaken in Riva petroleum dealers Embu branch. The pilot test interviewees were picked indiscriminately and their feedback was analyzed prior to doing the principal research. The answers in the trial study were used to determine constancy of results, and the questionnaire was regarded as adequately dependable to be employed in the major study, (Lees, 2007). The trial was meant to divulge gaps in the design of the principal research thus allowing the researcher to have a useful understanding of issues that needed to be amended prior to execution of the principal study (Sigmund, 2003). Cronbach's Coefficient Alpha, was used to determine the reliability and a cut-off point of 0.7 was used.

**Table 3.2: Results of Reliability Testing**

<b>Study Variable</b>	<b>Number of Items</b>	<b>Cronbach's Alpha Coefficient</b>
Clan Culture	5	0.786
Hierarchical Culture	5	0.985
Market Culture	5	0.998
Adhocracy Culture	6	0.982
Performance	5	0.912

### **3.7 Data Analysis and Presentation**

The raw data collected was screened, coded and analyzed to guarantee correctness, constancy and integrity. The data was analyzed using quantitative data analysis methods. Statistical Package for Social Science version 25.0 was used to code and enter data from the questionnaires. This aided in the execution of basic descriptive evaluations, which were provided in the form of frequency tables. Quantitative data was analyzed using content analysis and interpreted using themes and narratives, while qualitative data was collected.

Tables, maps, and graphs were used to display quantitative data, which was analyzed using descriptive and inferential statistics.

A multivariate regression model was used to determine the relationship as shown below,

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

Where: Y = performance in family run businesses

$\beta_0$  = Constant Term;

Performance =  $X_1 X_2 X_3 X_4$  Coefficients of the independent variables

$X_1$  = Adhocracy culture

$X_2$  = Market Culture

$X_3$  = Clan culture

$X_4$  = Hierarchical culture

### **3.8 Ethical Consideration**

The principles of conduct or habits that direct moral choices about behavior and connections with others are what is referred to as ethics (Ortinou and Bush, 2006). The study ensured that ethics were upheld in the process, and interviewees were informed that responses they provided would only be used to further academic research goals. A privacy statement is essential not only to maintain the research's validity, but also to protect the respondents (Van der Merwe, 2003). The respondents' right to privacy includes the confidentiality of survey responses. The given personal details were kept private. The rights and obligations of the respondents in handling the questionnaire were respected. By obtaining a letter of authorization to collect data and a license from Kenyatta University, the researcher was able to obtain the required permission. National Commission for Science, Technology and Innovation before embarking on the research.

## CHAPTER FOUR: FINDINGS AND DISCUSSIONS

### 4.1 Introduction

This chapter outlays discoveries and discussions on organization culture and performance in family run businesses; a survey of Riva petroleum dealer's ltd Rift Valley region. The first part displays the return rate. Following that, the descriptive and inferential results are presented and examined. The results are consistent with the study's goals.

### 4.2 Response Rate

Response rate is the number of people who completed and returned the questionnaire divide by the total sample population. Maxwell, (2015).

**Table 4.1: Response Rate**

No. of interviewees	No. of questionnaires Received back	Completion Rate (%)
68	53	78

A total of 68 questionnaires were distributed, 53 were adequately filled constituting 78 % level of response. According to Mugenda and Mugenda (2003), a reply rate of 50% is satisfactory, 60% is fine, and more than 70% is outstanding. As a result, this answer was scored as excellent for the report.

### Demographic Representation of Respondents

#### 4.2.1 Age of the Respondents

Table 4.2 illustrates respondents spread in terms of age group.

**Table 4.2: Age of the participants**

Age	Frequency	Percent
18-28 Years	11	20
29-39 Years	12	22
40 – 50 years	19	35
Above 50 years	11	20
<b>Total</b>	<b>53</b>	<b>100</b>

It was established that 20% of the respondents fell in the 18-28 years age bracket, 22% of the answerers were in the ages of between 29-39 years, 35% aged between 40-50

years while 20% of the participants indicated they were above the age of 50 years. This indicates that Riva petroleum dealers employ a relatively young workforce.

#### 4.2.2 Highest Academic Qualification

As pertains to the Education status of the respondents, the results stemming from the analysis are presented in Table 4.3.

**Table 4.3: Highest Level of Education**

	Frequency	Percentage
Certificate	7	13
Diploma	21	40
Degree	18	34
Masters	7	13
<b>Total</b>	<b>53</b>	<b>100.0</b>

From Table 4.3 above 7 of the respondents which makes 13% of the sampled population stated that they had attained certificate qualification, 40% of the interviewees stated that they had a diploma, 34 % of the sampled population had gone up to degree level ,while 13% of the respondents had acquired masters education degree. From the table this we can deduce that the participants were capable of answering the questionnaires.

#### 4.4 Descriptive Findings and Discussions

This part includes descriptive observations and conversation about the study's objectives. The data were presented using measures of core trends (means) and measures of variation or dispersion (standard deviations).The obtained data was analyzed using a five-point Likert scale: 5=Strongly Agree, 4=Agree, 3=Neutral, 2=Disagree, and 1=Strongly Disagree.

##### 4.4.1 Clan culture on performance of Riva Petroleum Dealers Ltd.

The researcher sought to determine degree of concordance on the effect of clan culture on performance of Riva Petroleum Dealers Ltd. Table 4.4 shows the respondent's views.

**Table 4.4: Effect of clan culture on performance of Riva Petroleum Dealers Ltd..**

<b>Statement</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std</b>
Teamwork is highly valued in Riva petroleum dealers ltd	53	1	5	4.076	1.141
All employees are motivated to actively take part in making choices and improving operation processes	53	1	5	4.226	0.869
I believe my voice and opinion matters to the leadership of the company and this boosts my performance	53	1	5	4.755	0.937
Being in Riva petroleum feels like being a part of one large family	53	1	5	3.981	0.990
The culture of teamwork and loyalty results in improved customer satisfaction	53	1	5	3.981	1.100
<b>Aggregate</b>				21.019	5.037

From the findings, with a (mean = 4.076; std = 1.141), the greater number of the interviewees decided that teamwork is highly regarded in Riva petroleum dealers ltd. The results support Hersey's (2017) statement that teamwork is essential in the workplace for better productivity and employee bonding. The findings were in congruence with a greater number of respondents stating that all employees are motivated to actively share in making resolutions and improving operation processes with (mean = 4.226; std = 0.829). A greater number of the participants agreed that they believe my voice and opinion matters to the leadership of the company and this boosts my performance (mean = 4.755; std = 0.937).

Additionally a greater number of the participants (mean = 3.981; std= 0.990) agreed that being in Riva petroleum feels like being a part of one large family. The study also indicated that a larger part of the respondents (mean = 3.2981; std= 1.100) agreed that the culture of teamwork and loyalty results in improved customer satisfaction. The findings support those of Hisam (2018), who discovered a clear and important connection between teamwork and success. Team cohesiveness is a critical and determinant factor for team success in an organization, according to Akmal (2015). As a result, teamwork alone cannot ensure effectiveness in the absence of administrative engagement. This is where top-level leadership support is crucial to enabling better

results across the board. Similarly the supports findings by Sanyal and Hisam (2018) which revealed there existed a define connection between the teamwork and performance of faculty members in Dhfar University. The findings agree with (Prajogo & McDermott, 2005) who advocate for a clan type of culture for an effective implementation of a quality management styles.

#### 4.4.2 Hierarchical culture on performance of Riva Petroleum Dealers Ltd.

The researcher sought to determine degree of concordance on the effect of hierarchical culture on performance of Riva Petroleum Dealers Ltd. Table 4.5 shows the respondent's views.

**Table 4.5: Effect of hierarchical culture on performance of Riva Petroleum Dealers Ltd**

<b>Statement</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std</b>
There is a clear chain of command and Formal structure that is clearly understood by everyone and this contributes to performance.	53	1	5	3.962	1.160
There are written rules and procedures for all activities and this enhances individual and team performance and productivity	53	1	5	4.169	1.051
All decisions must get approved by senior managers	53	1	5	4.000	1.091
As an employee I must follow all the rules and procedures even if these processes do not achieve the desired results	53	1	5	4.190	0.982
I feel empowered to make decisions that affect my work directly	53	1	5	4.090	1.100
<b>Aggregate</b>				<b>20.411</b>	<b>5.384</b>

From the findings, a wider number of the answerers concurred with a (mean = 3.962; std = 1.160) that There is a clear chain of command and formal structure that is clearly understood by everyone and this contributes to performance. The findings agree with (Edna Mwangi 2015) findings which indicate that organization has a clear chain of command.

The respondents were in agreement based on the results with (mean = 4.169; std = 1.051) that there are written rules and procedures for all activities and this enhances individual and team performance and productivity. From findings the respondents concurred that all decisions must get approved by senior managers (mean = 4.000; std = 1.091). Additionally a greater number of respondents (mean = 4.190; std= 0.982) agreed that as an employee they must follow all the rules and procedures even if these processes do not achieve the desired results. The findings agree with Society for Human Resource Management (2011) report which showed that employers are to layout disciplinary regulations and admissible rules of conduct within the business. These regulations should clarify the wrong doings and the extent of breach. Finally a greater number of the interviewees agreed that they feel empowered to make decisions that affect my work directly with (mean = 4.090; std= 1.100) According to Cameron and Quinn (2011), promoting the greatest level of standards in organizations necessitates the use of hierarchy culture practices such as upping measurement, process monitoring, and structured solution of problems.

#### 4.4.3 Market culture on performance of Riva Petroleum Dealers Ltd

The researcher sought to determine degree of consistency on effect of market culture on performance of Riva Petroleum Dealers Ltd. Table 4.6 shows the respondent's views.

**Table 4.6: Effect of market culture on performance of Riva Petroleum Dealers Ltd.**

<b>Statement</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std</b>
We pay great attention to what our competitors are doing and respond so as to improve on sales.	53	1	5	3.962	1.125
There are clear goals and targets for everyone to fulfil which encourages employees to work harder	53	1	5	4.019	1.100
Competition amongst ourselves is encouraged as it improves performance	53	1	5	4.018	0.615
All our business efforts are geared towards satisfying customers.	53	1	5	3.924	1.190
Good results are celebrated and rewarded and this brings about increase in marketing efforts by employees	53	1	5	4.283	0.988
<b>Aggregate</b>				<b>20.206</b>	<b>5.018</b>

From the analysis a greater number of the interviewees concurred that they pay great attention to what our competitors are doing and respond so as to improve on sales with a (mean = 3.962; std = 1.125) . The findings showed that a greater number of the interviewees agreed with (mean = 4.019; std = 1.100 that there are clear goals and targets for everyone to fulfill which encourages employees to work harder further majority of the respondents agreed that Competition amongst ourselves is encouraged as it improves performance This is consistent with Porter (2016) who argues that competitive strategy is about being different.

The findings also indicated that the company had adapted these strategies so that it could remain competitive in terms of fares that were being charged across all routes. (mean = 4.018; std = 0.615). A greater number of participants (mean = 3.924; std= 1.190) agreed that all business efforts are geared towards satisfying customers finally majority of the respondents (mean = 4.283; std= 0.988) that good results are celebrated and rewarded and this brings about increase in marketing efforts by employees. The findings support Cameron and Quinn's (2011) assertion that consumer culture is a results-driven organization. The most pressing issue is completing the task. People are goal-oriented and competitive. Hard drivers, manufacturers, and rivals are the leaders.

#### **4.4.4 Adhocracy culture on performance of Riva Petroleum Dealers Ltd.**

The researcher sought to determine degree of concordance on the effect of adhocracy culture on performance of Riva Petroleum Dealers Ltds. Table 4.7 shows the respondent's views.

**Table 4.7:Effect of adhocracy culture on performance of Riva Petroleum Dealers Ltd**

<b>Statement</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std</b>
Employee in our organization feel satisfied by the management in our organization	53	1	5	4.170	1.139
Workers accomplish assigned tasks to meet the desired standards	53	1	5	4.132	1.038
A great number of the clients are fully satisfied by the service offered in this organization	53	1	5	4.208	1.098
Organization culture change in the company has promoted the level of customer satisfaction	53	1	5	4.019	1.046
Training of employees in the organization has improved their productivity	53	1	5	3.98	1.118
Employee in my organization often find better ways to do things	53	1	5	4.170	1.069
<b>Aggregate</b>				<b>24.679</b>	<b>6.508</b>

After the analysis a greater number of the interviewees concurred that employee in the organization feel satisfied by the management in our organization with a (mean = 4.170; std = 1.139). The findings agree with Werner & DeSimone. (2011) findings which deduced that degree of job satisfaction and motivation affects the employee's productivity.

The findings showed that a greater number of answerers concurred with (mean =.4.132; std = 1.038) that Employees complete work assigned to them per the desired standards. The study findings indicated that a greater number of the customers are fully satisfied by the service offered in this organization (mean = 4.208; std = 1.098). The study findings indicated the answerers concurred that organization culture change in the company has promoted the level of customer satisfaction (mean = 4.019; std = 1,046). The findings are consistent with those of Martin and Park (2018), who investigated organizational culture and job satisfaction in Korean professional baseball organizations and discovered a positive effect of clan culture on employee satisfaction due to the important role of personal values and high regard for people – values that are assumed to be universal across cultures.

A greater number of respondents agreed that training of employees in the organization has improved their productivity this hold up the findings by Asim (2013) that there is both direct and inverse link between employee coaching and work performance with a (mean = 3.980; std = 1,118). Finally greater number of the answerers concurred that employee in my organization often find better ways to do things with (mean = 4.170; std = 1.089). The findings agree with (Naranjo-Valencia et al., 2016) findings that showed a positive influence of the adhocracy culture on firm performance.

#### 4.4.4 Performance of Riva Petroleum Dealers Ltd.

The researcher sought to determine level of agreement on performance of Riva Petroleum Dealers Ltd. Table 4.8 shows the respondent's views.

**Table 4. 8: Performance of Riva Petroleum Dealers Ltd**

<b>Statement</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std</b>
Riva petroleum business processes allows for flexibility in operations	53	1	5	3.962	1.000
New ideas and innovation are encouraged and easily adopted	53	1	5	4.094	1.024
Flexibility is allowed in decision making and this results in more sales and greater customer satisfaction	53	1	5	4.264	0.984
We easily change our operations to adopt new technologies ideas to match customer needs	53	1	5	4.132	0.965
The work environment is empowering and encourages risk taking and innovation	53	1	5	4.264	0.858
<b>Aggregate</b>				<b>20.716</b>	<b>4.831</b>

The study result showed that a greater number of the answerers agreed that Riva petroleum business processes allows for flexibility in operations with (mean = 3.962; std = 1.000). Moreover a greater number of interviewees agreed that new ideas and innovation are encouraged and easily adopted (mean = 4.264; std = 0.984).

The respondents agreed that we easily change our operations to adopt new technologies ideas to match customer needs with (mean = 4.132; std = 0.965). The findings agree with those by Sakwa (2014) that most customers today do not mind paying extra for quicker

services should they be rather than free but slower services. This calls out for businesses to put the customer at the forefront. The respondents with a (mean = 4.264; std = 0.984) agreed that they easily change their operations to adopt new technologies ideas to match customer needs.

Finally the respondents agreed (mean = 4.264; std = 0.858) that the work environment is empowering and encourages risk taking and innovation. The findings agree with Leblebici (2012) that a work environment plays a role in motivating employees and producing better results.

#### 4.5.5 Regression Statistic

The research looked at how clan culture, hierarchical culture, market culture, and adhocracy culture affect Riva Petroleum Dealers Ltd's performance. The combined influence of clan culture, hierarchical culture, market culture, and adhocracy culture on the performance of Riva Petroleum Dealers Ltd. was studied using multiple regression analysis and Analysis of Variance (ANOVA).

**Table 4.9: Model Summary**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted Square</b>	<b>R Std. Error of the Estimate</b>
1	0.7563	0.57199	0.52761	2.56741

The amount of variance in the dependent variable that can be explained by the independent variables is represented by R-Squared. In this study, the R-squared value was 0.572, indicating that the four independent variables (clan culture, hierarchical culture, market culture, and adhocracy culture) can explain 57.2% of on performance of in Riva Petroleum Dealers Ltd while other factors explain 42.8%

**Table 4.10: Analysis of Variance**

<b>Model</b>		<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	23.7930	2	11.8965	42.0520	0.000
	Residual	14.4290	51	0.2829		
	<b>Total</b>	<b>38.2220</b>	<b>53</b>			

In this study, the analysis of variance was employed to test whether the model is a good match for the data. The p-value was 0.000, which is less than 0.05, indicating that the model is good at predicting how the four independent variables clan culture, hierarchical culture, market culture, and adhocracy culture (y) affect performance of in Riva Petroleum Dealers Ltd, and the F-calculated (42.0520) was greater than the F-critical, indicating that the model was fit in predicting the influence of the independent variables on the dependent variable.

**Table 4. 11: Regression Coefficients**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	2.026	.420		4.824	.000
1					
clan culture	.241	.147	.421	1.640	.008
hierarchical culture	.219	.144	.286	1.517	.036
market culture	.173	.117	.317	1.481	.045
adhocracy culture	.201	.114	.297	1.771	.003

a. Dependent Variable: performance of Riva Petroleum Dealers Ltd

Table 4.15 shows the overall significant test results for the hypothesized research model. The interpretations of the findings indicated follow the following regression model.

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

Therefore,

$$Y = 2.026 + 0.241X_1 + 0.219X_2 - 0.173X_3 + 0.201X_4$$

#### 4.6 Hypothesis Testing

**H<sub>01</sub>: Clan Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd.**

According to the data, there is a substantial positive association between clan culture and the performance of Riva Petroleum Dealers Ltd, as demonstrated by a regression coefficient of 0.241. The p-value (0.008) was less than the level of significance (0.05). As a result, we reject the null hypothesis and find that clan culture has a positive and

substantial influence on Riva Petroleum Dealers Ltd's performance. The findings contradict (Owino, 2019), which found that clan culture has no substantial impact on organizational market performance (p.05).

**Ho2: Hierarchical Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd**

The data also suggest a positive significant association between hierarchical cultures and Riva Petroleum Dealers Ltd performance, as shown by a regression coefficient of 0.219. The p-value (0.036) was less than the level of significance (0.05). As a result, we reject the null hypothesis and find that hierarchical cultures have a positive and substantial influence on Riva Petroleum Dealers Ltd's performance. The findings correlate with Kadir (2012), who found that hierarchical culture, which is characteristic of role cultures, has a strong negative connection with strategy execution.

**Ho3: Market Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd.**

The data also reveal that there is a positive significant association between market cultures and Riva Petroleum Dealers Ltd performance, as evidenced by a regression coefficient of 0.173. The p-value (0.045) was less than the level of significance (0.05). This contradicts the findings of Rousseau (2010), who found a high positive association between strong culture and performance. As a result, we reject the null hypothesis and find that market culture has a positive and substantial influence on Riva Petroleum Dealers Ltd's performance.

**Ho4: Adhocracy Culture has no statistically significant effect on performance of Riva Petroleum Dealers Ltd**

The data also suggest a positive significant association between adhocracy cultures and Riva Petroleum Dealers Ltd performance, as shown by a regression coefficient of 0.201. The p-value (0.003) was less than the level of significance (0.05). As a result; we reject the null hypothesis and find that adhocracy culture has a positive and substantial influence on Riva Petroleum Dealers Ltd's performance. Morgan and Vorhies (2018) discovered that adhocracy advocates for the organization's rapid adaptation to the macro environment, hence impacting performance.

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter concentrates on a rundown of the study's main results, both descriptive and inferential. The results are then accompanied by a layout of the conclusions drawn from them. The appropriate proposals are then made. At the end, the chapter discusses the areas where more research is required.

### **5.2 Summary**

This section summarizes the main study results. It outlines a rundown of the results in connection to the study's goals.

#### **5.2.1 Effect of clan culture on performance of Riva Petroleum Dealers Ltd**

According to the data, there is a positive relationship between clan culture and the performance of Riva Petroleum Dealers Ltd., as evidenced by a correlation coefficient of 0.605 and a p-value of 0.021. The p-value is less than 0.05 and hence the association was significant. From the findings, greater number of the respondents agreed with a (mean = 4.076; std = 1.141) that teamwork is highly valued in Riva petroleum dealers ltd in addition a greater number of respondents concurred with (mean = 4.226; std = 0.829) that all employees are encouraged to actively participate in decision making and improving operation processes. A greater number of the respondents agreed that they believe my voice and opinion matters to the leadership of the company and this boosts my performance (mean = 4.755; std = 0.937). Additionally greater number of respondents (mean = 3.981; std= 0.990) agreed that being in Riva petroleum feels like being a part of one large family. The study inferred that a greater number of the respondents (mean = 3.2981; std= 1.100) agreed that the culture of teamwork and loyalty results in improved customer satisfaction.

#### **5.2.2. Effect of hierarchical culture on performance of Riva Petroleum Dealers Ltd.**

The findings pointed out that there is a sure link between effect of hierarchical culture on performance of Riva Petroleum Dealers Ltd as shown by a correlation coefficient of 0.462 and a p-value of 0.001. As evidenced by the data collected, a greater number of the respondents agreed with a (mean = 3.962; std = 1.160) that there is a clear chain of command and Formal structure that is clearly understood by everyone and this contributes to performance in addition the respondents were in agreement with (mean

=4.169; std = 1.051) that there are written rules and procedures for all activities and this enhances individual and team performance and productivity. From findings the respondents agreed that all decisions must get approved by senior managers (mean = 4.000; std = 1.091). Additionally a greater number of interviewees (mean = 4.190; std= 0.982) agreed that As an employee they must follow all the rules and procedures even if these processes do not achieve the desired results. Finally a greater number of respondents agreed that they feel empowered to make decisions that affect my work directly with (mean = 4.090; std= 1.100).

### **5.2.3 Effect of market culture on performance of Riva Petroleum Dealers Ltd**

The study revealed that there is a beneficial and consequential association between market cultures on performance of Riva Petroleum Dealers Ltd. This is shown by a correlation coefficient of 0.303 and a p-value of 0.007. After the analysis a largest number of the respondents agreed that they pay great attention to what our competitors are doing and respond so as to improve on sales with a (mean = 3.962; std = 1.125) . The findings showed that the largest number of the respondents agreed with (mean = 4.019; std = 1.100 that there are clear goals and targets for everyone to fulfill which encourages employees to work harder further the largest number of the respondents agreed that Competition amongst ourselves is encouraged as it improves performance (mean = 4.018; std = 0.615). Additionally a greater number of the interviewees (mean = 3.924; std= 1.190) agreed that all our business efforts are geared towards satisfying customers. Finally a greater number of the participants (mean = 4.283; std= 0.988) that good results are celebrated and rewarded and this brings about increase in marketing efforts by employees.

### **5.2.4 Effect of adhocracy culture on performance of Riva Petroleum Dealers Ltd.**

The study established that there is a positive significant association between effects of adhocracy culture on performance of Riva Petroleum Dealers Ltd. This is shown by a correlation coefficient of 0.303 and a p-value of 0.007. After the analysis a large number of the respondents agreed that employee in the organization feel satisfied by the management in our organization with a (mean = 4.170; std = 1.139). The findings showed that a greater number of the participants agreed with (mean =4.132; std = 1.038) that Employees complete work assigned to them per the desired standards. The study findings indicated that a greater number of the customers are fully contented by the service offered in this organization (mean = 4.208; std = 1.098). The study findings

indicated the respondents were in agreement that organization culture change in the company has promoted the level of customer satisfaction (mean = 4.019; std = 1,046). A greater number of the respondents agreed that training of employees in the organization has improved their productivity (mean = 3.980; std = 1,118). Finally a greater number of the participants agreed that employee in my organization often find better ways to do things with (mean = 4.170; std = 1.089).

### **5.2.5 Performance of Riva Petroleum Dealers Ltd.**

The study result deduced that a greater number of the sampled population concurred that Riva petroleum business processes allows for flexibility in operations with (mean = 3.962; std = 1.000). Furthermore a greater number of the respondents agreed that new ideas and innovation are encouraged and easily adopted (mean = 4.264; std = 0.984). The respondents agreed that we easily change our operations to adopt new technologies ideas to match customer needs (mean = 4.132; std = 0.965). Finally the respondents agreed (mean = 4.264; std = 0.858) that the work environment is empowering and encourages risk taking and innovation.

## **5.3 Conclusions**

### **5.3.1 Effect of clan culture on performance of Riva Petroleum Dealers Ltd.**

From the study the researcher concluded that teamwork is highly valued in Riva petroleum dealers further employees are encouraged to actively be a part of decision making and improving operation processes. Employee belief that their voice and opinion matters to the leadership of the company and this boosts my performance in addition to this Being in Riva petroleum feels like being a part of one large family and culture of teamwork and loyalty results in improved customer satisfaction.

### **5.3.2 Effect of hierarchical culture on performance of Riva Petroleum Dealers Ltd.**

On the second objective the researcher concluded that there is a clear chain of command and Formal structure that is clearly understood by everyone and this contributes to performance further there are written rules and procedures for all activities and this enhances individual and team performance and productivity. All decisions must get approved by senior managers. As an employee I must follow all the rules and procedures even if these processes do not achieve the desired results and employee feel empowered to make decisions that affect my work directly.

### **5.3.3 Effect of market culture on performance of Riva Petroleum Dealers Ltd**

On the third objective the researcher concluded that employee pay great attention to what our competitors are doing and respond so as to improve on sales also employee feel that there is clear goals and targets for everyone to fulfil which encourages employees to work harder and competition amongst themselves is encouraged as it improves performance. All business efforts are geared towards satisfying customers and good results are celebrated and rewarded and this brings about increase in marketing efforts by employees.

### **5.3.4 Effect of adhocracy culture on performance of Riva Petroleum Dealers Ltd.**

Finally the researcher concluded that employee in the organization feel satisfied by the management in our organization. Employee's complete work assigned to them per the desired standards. A greater number of the customers are fully contented by the offering in this organization. Organization culture change in the company has promoted the level of customer satisfaction. Training of employees in the organization has improved their productivity and Employee in the organization often find better ways to do things.

## **5.4 Recommendations**

The study proposes that organizations should ensure team work among its employees further the organizations should encourage employees to actively participate in decision making and improving operation processes and also ensure all employees are embraced to make them feel part of the organization to improve their performance in the organization.

The researcher recommends that the organization should ensure there is clear chain of command and formal structure that is clearly understood by everyone and this will contribute to performance further the organizations should have written rules and procedures for all activities and this enhances individual and team performance and productivity. The researcher recommend that the organization should allow employees to air their view on rules and procedure that affect their work.

The researcher recommended that the organization should have clear goals and targets for everyone to fulfil which encourages employees to work harder further all the business efforts should be geared toward satisfying the customers. The organization should reward employees who perform well in their work as this will boost their moral and increase their performance.

Finally the researcher recommends that employees should complete work assigned to them properly as this does not only increase customer satisfaction but also increase its performance. The organization should offer training so as to increase their productivity and make them find better ways of doing things.

### **5.5 Suggestions for Further Research**

A similar research on the connection between organizational culture and success in non-financial organizations in Kenya is recommended by the study. This would allow the study's findings to be applied to other organizations.

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## APPENDICES

### Appendix I: Letter of Introduction

Dear respondent,

#### **Re: Request for Information**

Kenyatta University, Currently undertaking a research study titled: “**ORGANIZATION CULTURE AND PERFORMANCE IN FAMILY RUN BUSINESSES: A CASE OF RIVA PETROLEUM DEALERS LIMITED NAKURU COUNTY, KENYA.**” I

kindly request you to provide the required information to the best of your knowledge. The information provided will be treated with utmost confidentiality and only used for academic purpose.

Thank you

Yours faithfully,

---

**Student**

---

**Supervisor**

## Appendix II: Research Questionnaires

This questionnaire is designed to obtain information for purely academic research purposes from employees working in Riva Petroleum Dealers. The correctness of the responses you provide will be crucial to the success of research proposal. The questionnaire has six parts. You are kindly requested to respond to each of the questions in the various sections.

### Section A: Demographic Characteristics of Respondents

Tick (✓) where appropriate

1. Your gender Male  Female
2. What is your current age?  
18 – 28Years  29 – 39 Year  40 – 50 Years  50 Years and above
3. Academic qualifications Certificate  Diploma  Degree  Masters
4. How long have you been working with Riva Petroleum Dealers?  
1-5 year  6-10 years  11-20 years  above 20 years
5. Please indicate to what extent the following statements are true as relates organization culture and performance. Please tick (✓) the box with a number from the scale below that best describes your response.  
  
1- Strongly disagree  
2- Disagree  
3- Neutral  
4- Agree  
5- Strongly Agree

	<b>Clan Culture</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Teamwork is highly valued in Riva petroleum dealers ltd					
2	All employees are encouraged to actively participate in decision making and improving operation processes.					
3	I believe my voice and opinion matters to the leadership of the company and this boosts my performance.					
4	Being in Riva petroleum feels like being a part of one large family.					
5	The culture of teamwork and loyalty results in improved customer satisfaction					
	<b>Hierarchical Culture</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
6	There is a clear chain of command and Formal structure that is clearly understood by everyone and this contributes to performance.					
7	There are written rules and procedures for all activities and this enhances individual and team performance and productivity					
8	All decisions must get approved by senior managers					
9	As an employee I must follow all the rules and procedures even if these processes do not achieve the desired results					
10	I feel empowered to make decisions that affect my work directly					
	<b>Market Culture</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
11	We pay great attention to what our competitors are doing and respond so as to improve on sales.					
12	There are clear goals and targets for everyone to fulfill which encourages employees to work harder.					
13	Competition amongst ourselves is encouraged as it improves performance					
14	All our business efforts are geared towards satisfying customers					
15	Good results are celebrated and rewarded and this brings about increase in marketing efforts by employees					
	<b>Adhocracy Culture</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

16	Riva petroleum business processes allows for flexibility in operations					
17	New ideas and innovation are encouraged and easily adopted					
18	Flexibility is allowed in decision making and this results in more sales and greater customer satisfaction					
19	We easily change our operations to adopt new technologies ideas to match customer needs					
20	The work environment is empowering and encourages risk taking and innovation					
	<b>Performance</b>					
21	Employee in our organization feel satisfied by the management in our organization					
22	Employees complete work assigned to them per the desired standards					
23	Majority of the customers are fully satisfied by the service offered in this organization					
23	Organization culture change in the company has promoted the level of customer satisfaction					
24	Training of employees in the organization has improved their productivity					
25	Employee in my organization often find better ways to do things					

### Appendix III: University Authorization Letter



KENYATTA UNIVERSITY  
GRADUATE SCHOOL

E-mail: [dean-graduate@ku.ac.ke](mailto:dean-graduate@ku.ac.ke)

P.O. Box 48844, 00100  
NAIROBI, KENYA  
Tel. 810901 Ext. 4150

Website: [www.ku.ac.ke](http://www.ku.ac.ke)

Internal Memo

FROM: Dean, Graduate School

DATE: 17<sup>th</sup> November, 2020

TO: Felista Wanjiru Kinyua  
C/o Business Administration Dept.

REF: D33/KU/FF/38463/2017


#### SUBJECT: APPROVAL OF RESEARCH PROPOSAL

We acknowledge receipt of your revised Research Proposal as per our recommendations raised by the graduate school board of 11<sup>th</sup> September, 2020 entitled "Organization Culture on Performance in Family run Businesses: A Survey of B Jiva Petroleum Dealers Limited in Nakuru County".

You may now proceed with your data collection, subject to clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking and progress report forms per semester. The forms are available at the University's Website under Graduate School webpage downloads.

Thank you.

  
ELIJAH MUTUA  
FOR: DEAN, GRADUATE SCHOOL

C.c. Chairman, Department of Business Administration

Supervisors:

1. Dr. Anne Muchem  
C/o Department of Business Administration  
Kenyatta University

DW/ten

## Appendix IV: NACOSTI Authorization Letter

 REPUBLIC OF KENYA	 <b>NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY &amp; INNOVATION</b>
Ref No: 773905	Date of Issue: 19/January/2021
<b>RESEARCH LICENSE</b>	
[[permit_photo]]	
<b>This is to Certify that Miss. FELISTA WANJIRU KINYUA of Kenyatta University, has been licensed to conduct research in Nakuru on the topic: Organization culture on performance in family run businesses; A survey of Riva Petroleum Dealers Ltd in Nakuru County for the period ending : 19/January/2022.</b>	
License No: NACOSTI/P/21/8535	
773905 Applicant Identification Number	 Director General <b>NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY &amp; INNOVATION</b>
	Verification QR Code
	
<b>NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.</b>	

## **Appendix VI: Plagiarism Report**