THE IMPACT OF ORGANIZATIONAL CULTURE ON PERFORMANCE IN MERGED ORGANIZATIONS IN KENYA: A CASE STUDY OF LIQUID TELECOM KENYA

By

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UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

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A Project Report Presented in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration, (MBA).

UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

SUMMER 2015
DECLARATION

I declare that this research project is my own work and it has not been submitted for any degree or examination in any other University.

Signature………………………………………….Date……………………………………………

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STUDENT ID: 639473

This research project has been submitted for examination with my approval as the university appointed supervisor

Signature………………………………………….Date……………………………………………

CIRU GETECHA

Dean, Chandaria School of Business

Signature………………………………………….Date……………………………………………
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ACKNOWLEDGEMENT

I would like to thank everyone who helped me in compiling of my research project from the initial research to final documentation. I especially want to thank Professor Ciru Getecha who supervised this study and gave valuable feedback and advice throughout the entire project. Her assistance is greatly appreciated.

Further thanks to my friends, family and classmates for their unlimited support during my project study of the entire Master of Business Administration degree course.
DEDICATION

I would like to dedicate this research project to my husband, Mr. Robinson MwanikiMuigai and my mentor Mrs Christabel Anyango who have been with me through every step of my life. They have been a great motivation as well as an inspiration in making me not to give up on my dreams. I thank them for every sacrifice they made to enable me reach this far.
The objective of this research project was to establish the impact of organizational culture in merged organizations on performance. The study was guided by three research questions. One was to determine what constituted organizational culture in Kenya Data Networks and Swift Global Kenya. The second was to determine the difference between organizational culture in the merged organization (Liquid Telecom Kenya) and the two separate individual organizations (KDN and SGK). The third was to determine how organizational culture in merged organization, Liquid Telecom Kenya, affects performance.

The study was a descriptive type of study and questionnaires were used to collect data which were sent via email/electronic means of communication. Data was collected from Liquid Telecom Kenya as the case study. The sample had a total of 80 respondents from the human resource department, ICT department, operations department and finance department. The results of the study were analyzed using descriptive and inferential statistics and later they were presented using tables, charts and graphs. The SPSS tool was used to convert the data into an output for interpretation and aid in making the recommendations.

In trying to relate organizational culture and performance, responses show that new organizational culture had led to employees setting goals and achieved their objectives at a more successful rate. This is in line with Makhlouk and Shevchuk (2008) whereby in the case that the merged organization has a strong organizational culture and smooth cultural integration process, individuals are likely to set smart goals and accomplish their targets at a more fruitful rate but where merged organization has a frail organizational culture then smart objectives are not set leading to goals not met in this manner performance of organization weakens. In the case of Liquid Telecom Kenya, the performance strengthens with regards to this. Responses in this study supported that through the organizational culture the primary vision was accomplished and there was a focus on productivity at Liquid Telecom Kenya. This is also connected to Mbuvi’s (2010) second dimension culture where the organization’s mission and vision need to be understood by the employees and incorporate Geert Hofstede’s model dimension of a professional culture where the employees are long term directed and externally focused to set up strategies that will
increase performance of the organization. For the merged organization, this is a boost to performance.

The study concluded that there is a relationship between organizational culture and performance. From management's view, performance was measured by profitability of the organization and level of staff turnover in the organization whereby low staff turnover meant the organization was able to retain their employees thus increase performance of the organization. The organization was able to attract new skills from the marketplace and had a high client base and this increased performance of the organization.

The study recommends that Liquid Telecom Kenya should reduce the power distance as this will improve relations between management and employees. Individuals will identify with each other all the more as equals, paying little heed to formal positions and thus should enhance communication among its employees.

Further studies could also be carried out on another case study other than an organization in the technology sector, maybe finance or manufacturing sector. It can also be recommended that the same study could be done but in a different geographical location and on a wider sample.
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<td>KDN</td>
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<td>ISP</td>
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Chapter 1

INTRODUCTION

1.1. Background of the Study

Mergers had turned out to be popular amongst the most well-known business entry strategies and had turned into an undeniably vital and intriguing alternative for organizations to grow (Krohwinke and Svennson, 2009). Amid the last couple of years, the number of mergers had risen. A couple of the reasons include the motives of higher profitability, accomplishing economies of scale, expand market share and as of late mergers were more vital and operational in nature. Be that as it may, just 17% of cross-fringe mergers created wealth for their shareholders and around half of them failed (Dauber, 2011).

Kornberger and Pitsis (2010) defined organizational culture as a feeling of shared convictions and qualities. The way of life of an association was an essential international business strategy invented and grown by the workers of that association when they learned and tackled issues. The key advantage of shared convictions was that it adjusted the goals of the administration and the representatives and henceforth decreased association issues. Thus, shared beliefs led to increased delegation, utility, and effort, decreased data accumulation, experimentation, and influenced activities; and less biased correspondence yet after the merger, the extent to which representatives shared beliefs was lower than that in their particular pre-merger (Van nook Steen, 2010).

Organizational culture was likewise characterized by the majority of the life, qualities, shortcomings, education, and upbringing of the workers. While executive leaders assumed an extensive part in characterizing organizational culture by their activities and administration, all representatives added to the organizational culture. Culture was particularly affected by the association's founder, administrators, and other administrative staff as a result of their part in decision making and strategic direction. One of the key inquiries and evaluations, when employers talked with a prospective employee, was to investigate whether this prospective employee was a decent cultural fit (Hofstede & Hofstede, 2010).
As indicated by Sinclair (2003), a recent UK study demonstrated that 85% of officials in failed mergers referred to contrasts in corporate culture as the real cause, including the different components like sudden changes in monetary conditions, poor financial analysis and strategy. In this way cultural contrasts were an essential causal factor in merger disappointments. The issues connected with the joining of firms dependably prompted a lower level of post-merger performance regularly identified with social qualities. As indicated by Krohwinke and Svennson (2009), numerous studies demonstrated that the initial three to six months after a merger frequently created poor working results and firms seemed to overestimate the potential benefits of a merger. It had been argued that one explanation behind the high disappointment rate was that most mergers were excessively centered on business and monetary conditions rather than the human variables. Issues like communication failures, hostile mindsets towards workers from different organizations, cultural conflicts, the absence of duty, brought down profitability and loss of essential staff members were regularly confronted by merging organizations.

Research around the key, monetary and operational elements demonstrated that under half of them mergers were relied upon to be fruitful. A recent study by Aon Hewitt (2011) presented the results of an overview of 123 organizations around the globe from a variety of industries. A large portion of the respondents showed that their merger arrangements neglected to meet expectations. When asked about factors leading to a deal failure, 33% of the respondents mentioned cultural integration issues. As indicated by Dauber (2011), it was generally perceived that cultural differences between the partners of a merger were amongst the most common explanations behind the failure in mergers and numerous scientists argued that cultural differences could assemble barriers in accomplishing the goals of the organizations.

It was hard to determine an organization's culture from the outside, particularly in pre-merger negotiation when time and confidentiality were important factors while trust still should be built up, it could be a difficult task to see whether the way of life of the potential partners fit together. Most issues happened because of cross-organizational and cross-functional differences in worldwide firms. In a merger, culture was more than making the individuals from both partners cooperate easily along these lines of their foundation and combination of another but a shared culture was a critical factor for mergers to take components from both previous cultures to make new elements (Kornberger and Pitsis, 2010).
Social and cultural theories endeavored to explain how individuals identified with one another and/or the encompassing environment. As individuals progressively utilized technology to speak with each other, either as individuals, groups, or communities; social and cultural theories turned out to be more significant (Roxx, 2011).

There had been a couple of restrictions as to research on this area: - Evaluation, characterizing relationships, and discovering models or hypotheses that guide system design were still primarily unexplored areas of research. Another restriction was that there was a debate about social theories and computer related social capacity: there was fear that online groups, email, or utilization of the web obliterated personal social connections. Technology significantly influenced the social examples of individuals, and accordingly customary speculations of human science were not important when these new elements (like the technology) were presented. The way that social theories was understood could likewise influence innovation. (Minkov & Blagoev, 2011).

Social informatics studied social parts of computerization, including use, design, and consequences of technology. This field considered the parts of technology and system design that were pertinent to people's lives. It is another field that was as yet defining theories about how social angles identified with computing in general, attempting to anticipate under what condition systems come up, or attempting to understand and describe technical areas with complex or ambiguous results. As indicated by Roxx (2011), the social context of information technology development and use assumed a critical part in impacting the ways that individuals use information and technologies, and along these lines impacted their consequences for work, organizations, and other social relationships.

Liquid Telecom Kenya (LTK), an aftereffect of a merger between Kenya Data Networks (KDN) and Swift Global Kenya (SGK), is a full Service, Data Communications Carrier registered and authorized by the Communications Commission of Kenya in January 2003 as a Public Data Network Operator (PDNO). Taking after the fruitful merger in March 2013, Liquid Telecom Group has turned into a noteworthy service provider in Africa. As per Liquid Telecom report (2013), their mission is to manufacture world-class infrastructure in Africa and are contributing many dollars to make it a reality. They are now shaping the biggest and most developed fiber network across East Africa and offer a comprehensive suite of administrations over their fiber
optic system, including IP, broadband transport, voice infrastructure services and co-location services to help clients meet their developing requests for cutting edge communication solutions. Their open access, single fiber system is one of the biggest on the African landmass, extending more than 15,000km and interfacing a large number of Africa's quickest developing economies. They supply wholesale fiber optic, satellite and universal carrier services to mobile networks, ISPs and organizations of all sizes, alongside communication solutions for people over the African continent (Liquid Telecom, 2013). Liquid Telecom Group bolsters local peering and is available on more African Internet Exchanges than any other administrator. Their commitment to these goes further than simply joining with the trade and has included being founding members, equipment donation, participation in working groups and management committees, allocation of staff members time to run exchanges. (Liquid Telecom, 2013).

1.2. Statement of the Problem

At the point when distinctive organizational cultures merge together, individuals were compelled to see one another and to change their states of mind and methods for behaving. The response was regularly a feeling of absence of information and lost personality and fear of consequences, for example, losing one's occupation, confidence drops, collaborations neglected to emerge, high workers turnover, diminished efficiency and nobody appeared to know how to alter it. It was the individuals that conveyed accomplishment to the integration of two organizations, yet today representatives at distinctive hierarchical levels are regularly overlooked. Incorporating two different cultures commonly appeared to be simple, however, it was both hard to gauge and almost impossible to oversee directly. (Stafford and Miles, 2013).

Although cultural integration most likely was a concern to numerous organizations that arranged a merger today, an issue was that it was some of the time imagined that cultural similarity between the combining firms in itself brought merger achievement. In numerous mergers, there was in this way insufficient consideration on concurring upon new core values, convictions, states of mind and managerial styles in the new organization. In addition, the role of the leaders was a concern with issues like indistinct roles and a lack of understanding of human factors (Krohwinke and Svennson, 2009).
The corporate culture was profoundly embedded inside the organizational system. It could not be brought out and managed in isolation. The disappointment of a merger was regularly credited to a lack of consideration regarding cultural integration. It was naive to expect that acquisition, mergers or other organizational alliances would be made solely on the premise of their culture match, however, presently insufficient consideration was given to this undeniably huge issue. Then again, knowing and welcoming the way of life of own company, and that of any potential or recently obtained company or merger partner, was a critical first step in assessing future ability and the probability of a conceivably smooth and moderately unproblematic post-merger. With a specific end goal to evaluate how culture influences post-merger execution, it was additionally critical to discover great intermediaries for an organizational culture that can altogether impact individual and group conduct (Bouwman, 2013).

As per Makhlouk and Shevchuk (2008), studies had demonstrated that hierarchical society was a vital device after mergers had occurred and ought not to have overlooked inside of the organization. The writing, however, does not handle from a hypothetical perspective, how hierarchical society can be overseen successfully to create value by serving to acknowledge potential post-merger achievement elements. All the more in this way, any observational confirmations on post-merger investigations of organizations in Kenya from the cultural point of view were not accessible.

Worldwide development and the requirement for cross-industry alliances implied that numerous telecom organizations needed to reinforce their leadership and inward capacities and evolve their profoundly complex, now and then rigid structures to better meet the present difficulties and needs of the market. Telecom officials understood their organizations needed specific processes and capabilities to fight with the progressions pounding the telecom business and execute their corporate strategies well. It was hence critical to execute the right organization models, close key capability gaps through targeted development or acquisition, refine talent management processes, and adjust culture and practices to reflect market and client needs. This study subsequently looked at the impact of organizational culture on performance in merged organizations in Kenya; a case study of Liquid Telecom Kenya (Liquid Telecom, 2013).
1.3. Purpose of the Study

The purpose of this study was to determine the impact of organizational culture on performance in merged organizations in Kenya using a case study of Liquid Telecom Kenya that was formed in March 2013.

1.4. Research Questions

1. What constitutes organizational culture in Kenya Data Networks and Swift Global Kenya as separate organizations?
2. What is the difference between organizational culture in the merged organization (Liquid Telecom Kenya) and the two separate individual organizations (KDN and SGK)?
3. How has the organizational culture in the merged organization (Liquid Telecom Kenya) affected performance?

1.5. Significance of the Study

1.5.1. The Employees of Liquid Telecom Kenya

A transition process focused on cultural integration enabled people to understand what is happening, why, what it is about, and, most importantly, enabled them to participate and influence the outcome. This reduced the uncertainty and the stress and allowed staff to get on with their work and their careers. Employees with common values and culture worked together more effectively and performed at a higher level (Sinclair, 2003). According to Bouwman (2013), the organizational culture significantly affected the performance of the company and was especially beneficial in the employees’ activity, commitment, initiative and also increased efficiency and quality.

1.5.2. The Management Team

Employing cultural assessment as an integral part of the due diligence decision making process not only assisted in making better merger decisions, it also helped leaders and management determine who stayed and who went, based on people’s potential fit with and contribution to the go-forward organization. It was an excellent predictor of success. People focused on what management did rather than on what they said. (Sinclair, 2003).
1.5.3. Liquid Telecom

Mergers have become one of the most popular market entry strategies in the world, thus it was important to achieve success in mergers. Cultural compatibility between the merging firms in itself brought merger success. The organization's culture and a successful cultural integration process significantly affected the performance of the company (Liquid Telecom, 2013).

1.6. Scope of the Study

The study was done in a time frame of three months and it covered a case study of Liquid Telecom that underwent a merger, in Nairobi, Kenya in March 2013. The sample had a total of 80 respondents from human resource department, ICT department, operations department and finance department. All respondents were from top level management, middle level management and lower level management.

1.7. Definition of Terms

1.7.1. Merger

A merger means two organizations fusing into one or the coming together of equal parties or the unification of two entities into one larger organization. Such actions are commonly voluntary and often result in a new organizational name (Xiaofang, 2014).

1.7.2. Organizational Culture

An organizational culture is comprised of the patterns of shared beliefs and values that give the members of an institution meaning, and provide them with the rules for behavior in their organization (Stafford and Miles, 2013). Hofstede & Hofstede (2010) who have developed studies on organizations and cultures, define organizational culture as the collective mental programming that separates the members of one organization from the members of another organization.

1.7.3. Performance

Organizational performance has been defined as the ability of an organization to fulfill its mission through sound management, strong governance and a persistent rededication to achieving results. Performance refers to the effectiveness of the organization in fulfilling its purpose thus it can refer to something completed, or something happening now, or activities that
prepare for new needs. High organizational performance is when all the parts of an organization work together to achieve great results with results being measured in terms of the value they deliver to customers (Louise, 2012).

1.7.4. Cultural differences
This is the way the different cultures live, their beliefs, what they eat and their religious beliefs. It is the differences between cultures and peoples (Billikopf, 1999).

1.7.5. Cultural compatibility
This means to establish a culture that determines how their firms will pursue opportunities, create value, and develop the right team. It involves focusing on management practices: “the way we do things around here” rather than thinking about the norms, rites, or employee satisfaction (Ferguson, 2012).

1.7.6. Entrepreneurial Culture
An entrepreneurial culture is a business culture which is typically informal, with a focus on creativity and the pursuit of new opportunities. It has also been described as a form or type of culture which is creative, innovative, takes risks, and challenges the status quo (Wong, 2014).

1.7.7. Culture web
Culture web is a strategy for looking at and changing the organization's culture and identifies six interrelated elements (stories, rituals and routines, symbols, organizational structure, control systems and power structures) which by analyzing each factor; one can begin to see the bigger picture of their culture: what is working, what is not working, and what needs to be changed (Sinclair, 2003).

1.8. Chapter Summary
Mergers have become one of the most popular market entry strategies and have become an increasingly important and interesting option for companies to expand. The problems associated with integration of firms always led to a lower level of post-merger performance often related to cultural characteristics. Therefore, the purpose of this study was to determine the impact of organizational culture on performance in merged organizations in Kenya using a case study of
Liquid Telecom Kenya that was formed in March 2013 guided by three research questions. The study was of significance to the employees and management of Liquid Telecom Kenya.

The next chapter explored in much more detail the three research questions identified above to achieve the objectives of this study.
Chapter 2

LITERATURE REVIEW

2.1. Introduction

The study aimed to discuss in more detail the research questions identified in chapter one to determine the impact of organizational culture on performance in merged organizations. This chapter talks about organizational components in KDN and SGK, comparison of organizational culture between merged and unmerged organizations and the relationship between organizational culture and performance.

2.2. Organizational Culture Components in KDN and SGK

2.2.1. The 3 dimensional culture

In a report on KDN and SGK, Mbuvi, (2010) discussed the 3 dimensional culture that was embraced by SGK and KDN as below:-

The first dimension: antiques and creations saw distinctions in structure, workplaces, and furnishing and how people apparently interacted with one another and with the external members. This level incorporated the offices, workplaces, furniture, noticeable prizes and the clothing standard (Burke and Litwin, 2007).

As indicated by Mbuvi (2010), SGK was stricter on how an employee conducted themselves in terms of behavior and competence/skills and the sort of furniture they procured which was of good quality. SGK believed in quality as opposed to amount. There was a clothing standard everyday i.e. official wear while in the workplace and smart casual for field visits. Workers acted and imparted in an extremely professional way. The workplaces were situated in an upscale area where there was less clogging of people and simple access to transport and correspondence facilities. KDN was all the more an inviting sort of society and less strict on professionalism. Clothing regulation was interested in anything as long it was smart and neat.

The second dimension discussed by Mbuvi (2010) embraced qualities comprised of the new organization's mission, vision and personal values that are broadly communicated inside of the organization. The supervisors had customary and the traditionalist business approach to decision making. According to Mbuvi (2010), Swift Global Kenya Ltd was a main supplier of voice, data and mobility solutions for the customer, business, enterprise and government sectors in Kenya.
and East Africa and along these lines their mission and vision was plainly stipulated in their sites, workplaces. They were more interested in advancing in knowledge and skill and meeting clients’ needs which they expected that every representative would have as a personal value. SGK had the most progressive and broad fiber optic network, Virtual Private Network technology in all the significant urban communities and towns in Kenya and the East African Region. In KDN, the administrators had a cutting edge business approach type of decision making. KDN was a local organization that utilized local expertise to construct world-class infrastructure in Kenya. Their vision and objectives were plainly stipulated in their websites, workplaces and the result was a full-service data communication carrier that had assembled fiber optic infrastructure across Kenya.

The third dimension identified by Mbuvi (2010) was of elements of culture that were typically forbidden to talk about. A hefty portion of these "unspoken rules" exist without the awareness of the membership (Burke and Litwin, 2007). According to Mbuvi (2010), it was clear that SGK was performing ineffectively in 2012 and there were rumors about conclusion or hostile takeover. This came about to part of legislative issues inside of the organization around them in light of the fact that staff needed to hold their positions. KDN had 500 employees, however, it had a more open interaction system and correspondence was extremely effective with respect to future changes about the organization.

2.2.2. Geert Hofstede

Geert Hofstede characterizes culture as the aggregate programming of the brain that recognizes the individuals from one gathering or classification of individuals from others (Hofstede, 2010). Geert Hofstede developed a model of culture that has eleven measurements. The five measurements include: - low versus high power distance, individualism versus collectivism, masculinity versus femininity, long-term vs. short-term orientation, uncertainty versus certainty avoidance. The other minor measurements are: - means-oriented vs. goal-oriented, employee-oriented vs. work-oriented, local vs. professional, open systems versus closed systems, easy going work discipline versus strict work discipline and pragmatic versus normative. From the nine measurements of Geert Hofstede’s model of authoritative society the minor measurements are more apparent in KDN and SGK (Liquid Telecom, 2013).
2.2.2.1. Means-oriented vs. Goal-oriented

In a means-oriented society the key element is the way in which work must be done; individuals relate to the "how". In a goal-oriented society workers are essentially out to accomplish particular interior objectives or results and individuals relate to the "what" (Hofstede, 2010). In this manner, solid societies are more goal oriented than feeble ones and vice versa (Minkov & Blagoev, 2011).

According to report on Liquid Telecom (2013), KDN and SGK were both more goals than means oriented culture as individuals saw themselves as endeavoring in their occupations and the workers were principally out to accomplish particular inward objectives or results. Everyone saw their practices in about the same way so there were no immense contrasts in recognition among diverse levels and parts of the unit.

2.2.2.2. Employee-oriented vs. Work-oriented

In exceptionally employee-oriented organizations, individuals from staff feel that individual issues are considered and that the organization assumes liability for the welfare of its employees, regardless of the possibility that this is at the expense of the work. In exceptionally work-oriented organizations, there is substantial weight to perform the work regardless of the fact that this is to the detriment of representatives (Hofstede, 2010).

According to Liquid Telecom (2013), KDN had more employee than work-oriented culture as organization expected a wider obligation regarding their members' well-being, that is, there were staff welfare programs. SGK had a more work-oriented culture and in this way was the main supplier of voice, data and mobility solutions for the shopper, business, enterprise and government sectors in Kenya and East Africa.

2.2.2.3. Local vs. Professional

In a local company, employees relate to the manager and/or the unit in which one works. In an expert association the personality of a representative is controlled by his calling and/or the
content of the occupation (Hofstede, 2010). As indicated by Liquid Telecom (2013), KDN had the local culture as it was to a greater extent a family sort of organization. Workers were short term directed, they were internally focused and there was a strong social control to be similar to other people. SGK had the expert culture as they were strict on frameworks and business processes.

2.2.2.4. Open systems versus closed systems

This measurement identifies with the availability of an organization and the regular style of inward and outer correspondence. In an open framework society, it is trusted that just about anybody would fit in the organization. In an extremely closed association, it is the opposite (Hofstede, 2010). KDN and SGK both had the open frameworks culture as newcomers were made quickly welcome and one was open both to insiders and outsiders (Liquid Telecom, 2013).

2.2.2.5. Easy going work discipline versus strict work discipline

This measurement alludes to the measure of internal structuring, control and manages the level of formality and punctuality within the organization. A very easy going society uncovers loose internal structure, lack of consistency, and less control and order; there is a ton of spontaneous creation and shocks. In an extremely strict work discipline, individuals are exceptionally cost-conscious, timely and genuine (Hofstede, 2010). Banks and pharmaceutical organizations can be relied upon to demonstrate strict work order while research labs and publicizing offices have accommodating work disciplines. KDN had the nice work discipline so standards were not as strict while SGK had a strict work discipline (Mbuvi, 2010).

2.2.2.6. Pragmatic versus normative

This dimension is otherwise called internally driven versus externally driven. It looks at the level of customer orientation as it is the satisfaction of the client/customer that is more important. In an internally driven culture, employees see best what is useful for the client and the world at large. In an externally driven society, the main emphasis is on meeting the client's prerequisites (Hofstede, 2010). SGK had this externally driven culture. KDN valued their clients and needed to give them the best service so they had the internally driven culture as they had 5,783 customers that gave KDN a 9.3 percent piece of the overall industry, up from 8.2 percent (Mbuvi, 2010).
2.3. Comparison of organizational culture in a merged organization (Liquid Telecom Kenya) and a non-merged organization (KDN and SGK).

According to Bouwman (2013), merging organizations face the need to ask themselves whether social differences are a reason not to merge. Be that as it may, once in a while organizational culture needs to change on the grounds that it is presently causing the organization to fail to meet its objectives/targets (Billikopf, 1999). Reports from Liquid Telecom Kenya (2013) demonstrate the correlation of organizational culture between Liquid Telecom Kenya and KDN and SGK. KDN and SGK were group oriented and entrepreneurial, and additionally less hierarchical. Representatives were worried about losing their identity and recognizable environment after the merger, furthermore expected that in Liquid Telecom Kenya venture and innovation would be lost to complexity and bureaucracy.

As indicated by Roxx (2011), the non-merged organizations (KDN and SGK) built up a society of casual contact and accessibility as individuals had discussions in the hallway, or at the coffee stand, eye to eye contact that made individuals feel that they were able to get feedback, that correspondence was less demanding, and that they found themselves able to impact and be heard in a manner that was a great deal more hard to accomplish in a greater organization (Liquid Telecom, 2013).

In the merged organization (Liquid Telecom Kenya), individuals shared similar challenges, for example, giving careful consideration to staff development, working with directors, and overcoming the negative impacts of current antagonistic monetary conditions. Where an association had two unique cultures and there was an great challenge in adjusting these cultures to deal with this cultural diversities, it is desirable to enhance the culture by moving far from the hierarchical society towards a more group based and rational culture, where individuals would feel engaged and upheld, and where entrepreneurial culture could thrive also. A joint working agreement served as an essential improving thought on reaching mergers and held guarantee as a typical relationship schemata by which to address differences in organizational culture in fruitful post-merger integration (Engert & Gandhi & Schaninger & So, 2010).

According to Mbuvi (2010), the historical backdrop of KDN & SGK enormously determined the achievement of the merged organization, for instance, accomplishment of one while being a
different association helped the staff build up a strong shared vision, identity, and devotion to their organization that emphatically influenced staff engagement while one that was seen as not a cooperative person created memories and generalizations that contrarily influenced the staff’s mentalities towards integration and coordinated effort. The seeds of accomplishment were found in current best practice, cooperative attitude, and the way that respondents at both associations, KDN and SGK tried towards a closely perfect ideal of the future preferred culture. Solid, reasonable leadership would be obliged both nationally and locally for the achievement of Liquid Telecom Kenya (Louise, 2012).

The main contrast in value for Liquid Telecom was the way administrators continued with the decision making considering KDN and SGK had different values and methodologies, that is, one had traditional and conservative business approach while the other had quick decision makers and more daring individuals (Burke and Litwin, 2007). Geert Hofstede developed a model of society that has eleven measurements. The five main dimensions include: low versus high power distance, individualism versus collectivism, masculinity versus femininity, long-term vs. short-term orientation, uncertainty verses certainty avoidance. These dimensions were used to think about the way of life between Liquid Telecom Kenya (merged organization) and KDN and SGK (non-merged organizations).

Power distance is the degree to which the less capable individuals from foundations and associations expect and acknowledge that power is conveyed unequally. KDN and SGK had low power distance as they expected and acknowledged power relations that were more consultative or democratic. Individuals identified with each other all the more as equals paying little heed to formal positions. Subordinates were comfortable with and requested the privilege to contribute and question the decision making of people with significant influence while Liquid Telecom Kenya had high power separation i.e. less powerful, acknowledged power relations that were more totalitarian and paternalistic. Subordinates recognized the power of others just in view of where they were situated i.e. in certain formal, hierarchical positions. (Hofstede, 2010).

Individualism and collectivism alludes to the degree to which individuals are required to support themselves and to pick their own particular affiliations, or on the other hand act overwhelmingly as an individual from a deep rooted gathering or association. On the individualist side, we discover societies in which the ties between people are loose: everybody is relied upon to take
care of him/herself and his/her nuclear family. On the collectivist side, we discover societies in which individuals from conception onwards are incorporated into solid, binding groups, frequently more distant families (with uncles, close relatives and grandparents) that keep protecting them in return for unquestioning faithfulness, and oppose others in groups. The non-merged organizations, KDN and SGK displayed the collective side while the merged organization, Liquid Telecom Kenya had the individualistic side (Hofstede, 2010).

Masculinity and femininity alludes to the distribution of values between the sexual orientations. Masculine societies value intensity, self-assuredness, desire, and the gathering of riches and material belonging, though feminine societies put more value on connections and personal satisfaction. As per Liquid Telecom (2013), KDN and SGK had the female society while Liquid Telecom Kenya received the manly type of culture (Hofstede, 2010).

Long-term vs. short-term orientation implies that values found in long term orientation are perseverance, thrift, ordering relationships by status, and having a feeling of disgrace which Liquid Telecom Kenya had while for fleeting introduction which KDN and SGK had was of responding social commitments, regard for custom, protecting one's face, and individual steadiness and stability (Hofstede, 2010 & Liquid Telecom, 2013).

Uncertainty avoidance reflects the degree to which individuals from a society endeavor to adapt to anxiety by minimizing vulnerability. It manages a general public's resistance for uncertainty and shows to what degree a society programs its individuals to feel either uncomfortable or comfortable in unstructured circumstances. Unstructured circumstances are novel, obscure, surprising, and not the same from usual. Uncertainty avoidance societies attempt to minimize the likelihood of such circumstances by strict behavioral codes, laws and principles, and disapproval of deviant opinions, and a confidence in outright truth (Hofstede, 2010). Cultures that score high in uncertainty avoidance lean toward rules (e.g. about religion and nourishment) and structured circumstances, and workers have a tendency to stay longer with their present employer. As per Liquid Telecom (2013), merged organizations (Liquid Telecom Kenya) had high uncertainty avoidance when compared with non-merged organizations (KDN & SGK).
2.4. Organizational culture and Performance

2.4.1. Organizational Culture that promotes employee performance

As indicated by Makhlouk and Shevchuk (2008), organizational culture impacts the performance of an organization, since it determines the way the organization handles issues and inquiries, individuals' attitude to changes, the way individuals collaborate with one another, the way the organization communicates with partners and individuals' commitment to strategy. The right culture will drive individuals to contribute all the more successfully and all the more proficiently (Louise, 2012).

2.4.1.1. Goal Setting

As indicated by Stafford and Miles (2013), the organizational culture has a high impact on how individuals set personal and professional objectives that empower the individuals to carry out objectives which prompt assignments/exercises being undertaken. Furthermore, the ways of life of an organization has an impact in the way individuals deliberately and subliminally think, settle on decisions and whereby they recognize, feel and act. Where the merged organization has a strong organizational culture and smooth cultural integration process, individuals are likely to set smart goals and accomplish their targets at a more fruitful rate but where merged organization has a weak organizational culture then smart objectives are not set leading to goals not met, in this manner, performance of organization weakens (Makhlouk and Shevchuk, 2008).

As indicated by Mbuvi (2010) on second dimension of values, when the organization's mission and vision is plainly imparted to workers then it is less demanding and more productive for objectives to be set in an objective way. Clear and set out objectives expand execution of the organization. A goal oriented culture (Hofstede, 2010) likewise impacts individuals to set brilliant objectives and accomplish them.

2.4.1.2. Strategic Implementation

As per Louise (2012), adaptable, strong and unified cultures will approach strategy execution and influence implementation in a positive way by adjusting goals. Objectives can come into alignment when the hierarchical organization attempts to concentrate on efficiency and getting the organization's primary mission accomplished and thus increased the performance of the organization. This is also connected to Mbuvi’s second dimension culture where the
organization’s mission and vision needs to be understood by the employees and incorporate Geert Hofstede’s model dimension of a professional culture such that employees are long term directed and externally focused to set up strategies that will increase performance of the organization (Hofstede, 2010).

2.4.1.3. Human Resource Department involvement

As indicated by Hollins (2014), the human resource department is all around situated to recognize approaches to maximize the value of the human capital resources, evaluate the senior leadership of Liquid Telecom Kenya and understand the cultural fit. They are valuable in helping developing retention programs and conscious of employee concerns and is appropriate to proactively address the organization's' changing dynamics as for workers, so as to keep morale and profitability high and rumors under control (Hollins, 2014). Human resource offices ought to be worried about workers. As indicated by Hofstede (2010), an organization that assumes liability of workers welfare that is an employee oriented culture and create an environment of dependability and harmony, that is, socialism then employees are prone to be motivated and this increases performance of organization.

2.4.1.4. Leadership

Culture integration ought to be driven by the chief executive officer, as it starts with the vision of the future. As per Makhlouk and Shevchuk (2008), making the new culture obliges leaders to meet early in the process to recognize desired results of the merger and the proper level of integration. Accommodating contrasts in administration style and business procedures proceeds with the way of life improvement. In the event that cultural discrepancies go unaddressed, the outcomes may include defections and loss of credibility and confidence. (Burke and Litwin, 2007).

As per Louise (2012), an organizational chart that was created ought to still be in place as it is the foundation in holding the new culture and keep up the practices expected to accomplish the more extensive objectives. As administration keeps on making and conveying the new culture, it must be predictable and take after a well-thoroughly considered plan. Fruitful performance of organization obliges leaders to offer the vision of the new organization to the individuals in charge of doing it and they must listen to concerns, dispel rumors, set expectations and come
clean. In addition, administration will not be seen as being serious about the culture integration and will lose the dedication of the workforce. (Hollins, 2014).

As per Berry (2013), by seeing familiar and trusted leaders empowering positive appreciation moments all through the merged organization, employees will start to see and recognize the important endeavors and commitments from their partners. Strong leadership enhances performance while feeble leadership decreases it. (Levine and Fiore, 2014). Leadership is associated with Geert Hofstede dimension level of power distance. In an organization that has low power distance, leaders and administration have assigned power to their representatives hence made a situation of trust where workers can approach administration and have talks on issues identified with the organization. This is likely to increase the performance of the association (Hofstede, 2010).

2.4.1.5. Communications

According to Hollins (2014), there should be continuous communications to manage expectations and shape behaviors in the organizations. Companies that communicate most effectively use a combination of methods to reach employees, including messages specifically from the chief executive officer, from the integration team and from human resources, email updates, press releases, one-on-one meetings and employee surveys (Hollins, 2014).

According to Levine and Fiore (2014), Liquid Telecom Kenya also understands that there must be avenues for two-way communication, for sharing and understanding values and promoting openness and transparency. Employees need a safe means to ask questions, offer concerns and show support. Conducting survey employees on current job satisfaction, engagement level in their current roles, level of concern with the mergers relative to job retention, potential culture change and leadership, understanding of the values of the merged entity; and how those values translate to daily behaviors periodically to measure improvements. Progressive companies are beginning to use shared delivery platforms (e.g. an employee website that provides for transaction/integration updates) as an effective means of introducing significant changes directly to each employee within hours or days. The platform can include an outlet for employees to share feedback as well (Burke and Litwin, 2007). An organization that adopts an open system
culture whereby every employee feels part of the organization and fits in because of free flow of information is likely to have increased performance.

2.4.1.6. Employee involvement

According to Stafford and Miles (2013), the merged organizations should continually include employees and specifically address culture during planning by assigning dedicated resources to engage people and start to map cultural differences as they progress. Doing so ensures that employee input is considered and participants become change leaders. They will proceed effectively without alienating staff members that might otherwise feel their contributions are not valued (Levine and Fiore, 2014). In an organization that has low power distance, leaders and management have delegated power to their employees thus created an environment where employees can participate in decision making and contribute to major decisions the company has to make regarding its performance and how high performance can be achieved (Mbuvi, 2010).

2.4.1.7. External stakeholders’ involvement

According to Levine and Fiore (2014), firms often have vastly different approaches towards engagement of external stakeholder groups. It is important to proactively identify such differences to allow the stakeholder group to be made aware of any changes that may result from after a merger. Alienating or surprising stakeholder groups should always be avoided at all costs (Levine and Fiore, 2014). By adopting an internally driven culture, the organization is more involved with the customer/ client by meeting their needs and giving them the best service. Such an organization will likely have improved performance (Hofstede, 2010).

2.4.2. Factors that determine success of Organizational Culture to improve performance

2.4.2.1. Collaboration

As indicated by Berry (2013), a smooth coordinated effort from the earliest starting point is required all together for the merger to keep being fruitful. There ought not be an excessive amount of external influence on the merged organization. The organization needs to adopt the collectivism dimension of culture as indicated by Hofstede (2010).
2.4.2.2. Communication

As indicated by Makhlouk and Shevchuk (2008), correspondence both vertical and horizontal is considered as one of key success factors. Boosting correspondence ought to be a hierarchical technique and transparent two-way correspondence is an imperative. There ought to be an open system culture whereby there is free flow of data to make communication effective.

2.4.2.3. Organizational Change

One noteworthy change is the size and structure whereby the way of life in a big organization is not the same as in a small one, and the method of communication has additionally confronted a change because of the development of the organization. As per Bouwman (2013), it is common for combined organizations to face organizational changes like workers getting new areas of responsibility, recruitment of new employees and that a few individuals choose to leave for different reasons accordingly it is imperative for the organizations to understand organizational change and set up measures to adjust to these progressions (Berry, 2013).

2.4.2.4. Support from management

As per Berry (2013), backing from management is by giving human resource factors and organization culture depth analysis, establishing a clear integration strategy or formulate the vision of the level of integration which complexity and its related dangers, making conditions for active correspondence between all partners, expanding the rate of decision making guarantee there is management concentration on the integration phase (Makhlouk and Shevchuk, 2008). This should be possible by consolidating low power distance dimension of society.

2.4.2.5. Culture Web

Culture web was developed by Gerry Johnson and Kevan Scholes in 1992. Culture web provides an approach for looking at and changing the organization's culture in a way that can improve performance. According to Hewitt (2011), by using it, one can expose cultural assumptions and practices, and set to work aligning organizational elements with one another, and with organization strategy. The cultural web identifies six interrelated elements which by analyzing each factor one can begin to see the bigger picture of their culture: what is working, what is not working, and what needs to be changed. These are stories, rituals and routines, symbols, organizational structure, control systems and power structures.
2.4.3. Mc Gregor Theory X and Y

Mc Gregor Theory X and Y was an idea the leaders used to assess the performance of followers. Theory X leaders believe that the normal person/adherent was lazy and self-centered, lacked ambition, disliked change, and yearned to be advised what to do. The corresponding managerial approach emphasized total control. Theory Y leaders trusted that followers were active rather than passive shapers of themselves and of their surroundings. They yearned to develop and assume responsibility. The most ideal approach to manage them, then, was to manage as little as possible. This implies adopting low power distance culture as opposed to high power distance dimension of culture (Stewart, 2009).

In Theory X, leaders assumed that employees were normally unmotivated and hated working, they evaded responsibility and should be coordinated, they must be controlled, constrained, and threatened to convey what was required, they should have been be directed at each step, with controls put in place and they needed to be enticed to produce results; else they had no aspiration or motivating force to work. There was little delegation of power and control remained firmly centralized. This is the kind of management that existed toward the beginning phases of Liquid Telecom Kenya (McGraw Hill, 2010). Such an organization will embrace strict work ethics that has a great deal of control on employees, high power distance, closed systems type of culture.

Theory Y leaders believe that employees were glad to work, were self-motivated and innovative, and delighted in living up to expectations with greater responsibility. They assume that laborers assumed liability and were propelled to satisfy the objectives they were given, they considered work as a natural part of life and tackled work issues innovatively. In Y-Type organizations, individuals at lower levels of the organization were included in decision making and had more obligations. This was regular in non-merged organizations (McGraw-Hill, 2010) and such an organization will embrace simple work discipline that has less control on employees, low power distance, open systems and employee oriented type of culture.

As expressed before long term performance is accomplished if staff are persuaded, the administration style is participative whereby employees are included in decision making, yet administration retains power to implement decisions, the work has a tendency to be composed around more extensive regions of aptitude or learning, in this manner workers are likewise urged
to create mastery and make recommendations and upgrades. Rewards and appraisals is an adopted system whereby workers are given successive opportunities for advancement. A large number of the standards of Theory Y are generally embraced by organizations that value and encourage participation. Theory Y-style administration is suited to knowledge work and professional services in this way empower knowledge sharing and continuous change e.g. in customer service (Liquid Telecom 2013).

2.5. Chapter Summary

The chapter discussed literature related to the research questions. The first was on organizational culture components in KDN and SGK through the three level culture and Geert Hofstede dimensions of culture. The second research question tackled on the comparison of organizational culture between KDN and SGK and Liquid Telecom Kenya using some of Geert Hofstede main dimensions of culture. The third research question discussed how organizational culture in a merged organization affects performance. The next chapter will be looking at research design, population and sampling techniques, data collection and data analysis.
Chapter 3

RESEARCH METHODOLOGY

3.1. Introduction

This chapter presents how the research was conducted and the motives for the chosen methodology. The first part talks about the plan and structure of the research then this was followed by the population and sampling design to describe the sample chosen depending on the techniques. We then discuss the type of data and method for this research followed by the research process and finally the data analysis techniques and concepts for this research.

3.2. Research Design

The research design is the basic plan that indicates an overview of the activities that are necessary to execute the research project. Research design provides an operational frame within which facts will be placed, processed through analyzing procedures and valuable research output is produced (Cooper, 2006).

The study was a descriptive type of study because the previous studies show what organizational culture constituted and the study talks about the characteristics of the population in terms of their performance. According to Cooper (2006), a descriptive type of study is concerned with finding out the what, where and how of a phenomenon. Some aspects of the research had qualitative information in terms of the different types of organizational culture and using questionnaires as the foundation as we were able to more thoroughly investigate a small sample, and focus on gaining deeper understanding.

3.3. Population and Sampling Design

3.3.1. Population

A population is the total collection of elements about which a researcher wishes to make some inferences (Cooper, 2006). Our target population comprised of employees of Liquid Telecom Kenya that had previously worked for KDN and SGK. We wanted to examine an organization where the aim was to build a completely new culture. We also wanted to study mergers that have
been perceived as successful, trying to sort out what the most vital aspects for succeeding with a cultural integration process are.

Liquid Telecom Kenya has 120 employees in Nairobi, but the number of employees that previously worked for KDN and SGK is 100 employees. Employees from which the respondents were drawn were from human resource department, ICT department, operations department and finance department. The respondents were from all levels of management such as low level, middle level staff and top management staff i.e. assistants, officers, coordinators, managers etc.

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>15</td>
<td>15%</td>
</tr>
<tr>
<td>Operations</td>
<td>34</td>
<td>34%</td>
</tr>
<tr>
<td>Human Resource</td>
<td>20</td>
<td>20%</td>
</tr>
<tr>
<td>ICT</td>
<td>36</td>
<td>36%</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
</tr>
</tbody>
</table>

### 3.3.2. Sampling design

A sample design is defined as a working plan that specifies the population frame, sample size, sample selection, and estimation method in detail (Beri, 2000). The sampling design that was used for this study is discussed further in the section below.

#### 3.3.2.1. Sampling Frame

The sample frame is the source material or device from which a sample is drawn. It is a list of all those within a population who can be sampled. The sample will have the characteristics of the above population but more specifically a total of 80 respondents were sampled. The 80 respondents were chosen from a total number of 100 employees based on the stratified random selection method.

From each of the departments respondents were drawn from top level management, middle level management and lower level management.
### Table 3.2 Sampling Frame

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of employees</th>
<th>Percentage</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>15</td>
<td>15%</td>
<td>10</td>
</tr>
<tr>
<td>Operations</td>
<td>34</td>
<td>34%</td>
<td>25</td>
</tr>
<tr>
<td>Human resource</td>
<td>20</td>
<td>20%</td>
<td>15</td>
</tr>
<tr>
<td>ICT</td>
<td>36</td>
<td>36%</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100%</td>
<td>80</td>
</tr>
</tbody>
</table>

#### 3.3.2.2. Sampling technique

The sampling design best for descriptive studies is probability sample as we want to make sure that all cases in the population have an equal probability and chance of being chosen. We used stratified random sampling whereby we split respondents based on different departments and level of staff in the organization.

#### 3.3.2.3. Sample Size

The sample size for this survey consisted of 80 employees from the company. The employees were selected via stratified random sampling from the various departments in Liquid Telecom Kenya.

#### 3.4. Data collection

The main source of data was primary data therefore data collection method used was questionnaires through online measures, that is, by email. For some areas we required secondary data, for instance on the different types of organizational culture which we obtained from published books, journals and articles accessed through the internet/e-resources and libraries. This secondary data was collected through the literature review.

There were two types of questionnaire for this case study. One was specific for employees and the other was specific for management positions. The reason for the two questionnaires is because employees are more likely to give accurate and honest answers since they experience the organizational culture on a daily basis, while management are part /involved in creating the
organizational culture and set up these systems so their views might be biased and not create a true picture of organizational culture that actually exists. The first section of the questionnaire was on personal data for basic information about employees and their work. The second section related to the organizational culture that existed in the previous companies’ i.e. KDN and SGK. The third section related to the current organizational culture at new merged organization i.e. Liquid Telecom Kenya and the last section tried to link how the organizational culture affects performance.

3.5. Research Procedures

The respondents were evaluated using a pre-formatted questionnaire (Questionnaire I and II – annexure). This tool was personally administered by the researcher to create a rapport with the respondents assuring them of the confidentiality of the information shared. The respondents interested in the results were advised to share their email addresses where the researcher would send a summary of the findings.

3.6. Data Analysis Methods

The methods used would be determined by either qualitative or quantitative data. The levels of measurement for this research were nominal and ordinal for qualitative and interval / scale data for quantitative. Data was analyzed using SPSS software by finding out the correlation between various dimensions/parameters of organization culture. After finding out the correlations among different variables and interpreting them, factor analysis was done to reduce the number of variables to a small number of variables. Factor analysis groups variables with similar characteristics together.

3.7. Chapter Summary

This chapter explained the research methodology used, the population, the sample size and how it was arrived at. It also explained the data collection methods and tools and how the collected data was analyzed. It is in this chapter that the data collection tool, which, in this case, was a questionnaire, was developed and administered to the sample. This chapter gave way for chapter four that outlined clearly the findings and analysis of the study followed by chapter five with the researcher’s discussion of the findings, conclusions and recommendations.
Chapter 4

RESULTS AND FINDINGS

4.1. Introduction

This chapter presented the results and findings of the study on the research questions with regards to the data collected from the respondents. The first section provided the respondents personal information; Section B looked at organizational culture in KDN/SGK; Section C looked at new organizational culture at Liquid Telecom and finally section D looked at the relationship between new culture and performance. A total of 80 questionnaires were issued, and 63 of the questionnaires were returned, indicating 79 percent response rate. This response rate was considered satisfactory to make conclusions for the study as it was representative enough. According to Mugenda and Mugenda (2003), a response rate of 50% is adequate for analysis and reporting. A rate of 60% is good and a response rate of 70% and over is excellent. Based on this argument, the response rate was excellent.

4.2. Socio-demographic Characteristics

4.2.1. Age Bracket

The study sought to determine the respondent’s age bracket. From the findings majority of the respondents as shown lie between 30-40 years (62%) while those between 20-30 years are (38%). There was no response for 40-50 years and 60-70 years. This implies that Liquid Telecom employs a relatively young workforce. Results are shown in fig. 4.1 below.

Figure 4.1 Age Bracket
4.2.2. Gender

The study sought to determine the respondent’s gender. From the findings majority of the respondents as shown by 51% (32) were female while as 49% (31) of the respondents were male. This implies that there was no gender bias in the study as both genders were well represented. It also means gender is well balanced at Liquid Telecom work force. Results are shown in fig. 4.2 below.

![Gender Pie Chart]

**Figure 4.2 Gender**

4.2.3. Place worked before merger

The study sought to find out the place the respondents had worked before the merger. From the findings, majority of the respondents (38) had worked at Kenya Data Networks, followed by (14) who worked at Swift Global Kenya while (11) said they had not worked in either. It implies that majority of the respondents are actually from previous Liquid Telecom companies before the merger and a minority from elsewhere. Findings are shown in figure 3 below.
4.2.4. Length of work in previous organization

The study also sought to find out how long the respondents had worked in their previous organizations. From the findings, majority of the respondents’ i.e. 21 had worked between 3-5 years in their previous organizations, followed by 16 who had worked between 1-2 years, then 14 who had worked below a year and finally 12 who had worked between 2-3 years. With such a distribution, the respondents had enough experience to answer questions related to organizational culture and performance in a merger like Liquid Telecom. Results are shown in figure 4.4 below.
4.2.5. **Work Department**

The study also sought to find out the departments in which the respondents were currently working in. Majority of the respondents, (26) worked in the ICT department. This could be explained by the fact that since Liquid Telecom is a data communications provider most of their activities were around technical ICT. Twenty three (23) worked in the operations department, 3 in the programs department, 11 in other departments were captured in the data collection tool. None specified the department. Such kind of a response ensured views were captured from all departments hence representative. Results are shown in figure 4.5 below.

![Work Department](image)

**Figure 4.5 Work department**

4.3. **Organizational Culture in KDN/SGK and Liquid Telecom Kenya**

4.3.1. **Sitting Arrangement**

In establishing the sitting arrangement in the previous and current organizations, findings showed that 63 responses were available for this question. Out of the 63 responses, 93.7% (59) said to have had open office sitting arrangement while 6.3% (4) said to have had closed office arrangement. The dominant arrangement passes as the sitting arrangement culture in the merged and unmerged organization and that is the open office arrangement hence a good working environment. Table 3 below shows the findings.
Table 4.1 Sitting Arrangement

<table>
<thead>
<tr>
<th>Sitting Arrangement</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open office</td>
<td>59</td>
<td>93.7</td>
</tr>
<tr>
<td>Closed office</td>
<td>4</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.2. Office location

The study also sought to find out the office locations for the previous and current organization from respondents. Findings in table 4 below show that majority of the respondents responded that the office location was in an upscale area with no congestion. This was supported by 90.5% (57) of the respondents. A few 9.5% (6) said the location to have been in a polluted area with a lot of congestion. Such findings show that the previous and current offices were in an upscale area with no congestion hence a good working environment. Findings are shown on table 4 below.

Table 4.2 Office location

<table>
<thead>
<tr>
<th>Office location</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upscale area with no congestion</td>
<td>57</td>
<td>90.5</td>
</tr>
<tr>
<td>Polluted area with a lot of congestion</td>
<td>6</td>
<td>9.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.3. Daily Interactions

The study sought to know how the daily interactions between staff at the previous organizations and current organization were. It was shown that there was open conversation with staff by a majority of 87.3% (55). A minority of 12.7% (8) said there were conversations that led to rumors and gossip. Such findings are an indication of constructive daily interactions cultures at KDN/SGK and Liquid Telecom Kenya hence a good communication system. Findings are shown in table 5 below.
4.3.4. Means vs. Goal Orientation

In trying to find out about means vs. goal orientation culture of the merged and unmerged companies, the study sought to find out whether people were more interested in what goals were to be achieved or how the goals were achieved.

From the findings under KDN/SGK, 46% (29) were more interested in what goals were to be achieved while 54% (34) identify with how work is achieved an implication that there was no defined culture about means vs. goal orientation as results for both showed minimal difference. It could imply that both were equally important in the previous organizations. Results are shown in table 6 below.

Table 4.4 Means vs. Goal Orientation for KDN/SGK

<table>
<thead>
<tr>
<th>Means Vs. Goal Orientation</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>People are more interested in what goals are to be achieved</td>
<td>29</td>
<td>46</td>
</tr>
<tr>
<td>People were interested in how work was achieved</td>
<td>34</td>
<td>54</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

From the findings under Liquid Telecom, 37% (23) were more interested in what goals were to be achieved while 63% (40) identify with how work is achieved an implication that there was more defined culture about means oriented culture as results were higher. Results are shown in table 7 below.
Table 4.5 Means vs. Goal Orientation for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Means Vs. Goal Orientation</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>People are more interested in what goals are to be achieved</td>
<td>23</td>
<td>37</td>
</tr>
<tr>
<td>People were interested in how work was achieved</td>
<td>40</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.5. Employee vs. Work orientation

The study sought to find out whether the previous organizations and current organizations were employee oriented or work oriented as their culture. Findings showed that the previous organizations put pressure on task being achieved even at the expense of the employee which was shown by 46% (29) of the respondents but majority of 54%(34) said that the organization took responsibility for the welfare of its employees. Results are shown in table 8 below.

Table 4.6 Employee vs. Work orientation for KDN/SGK

<table>
<thead>
<tr>
<th>Employee vs. Work orientation</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization puts pressure on task being achieved even at the expense of the employee</td>
<td>29</td>
<td>46</td>
</tr>
<tr>
<td>Organization takes responsibility for the welfare of its employees.</td>
<td>34</td>
<td>54</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Findings showed that the current organization put pressure on task being achieved even at the expense of the employee as shown by 71% (45) of the respondents and 29% (18) of respondentssaid that the organization took responsibility for the welfare of its employees. This implied that Liquid Telecom Kenya was more work oriented. Results are shown in table 9 below.
### Table 4.7 Employee vs. Work orientation for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Employee vs. Work orientation</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization puts pressure on task being achieved even at the expense of the employee</td>
<td>45</td>
<td>71</td>
</tr>
<tr>
<td>Organization takes responsibility for the welfare of its employees.</td>
<td>18</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

### 4.3.6. Local vs. Professional culture

The research also tried to establish whether the merged and unmerged organizations had a local or a professional culture. From the findings for previous organizations it revealed 58 responses from this question and out of those 51.7% (30) showed that employees identify with the boss and/or members of the unit in which one works while 48.3% (28) show that the employee is identified by type of work he does. This could imply that both cultures were eminent in the previous organizations almost in equal measure. Table 10 below displays the findings.

### Table 4.8 Local vs. Professional culture for KDN/SGK

<table>
<thead>
<tr>
<th>Local vs. Professional culture</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees identify with the boss and/or the unit in which one works</td>
<td>30</td>
<td>51.7</td>
</tr>
<tr>
<td>Employee is identified by his profession and/or the content of the job.</td>
<td>28</td>
<td>48.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>58</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From the findings for current organization it revealed 63 responses from this question and out of those 31% (20) showed that employees identify with the boss and/or members of the unit in which one works while 69% (43) show that the employee is identified by type of work he does. This implied that Liquid Telecom had a professional culture. Table 11 below displays the findings.
Table 4.9 Local vs. Professional culture for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Local vs. Professional culture</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees identify with the boss and/or members of the unit in which one works</td>
<td>20</td>
<td>31</td>
</tr>
<tr>
<td>Employee is identified by type of job he does</td>
<td>43</td>
<td>69</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.7. Open vs. Closed system

The researcher also sought to find out whether the organizations were open to outsiders when new people join the team or otherwise. From the findings, 49 responses were from this question from KDN/SGK and Liquid Telecom Kenya. Out of the 49, 95.9% (47) revealed that the organization was open to outsiders when new people join the team while 4.1% (2) revealed that the organization is not open to outsiders when new people join the team. It implies that both the merged and unmerged companies had an open system culture. Results are shown in table 12 below.

Table 4.10 Open vs. Closed system

<table>
<thead>
<tr>
<th>Open vs. Closed system</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization is open to outsiders when new people join the team</td>
<td>47</td>
<td>95.9</td>
</tr>
<tr>
<td>Organization is not open to outsiders when new people join the team.</td>
<td>2</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.8. Discipline

The study sought to find out the discipline culture in the previous companies before merging and after merging. Findings revealed that there was little control and discipline in the previous organizations as shown by 78% (49) of the responses while those that supported that the
organization had more control and discipline were 22% (14). This implies that discipline as a culture was minimal. Table 13 below shows that.

### Table 4.11 Discipline for KDN/SGK

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little control and discipline in the organizations</td>
<td>49</td>
<td>78</td>
</tr>
<tr>
<td>Organization was more strict, serious and punctual</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

For the merged company, findings revealed that there was little control and discipline in the previous organizations as shown by 8% (5) of the responses while those that supported that the organization had more control and discipline were 92% (58). This implies that discipline as a culture was maximal. Table 14 below shows that.

### Table 4.12 Discipline for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little control and discipline in the organizations</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Organization was more strict, serious and punctual</td>
<td>58</td>
<td>92</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

#### 4.3.9. Customer relations

The study sought to find out the customer relations culture at KDN / SGK and Liquid Telecom Kenya. Questions were asked about whether employees believed that it was about giving customer best service or whether employees’ emphasis was on meeting the customer’s requirements i.e. giving results only. Findings revealed from both merged and unmerged organizations that 54.1% (33) agree that employees believe it is about giving the customer best service while 45.9% (28) believe that employees’ emphasis is on meeting the customer’s requirements. There was a balance between the two. Findings are shown in table 15 below.
Table 4.13 Customer relations

<table>
<thead>
<tr>
<th>Customer relations</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees believe it is about giving the customer best service</td>
<td>33</td>
<td>54.1</td>
</tr>
<tr>
<td>Employees’ emphasis is on meeting the customer’s requirements.</td>
<td>28</td>
<td>45.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

1.9.

4.3.10. Power Distance

The study sought to find out about the power distance in the unmerged and merged organizations. The findings from merged organization on whether people relate to one another more as equals regardless of formal positions was supported by a minority of 14.3% (9) while the response on people who relate to one another based on their formal positions was supported by a majority of 85.7% (54). Hence the dominant culture was that of people relating to one another based on their formal positions. Results are shown in table 16 below.

Table 4.14 Power distance for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Power Distance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>People relate to one another more as equals regardless of formal positions</td>
<td>9</td>
<td>14.3</td>
</tr>
<tr>
<td>People relate to one another based on their formal positions</td>
<td>54</td>
<td>85.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The findings from unmerged organizations on whether people relate to one another more as equals regardless of formal positions was supported by a minority of 79% (50) while those for people relate to one another based on their formal positions were a majority of 21% (13). Hence
the dominant culture was that of people relating to one another more as equals. Results are shown in table 17 below.

Table 4.15 Power distance for KDN/SGK

<table>
<thead>
<tr>
<th>Power Distance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>People relate to one another more as equals regardless of formal positions</td>
<td>50</td>
<td>79</td>
</tr>
<tr>
<td>People relate to one another based on their formal positions</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.11. Individualism vs. Collectivism

Looking at Individualism vs. collectivism culture a unmerged and merged organizations, the findings revealed in both that 87.3% (55) responses support that employees relate as strong groups and care for one another. A minority of 12.7% (8) say that employees are supposed to look after themselves. Hence the dominant culture is that of collectivism. Results are displayed in table 18 below.

Table 4.16 Individualism vs. Collectivism

<table>
<thead>
<tr>
<th>Individualism vs. Collectivism</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees relate as strong groups and care for one another.</td>
<td>55</td>
<td>87.3</td>
</tr>
<tr>
<td>Employees are supposed to look after themselves.</td>
<td>8</td>
<td>12.7</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.12. Masculinity vs. Feminism
The masculinity and feminism culture was assessed through asking whether people placed more value on relationships and quality of life of which 47.6% (30) of the responses were for that while 52.4% (33) of the responses were for people value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions. There was minimal difference between the two responses in both the unmerged and merged organizations; an indication that both masculinity and feminism culture are eminent at Liquid Telecom and KDN/SGK. Findings are shown in table 19 below.

**Table 4.17 Masculinity vs. Feminism**

<table>
<thead>
<tr>
<th>Masculinity vs. Feminism</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>People place more value on relationships and quality of life</td>
<td>30</td>
<td>47.6</td>
</tr>
<tr>
<td>People value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.</td>
<td>33</td>
<td>52.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**4.3.13. Uncertainty Avoidance**

Another culture component that was assessed was uncertainty avoidance. The question asked to check on these was whether organization had few or many strict behavioral codes, laws and rules. Majority of the responses from Liquid Telecom, out of the 45 responses to this question showed that organization had many strict behavioral codes, laws and rules as shown by 66.7% (30). The responses for organization having few strict behavioral codes, laws and rules were 32.3% (15). This is clear evidence that there was high uncertainty avoidance as a culture at Liquid Telecom. Table 20 below shows the findings.
### Table 4.18 Uncertainty Avoidance for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Uncertainty Avoidance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization has many strict behavioral codes, laws and rules</td>
<td>30</td>
<td>66.7</td>
</tr>
<tr>
<td>Organization has few strict behavioral codes, laws and rules</td>
<td>15</td>
<td>32.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Responses from KDN/SGK, out of the 63 responses to this question showed that organizations had many strict behavioral codes, laws and rules as shown by 24% (15). The responses for organization having few strict behavioral codes, laws and rules were 76% (48). This is clear evidence that there was low uncertainty avoidance as a culture. Table 21 below shows the findings.

### Table 4.19 Uncertainty Avoidance for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Uncertainty Avoidance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization has many strict behavioral codes, laws and rules</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Organization has few strict behavioral codes, laws and rules</td>
<td>48</td>
<td>76</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

### 4.3.14. HR policies and systems

The study further sought to find out responses on other statements requiring yes or no responses. On asking whether HR systems and policies were observed, findings showed 38 responses were given for this from both the unmerged and merged organizations and out of the 38, 55.3% (21) said yes and 44.7% (17) said no. Table 22 below shows findings.
Table 4.20 HR policies and systems

<table>
<thead>
<tr>
<th>Strict HR</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>21</td>
<td>55.3</td>
</tr>
<tr>
<td>NO</td>
<td>17</td>
<td>44.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.15. Hierarchical Organization structure

On being asked whether the organizational structure consisted of various levels responses showed that 40 out of 63 responses were given for this question from Liquid Telecom Kenya. Majority of the responses were yes 22 and 18 for no. Table 23 below shows findings.

Table 4.21 Hierarchical Organization structure for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Hierarchical</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>22</td>
<td>55</td>
</tr>
<tr>
<td>NO</td>
<td>18</td>
<td>45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From KDN/SGK 50 out of 63 responses were given for this question. Majority of the responses were yes 20 and 30 for no. Table 24 below shows findings.

Table 4.22 Hierarchical Organization structure for KDN/SGK

<table>
<thead>
<tr>
<th>Hierarchical</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>17</td>
<td>34</td>
</tr>
<tr>
<td>NO</td>
<td>33</td>
<td>66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.16. Timely communication system

On trying to figure the timeliness of the communication system at Liquid Telecom Kenya, the study found out that 39 responses were available for this question and out of the 39, 33.3% (13) said yes and 66.7% (26) said no. With such a huge difference then it can be implied there was no timely communication system at Liquid Telecom. Table 25 below shows findings.
Table 4.23 Timely communication system for Liquid Telecom Kenya

<table>
<thead>
<tr>
<th>Communication system</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>13</td>
<td>33.3</td>
</tr>
<tr>
<td>NO</td>
<td>26</td>
<td>66.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

For KDN/SGK, the study found out that 35 responses were available for this question and out of the 35, 80% (28) said yes and 20% (7) said no. With such a huge difference then it can be implied there was timely communication system at KDN/SGK. Table 26 below shows findings.

Table 4.24 Timely communication system for KDN/SGK

<table>
<thead>
<tr>
<th>Communication system</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>28</td>
<td>80</td>
</tr>
<tr>
<td>NO</td>
<td>7</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.17. Time for decision making

Findings also established that decision making at Liquid Telecom and KDN/SGK takes too long. Responses showed that 41 responses were given for this question. Out of these, 73.1% (30) said no while 26.9% (11) said yes. No in this case means decision making doesn’t take too long and yes means decision making takes too long. Table 27 below shows the findings.

Table 4.25 Time for decision making

<table>
<thead>
<tr>
<th>Time for decision making</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>11</td>
<td>26.9</td>
</tr>
<tr>
<td>NO</td>
<td>30</td>
<td>73.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3.18. Other Reasons

The study sought to find out whether there were reasons as to why the respondents gave their answers on the statements. What was standing out is that communication systems were not timely since there was improper channel and structure at middle level management and communication was only effective through emails. It was also felt that decision making was made faster depending on what department one was in and situation.

4.4. Culture and performance

4.4.1. Organizational culture and performance from Employees view

The study also sought to find out how culture had affected performance at Liquid Telecom Kenya. To establish this, the researcher asked employees and management at Liquid Telecom about performance. From the responses of employees, 36.5% (23) said culture had affected their performance negatively, 38.1% (24) said it affected performance positively while 25.4% (16) were neutral about it. It can thus be implied that there are mixed feelings from the respondents about whether organizational culture at Liquid Telecom affected performance. Results are shown in table 28 below.

Table 4.26 Culture and performance

<table>
<thead>
<tr>
<th>Culture and performance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>24</td>
<td>38.1</td>
</tr>
<tr>
<td>Neutral</td>
<td>16</td>
<td>25.4</td>
</tr>
<tr>
<td>Negative</td>
<td>23</td>
<td>36.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Reasons were also asked as to why they gave such responses and a cross tabulation was done to establish for different categories what was said. For those who responded negatively 8.7% (2) felt like they are not part of the company, another 8.7% (2) felt they were not motivated enough and a further 8.7% (2) felt that there was no clear line of communication. For those who responded positively 8.3% (2) felt that structures were shaping up into a more professionally accepted system, another 8.3% (2) said that there was improved performance as staff work as peers. An additional 8.3% (2) said that organizational culture positively influenced performance.
at Liquid Telecom Kenya as they managed to break even as opposed before the merger. Those who had neutral views did not give any reasons. Results are displayed in the table 29 below.

Table 4.27 Cross-tabulation for the relationship between organizational culture and performance

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Responses</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Negatively</td>
<td>Neutral</td>
</tr>
<tr>
<td>No reason</td>
<td>17</td>
<td>16</td>
</tr>
<tr>
<td>Employees feel like they are not part of the company</td>
<td>2 (8.7%)</td>
<td>0</td>
</tr>
<tr>
<td>No motivation</td>
<td>2 (8.7%)</td>
<td>0</td>
</tr>
<tr>
<td>Structures are shaping up into a more professionally accepted system</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>There is improved performance as staff work as peers.</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>There is no clear line of communication and responsibility.</td>
<td>2 (8.7%)</td>
<td>0</td>
</tr>
<tr>
<td>We managed to break even under Liquid Telecom</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>16</td>
</tr>
</tbody>
</table>
4.4.1.1. Organizational culture and goals set and objectives achieved

The study sought to establish whether organizational culture had led to employees setting smart goals and achieved their objectives at a more successful rate. From the responses, 82.5% (52) said yes while 17.5% (11) said no. This implies that indeed the organizational culture had led to employees setting smart goals and achieved their objectives at a more successful rate. Findings are displayed in Table 30 below.

Table 4.28 Smart goals and objectives achieved

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>52</td>
<td>82.5</td>
</tr>
<tr>
<td>NO</td>
<td>11</td>
<td>17.5</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.1.2. Productivity focus

The study sought to establish whether there was a focus on productivity. The responses showed that 80.9% (51) said yes and 19.1% (12) said no, a clear indication that the organizational culture had made it possible to foster a focus on productivity among the employees. Findings are shown on table 31 below.

Table 4.29 Productivity focus

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>51</td>
<td>80.9</td>
</tr>
<tr>
<td>NO</td>
<td>12</td>
<td>19.1</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.1.3. Staff development programs created for employees’ welfare

The study sought to establish whether staff development programs were created for employee’s welfare. Findings showed that majority of 53.9% (34) said no while 46.1% (29) said yes. It goes to show there are mixed feelings due to the close difference between the responses but leaning more towards the staff development programs not created for employee’s welfare. Findings are displayed on table 32 below.
Table 4.30 Staff development programs created for employees’ welfare

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>29</td>
<td>46.1</td>
</tr>
<tr>
<td>NO</td>
<td>34</td>
<td>53.9</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.1.4. Management sale of vision to employees

On finding whether the management had sold the vision to employees, the study found that 49.2% (31) said yes and 50.8% (32) said no. This could imply that there were mixed feelings among the respondents going by the minimal difference in responses. Results are shown in table 33 below.

Table 4.31 Management sale of vision to staff

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>31</td>
<td>49.2</td>
</tr>
<tr>
<td>NO</td>
<td>32</td>
<td>50.8</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.1.5. Employees participate in decision making

On finding whether employees participate in decision making, the findings showed that 66.7% (42) said no while 33.3% (21) said yes. With a majority saying no it could imply that employees do not participate at all. Findings are shown in table 34 below.

Table 4.32 Employees participate in decision making

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>21</td>
<td>33.3</td>
</tr>
<tr>
<td>NO</td>
<td>42</td>
<td>66.7</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
<td>100</td>
</tr>
</tbody>
</table>
4.4.1.6. Employees receive constant communication about important issues of the organization

The study sought to find out whether employees receive constant communication about the organization. Findings showed that 73.1% (46) said no that employees do not receive constant communication about important issues of the organization while 26.9% (17) said yes. Table 35 below shows findings.

Table 4.33 Employees receive constant communication

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>17</td>
<td>26.9</td>
</tr>
<tr>
<td>NO</td>
<td>46</td>
<td>73.1</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.1.7. Other Options available in organization

The study sought to know of various components that the respondents thought were available in the organization. Findings showed that majority of the respondents were in support that there is low responsibility for work at Liquid Telecom Kenya. There was also great response supporting low productivity at Liquid Telecom Kenya. This is shown by 15.8% and 11.4% respectively. Low responses were recorded on delegation of authority indicating that it is minimal and promotions and higher benefits and also staff development on skills. However performance evaluation was also among top responses meaning it was common in the new merged Liquid Telecom Kenya.

Findings are shown in table 36 below.

Table 4.34 Options available in organization

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delegation of authority</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Own responsibility for work,</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Performance evaluations, Promotions and higher benefits</td>
<td>2</td>
<td>1.8</td>
</tr>
</tbody>
</table>
4.4.2. Top Level Management Responses

Out of the response rate of 63, there were 10 respondents from the top management. Questions were asked that only the top level management would be able to answer. From the responses of management, 50% (5) said they were satisfied with performance of company, 50% (5) said they were not satisfied with performance of company. It can thus be implied that there are mixed feelings from the respondents about whether performance of the organization were satisfactory. Findings are provided as below.
4.4.2.1. Profitability

On asking whether the company had increased their profitability, all the top managers said yes 100% (10). Some of the responses given to explain the answer is because the company took initiative to motivate their employees by increasing compensation, rewarding for best performance, offering mentorship and offering managerial support.

4.4.2.2. Client base

The study sought the management views on the increase of client base in the organization. The findings showed that 50% (5) of them said yes while 50% (5) said no. This could imply that there were mixed feelings among the respondents going by the minimal difference in responses. Findings are shown in table 37 below.

Table 4.35 Client base

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Client base</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>Decrease in Client base</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.2.3. High Staff turnover

The study sought the management views on the level of staff turnover in the company from the employees. The findings showed that 40% (4) of them said yes meaning there was high staff turnover while 60% (6) said no meaning there was no high staff turnover. Findings are shown in table 38 below.

Table 4.36 Staff turnover

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High staff turnover</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td>Low staff turnover</td>
<td>6</td>
<td>60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.4.2.4. Attract skills in the market place

The study sought the management views on the ability to attract skills from the market place. The findings showed that 70% (7) of them said yes while 30% (3) said no. It could be implied that as far as the management is concerned, Liquid Telecom Kenya was able to attract skills into the organization. Findings are shown in table 39 below.

Table 4.37 Attract skills in marketplace

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to attract skills</td>
<td>7</td>
<td>70</td>
</tr>
<tr>
<td>Inability to attract skills</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>100</td>
</tr>
</tbody>
</table>

4.5. Chapter Summary

This chapter has reviewed the findings as received from the field from the respondents and presented in a statistical manner with tables and figures. The next chapter will discuss the findings, draw conclusion and give recommendations.
DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

This chapter consists of four sections, namely summary, discussion, conclusions, and recommendations following that order. The initial section provides a summary of the important elements of the study which includes the research questions, methodology and the findings. The following subsequent section discusses the major findings of the study with regards to the research questions. Section three discusses the conclusions based on the research questions, while using the findings and results which were obtained in the fourth chapter. The last subsection provides the recommendations for improvement based on the research questions. It also provides the recommendations for further studies.

5.2. Summary

The general objective of this study was to assess the impact of organizational culture on performance in merged organizations in Kenya focusing on Liquid Telecom Kenya. The research questions were to assess what constitutes organizational culture in Kenya Data Networks and Swift Global Kenya organizations, to assess the difference between organizational culture in the merged organization (Liquid Telecom Kenya) and the two separate individual organizations (KDN and SGK), to establish how organizational culture in the merged organization affected performance.

The research adopted a descriptive design targeting employees of Liquid Telecom in Nairobi and drew a sample of 80 respondents out of which 63 responded. The research employed stratified random sampling and stratified the sample according to supporting staff and management. Further, respondents were selected per department. Data collection was done through a drop and pick method and data collected analyzed through descriptive statistics to obtain findings and draw conclusions. Data coding was first done then followed by data presentation via tables and figures.

Findings on what constitutes culture at KDN, SGK and Liquid Telecom Kenya were sought and on matters of sitting arrangement it was found that the dominant culture was open office style as supported by 93.7% (59) respondents. The study also established that the offices were in an
upscale area with no congestion as was evidenced by 90.5% (57) of the respondents. In both the unmerged and merged organizations, interactions were open conversations by staff and this was supported by a majority of respondents 87.3% (55). In trying to find out whether work delivery was goal oriented or means oriented in KDN/SGK there was a minimal difference as 46% (29) supported that delivery was about what goals were to be achieved while 54% (34) supported the means orientation. There was also a close difference as to whether the culture at KDN and SGK was employee or work oriented. In Liquid Telecom Kenya, there was a slightly higher difference as 37% (23) supported that delivery was about what goals were to be achieved while 63% (40) supported the means orientation.

Findings showed that the previous organizations put pressure on task being achieved even at the expense of the employee as shown by 46% (29) of the respondents but majority of 54% (34) said that the organizations took responsibility for the welfare of its employees while in the current organization findings showed that organization put pressure on task being achieved even at the expense of the employee as shown by 71% (45) of the respondents but minority of 29% (18) said that the organizations took responsibility for the welfare of its employees. In the previous organizations 51.7% (30) showed they had a local culture where employees identify with the boss and/or the member unit in which one work while in Liquid Telecom Kenya 69% showed they had a professional culture where employees identified with the type of work one does. There was also an open system culture in both merged and unmerged organizations as shown by 95.9% (47) who revealed that the organization is open to outsiders when new people join the team. Findings also revealed that there was little control and discipline in the previous organizations as shown by 76.2% (48) of the responses while there was more control and discipline in the current organization as shown by 92% (58) of the responses 54.1% (33) of the respondents in both KDN/SGK and Liquid Telecom Kenya agreed that employees believe it’s about giving the customer best service while 45.9% (28) believe that employees’ emphasis is on meeting the customer’s requirements hence a customer relations culture.

Findings showed that in the new organization, Liquid Telecom Kenya, there was a great power distance going by 85.7% (54) of respondents who supported that people relate to one another based on their formal positions while findings in KDN showed there was a little power distance.
going by 79% (50) of respondents who supported that people relate to one another based more as equals.

Findings also show that there is a collectivism culture at the merged and unmerged organizations whereby 87.3% (55) responses support that employees relate as strong groups and care for one another. Checking on masculinity and feminism culture, there is evidence that both cultures apply at Liquid Telecom, KDN/SGK whereby people place more value on relationships and quality of life of which 47.6% (30) of the responses were for that while 52.4% (33) of the responses were for people value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

At KDN/SGK, 76% (48) responses showed few strict behavioral codes, laws and rules hence high uncertainty avoidance while 66.7% (30) showed that Liquid Telecom Kenya has many strict behavioral codes, laws and rules hence low uncertainty avoidance at Liquid Telecom. There was a close difference as to whether the HR policies and systems are strict. 55.3% (21) said yes while 44.7% (17) said no. At Liquid Telecom, 55% of the respondents supported that the organizational culture is hierarchical and 34% of the respondents supported that the organizational culture at KDN/SGK is hierarchical. At KDN/SGK 80% of the respondents said there was timely communication system while 66.7% of the respondents said there was no timely communication system at Liquid Telecom Kenya. At Liquid Telecom Kenya and KDN/SGK, 73.1% of the respondents supported that decision making does not take too long.

In trying to establish the relationship between the culture at Liquid Telecom Kenya and its performance, findings from employees showed that there was a close difference between those who supported that the new culture affects their performance negatively and positively as shown by 36.5% (23) and 38.1% (24) respectively. For those who responded negatively 8.7% (2) felt like they are not part of the company, another 8.7% (2) felt they were not motivated enough and a further 8.7% (2) felt that there was no clear line of communication. For those who responded positively 8.3% (2) felt that structures are shaping up into a more professionally accepted system, another 8.3% (2) said that there is improved performance as staff work as peers.

An additional 8.3% (2) said that organizational culture positively influences performance at Liquid Telecom Kenya as they managed to break even as opposed before the merger. 82.5% (52)
responses show that organizational culture had led to employees setting smart goals and achieved their objectives at a more successful rate. 80.9% (51) of the responses supported that through the organizational culture there was a focus on productivity. 53.9% (34) of the findings show that staff development programs were not created for employee’s welfare. There was also a close difference as to whether the management had sold the vision to employees, the study found that 49.2% (31) had said yes and 50.8% (32) had said no. It was also evidenced that employees do not participate in decision making to address differences in organizations as shown by a majority of 66.7% (42). Employees also said that they do not receive constant communication about important issues of the organization as shown by 73.1% (46) that supported this.

Findings showed that majority of the respondents were in support that there is low ownership on responsibility for work at Liquid Telecom Kenya. There was also great response supporting low productivity at Liquid Telecom Kenya. This is shown by 15.8% and 11.4% respectively. Low responses were recorded on delegation of authority indicating that it is minimal and promotions and higher benefits and also staff development on skills. However, performance evaluations were also among top responses meaning it was common in the new merged Liquid Telecom Kenya.

Findings from management showed that in increased profitability, all the top managers said 100% yes. On increase of client base in the organization, the findings showed that 50% (5) of them said yes while 50% (5) said no. On high staff turnover, findings showed that 40% (4) of them said yes meaning there was high staff turnover while 60% (6) said no meaning there was no high staff turnover. On the ability to attract skills from the market place, findings showed that 70% (7) of them said yes while 30% (3) said no

5.3. Discussion

This section gives the researcher’s discussion on the study findings obtained where the findings are compared with the findings of earlier studies which were done by different scholars and institutions.

5.3.1. Organizational Culture at Kenya Data Networks and Swift Global Kenya

Findings on what constitutes culture at KDN, SGK and Liquid Telecom Kenya were sought and on matters of sitting arrangement it was found that the dominant culture was open office style.
These findings are consistent with Mbuvi’s (2010) results whereby in the first dimension of organizational culture, things like dress code, structure, furnishings and workplaces are considered in organizational culture. He also supports that the work locations were in an upscale area where there was less clogging of people and simple access to transport and correspondence facilities. In the previous organizations, interactions were open conversations by staff but according to the literature reviewed this was only the case for KDN and not SGK. Mbuvi (2010) asserts that KDN was all the more an inviting sort of society and less strict while SGK was more strict in interactions. There was sort of a balance as to whether the cultures in the previous organizations were means or goal oriented. It can thus be said that the key element was the path in which work must be done where individuals related to the "how". Also, partly workers were essentially out to accomplish particular interior objectives or results and individuals related to the "what". This is consistent with Hofstede (2010).

For KDN and SGK we could say that partly individuals from staff felt that individual issues were considered and that the organization assumed liability for the welfare of its employees, regardless of the possibility that this was at the expense of the work. Also partly, there was substantial weight to perform the errands regardless of the fact that this was to the detriment of representatives (Hofstede, 2010) thus, a balance in an employee and work oriented culture. Findings revealed that the previous organizations had a local culture where employees identified with the boss and/or the members of a unit in which one worked in but this was close to the responses for professional culture. As revealed by Liquid Telecom report (2013) KDN had the local culture as it was to a greater extent a family sort of organization. Workers were transient short term directed, they were internally focused and there was strong social control to be similar to other people. SGK had the professional culture as they were strict on frameworks and business processes.

There was also an open system culture in the previous organizations. This is consistent with Liquid Telecom (2013) whereby KDN and SGK both had the open frameworks culture as newcomers were made quickly welcome and one was open both to insiders and outsiders. Since the findings show there was less work discipline at KDN and SGK, it could be said that the culture was one of a very easy going society, uncovers loose internal structure, lack of consistency, and little control and order; there is a ton of spontaneous creation and
shocks (Hofstede, 2010). Mbuvi (2010) work shows that KDN had the nice work teach so standards were not as strict while SGK had a strict work discipline hence mixed results if compared with this study.

5.3.2. Organizational culture in Liquid Telecom Kenya

In terms of power distance, the study found that there is a great power distance at the new merged Liquid Telecom Kenya as opposed to the unmerged organizations. Findings are similar to Mbuvi (2010) findings that show Liquid Telecom Kenya has high power separation i.e. less powerful, acknowledges power relations that are more totalitarian and paternalistic. Subordinates recognize the power of others just in view of where they were situated i.e. in certain formal, hierarchical positions. This could mean that leadership is weak at Liquid Telecom Kenya as poised by Hofstede (2010).

Findings showed that Liquid Telecom Kenya put pressure on task being achieved even at the expense of the employee much more than it taking responsibility for the welfare of its employees. Also, in Liquid Telecom Kenya, majority showed they had a professional culture where employees identified with the type of work one does rather than identifying with the boss and/or the member unit in which one worked in. This contradicts Engert & Gandhi (2010) findings where they found out that in a merged organization individuals would share similar challenges, work with management and organization would give much more consideration to staff development.

Some findings on Liquid Telecom Kenya with regards to long term orientation were similar to Hofstede (2010) and Liquid Telecom (2013) where they found out that there was perseverance with regards to work and order of relationships by status.

The study shows that there is a collectivism culture at Liquid Telecom Kenya which is contradictory to Mbuvi’s (2010) findings where he found that the culture at Liquid Telecom Kenya was individualistic where ties between people are loose: everybody is relied upon to take care of him/herself and his/her nuclear family. This study also shows that both femininity and
masculinity cultures apply at the new merged organization. Liquid Telecom (2013) report shows that the new merged organization is more inclined towards the masculinity culture. This is different from these study findings. There is also uncertainty avoidance in the merged company hence as per Hofstede’s (2010) such a culture leans more towards strict behavioral codes, laws and principles, and disapproval of deviant opinions, and a confidence in outright truth. The aforementioned report shows a distinct difference between the merged and unmerged organizations. However, mixed results also cannot be ignored in relation to the literature reviewed from other studies.

5.3.3. Organizational Culture and Performance

In trying to relate organizational culture and performance, responses show that new organizational culture had led to employees setting goals and achieved their objectives at a more successful rate. This is in line with Makhlouk and Shevchuk (2008) whereby in the case that the merged organization has a strong organizational culture and smooth cultural integration process, individuals are likely to set smart goals and accomplish their targets at a more fruitful rate but where merged organization has a frail organizational culture then smart objectives are not set leading to goals not met in this manner performance of organization weakens. In the case of Liquid Telecom Kenya, the performance strengthens with regards to this. Responses in this study supported that through the organizational culture the primary vision was accomplished and there was a focus on productivity at Liquid Telecom Kenya. This is also connected to Mbuvi’s (2010) second dimension culture where the organization’s mission and vision need to be understood by the employees and incorporate Geert Hofstede’s model dimension of a professional culture where the employees are long term directed and externally focused to set up strategies that will increase performance of the organization. For the merged organization, this is a boost to performance.

In terms of communication, the study shows that employees at Liquid Telecom Kenya do not receive constant communication about important issues the organization and this is a challenge to performance. According to Hollins (2014), there should be continuous communications to manage expectations and shape behaviors in the organizations. Companies that communicate most effectively use a combination of methods to reach employees, including: Messages specifically from the CEO, from the integration team and from human resources, email updates,
press releases, one-on-one meetings and employee surveys. Findings also showed that there is low responsibility at work at Liquid Telecom Kenya, low productivity and low delegation of authority. This can be attributed to low employee involvement at Liquid Telecom Kenya. From the above, it can clearly be said that there is a relationship between organizational culture and performance basing on findings and literature reviewed. Generally, the findings show mixed results in the case of Liquid Telecom Kenya as there is enough evidence for the new culture fostering performance and the converse is also true.

5.4. Conclusions

With reference to the study findings obtained under the analysis of the collected data, the researcher makes conclusions with respect to each research question as the data was collected based on that.

5.4.1. Organizational Culture at Kenya Data Networks and Swift Global Kenya

In this study, the researcher obtained significant results to the research questions. The researcher therefore based on these findings concludes that organizational culture at KDN and SGK constitutes an open office culture as opposed to a closed office. Premises were in upscale area with no congestion, open conversation policy among staff, a mix of goal and means orientation to work delivery, also a mix of work and employee orientation going by the minimal difference in response.

It can also be concluded that at other times organizations put pressure on the task being achieved even at the expense of the employee and at other times the organizations took responsibility for the welfare of its employees. There was also an open system culture at KDN and SGK and little control and discipline in the previous organizations. The previous organizations also had a customer relations culture. It can also be concluded that there was a balance between employee and work oriented culture at the unmerged organizations. There was also a balance between local and professional culture at KDN and SGK. It can also be concluded that there was a little power distance and high-low uncertainty avoidance culture at KDN/SGK whereby there were minimal strict behavioral codes, laws and principles.

The above type of culture led to increased performance because of a good work environment.
5.4.2. Organizational culture in Liquid Telecom Kenya

The researcher based on these findings concludes that organizational culture at Liquid Telecom constitutes open office culture as opposed to a closed office. Premises were in an upscale area with no congestion, open conversation policy among staff, means orientation to work delivery and employee orientation going by the minimal difference in response. There was also an open system culture and more control and discipline. The current organization also had a customer relations culture. There was a professional culture at Liquid Telecom Kenya. It can also be concluded that there is a great power distance at the new merged Liquid Telecom Kenya as opposed to the unmerged organizations. There is a mix of both femininity and masculinity cultures at Liquid Telecom Kenya as opposed to KDN and SGK which had femininity culture (Mbuvi, 2010). We can also conclude that there is low uncertainty avoidance culture at Liquid Telecom Kenya whereby there are strict behavioral codes, laws and principles, and disapproval of deviant opinions, and a confidence in outright truth. There is also collectivism culture at Liquid Telecom Kenya whereby individuals from conception onwards are incorporated into solid, binding groups, frequently more distant groups that keep protecting them in return for unquestioning faithfulness, and oppose others in groups. This is opposite from literature reviewed.

5.4.3. Organizational Culture and Performance

This study concludes that there is a relationship between organizational culture and performance. The new culture at Liquid Telecom Kenya has led to employees setting goals and achieving their objectives at a more successful rate. Due to the new organizational culture at Liquid Telecom Kenyan the primary vision was accomplished and there was a focus on productivity. However, there is contradiction in findings for productivity as findings also show that there is low productivity, low delegation of authority and low participation in decision making all of which influence performance. Further the study concludes that employees at Liquid Telecom Kenya do not receive constant communication about the organization and this is a challenge to performance. Going by the above it is justified to conclude that the new organizational culture at Liquid Telecom Kenya influences its performance both negatively and positively.

We can also conclude that from management’s view that performance is measured by profitability and level of staff turnover in the organization. Profitability was high and there was
low staff turnover meaning the organization was able to retain their employees. The organization was also able to attract new skills from the market place and had a high client base and this increased performance of the organization.

5.5. Recommendations

Based on the study findings, the researcher makes the following recommendations to the study:

5.5.1. Recommendations for the Study

5.5.1.1. Organizational culture in Liquid Telecom Kenya

Liquid Telecom Kenya should reduce the power distance. This will acknowledge power relations that are more consultative and democratic. Individuals will identify with each other all the more as equals paying little heed to formal positions. Liquid Telecom Kenya should reinforce the collectivism, both masculinity and femininity cultures, uncertainty avoidance cultures to operate at optimal levels.

5.5.1.2. Organizational Culture and Performance

The study recommends that Liquid Telecom Kenya should enhance communication among its employees. Both horizontal communication between employee to employee and vertical communication from management to employees should be enhanced. It is also recommended that Liquid Telecom Kenya inculcate an organizational culture that ensures employee productivity, participatory decision making and high delegation of authority to subordinates. This will ensure performance is boosted at the merged organization.

5.5.2. Recommendations for further research

The researcher recommends further studies to be carried out on organizational culture in unmerged organizations. Studies could also be carried out on another case study other than an organization in the technology sector, maybe finance or manufacturing sector. It can also be
recommended that the same study could be done but in a different geographical location and on a wider sample. Same research could be done but utilizing a different methodology other than descriptive study to also capture inferential statistic and findings compared.
REFERENCES


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APPENDICES

Appendix 1: Letter of Introduction

Dear Sir/Madam,

RE: REQUEST TO COLLECT DATA FOR MASTERS OF BUSINESS ADMINISTRATION PROJECT

I am a graduate student at United States International University pursuing a Masters of Business Administration degree.

Pursuant to the pre–requisite course, I am currently conducting a research project on THE IMPACT OF ORGANIZATIONAL CULTURE ON PERFORMANCE IN MERGED ORGANIZATIONS IN KENYA: A CASE STUDY OF LIQUID TELECOM KENYA. The focus of my research will be on the employees of Liquid Telecom Kenya and this will involve use of questionnaires administered to them.

I kindly request that you participate in this study by assisting in filling the questionnaires and providing with any other relevant information. The information collected will be treated with utmost confidentiality and is for academic purpose only. The findings and recommendations of the research will be availed to you upon completion of the research.

Thank you in advance.

Yours faithfully,

Audrey G.Awuor

Masters of Business Administration

United States International University
Appendix 2

1.10. QUESTIONNAIREE 1: FOR EMPLOYEES

THE IMPACT OF ORGANISATIONAL CULTURE ON PERFORMANCE IN MERGED ORGANISATIONS IN KENYA: A CASE STUDY OF LIQUID TELECOM KENYA

SECTION 1: PERSONAL DATA

1. What is your age bracket?

☐ 20-30 years
☐ 30-40 years
☐ 40-50 years
☐ 50-60 years

2. What is your gender?

☐ Male
☐ Female

3. Which organization did you work for before the merger?

☐ Kenya Data Networks
☐ Swift Global Kenya
☐ 

4. How long did you work for your previous organization?

☐ Below 1 year
☐ 1-2 years
☐ 2-3 years
5. Which department do you work in?

☐ Human Resource

☐ Finance

☐ Operations

☐ Programs

☐ ICT

☐ Other

If other, please specify

SECTION 2: ORGANISATIONAL CULTURE IN KDN/SGK

1. Choose from the below which option was present in your previous organization

a) Sitting Arrangement

☐ Open Space

☐ Closed offices

b) Office location

☐ Upscale area with no congestion

☐ Polluted area with a lot of congestion

c) Daily Interactions

☐ Open conversations with staff

☐ Conversations that led to rumors/gossip
2. State the model of culture your previous organization adopted from the below options

a) Means Vs Goals Orientation

☐ People identify with how work is achieved

☐ People are more interested in what goals are to be achieved

b) Employee Vs Work Orientation

☐ The organization takes responsibility for the welfare of its employees

☐ The organization puts pressure on task being achieved even at expense of employee

c) Local Vs Professional Culture

☐ Employees identify with the boss and/or members of the unit in which one works

☐ Employee is identified by the type of work he does

d) Open Vs Closed System

☐ Organization is open to outsiders when new people join the team

☐ Organization is not open to outsiders when new people join the team

e) Discipline

☐ There is little control and discipline in the organization

☐ Organization has more control and discipline

f) Customer Relations

☐ Employees believe in giving customer best service

☐ Employees’ emphasis is on meeting the customer’s requirements only

g) Power Distance

☐ People relate to one another more as equals regardless of formal positions

☐ People relate to one another based on their formal positions
h) Individualism Vs Collectivism

☐ Employees are expected to look after him/herself

☐ Employees relate as strong groups and care for one another

i) Masculinity Vs Feminism

☐ People place more value on relationships and quality of life

☐ People value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

j) Uncertainty Avoidance

☐ Organization has many strict behavioral codes, laws and rules

☐ Organization has few strict behavioral codes, laws and rules

3. Kindly choose from options below.

a) HR Systems and policies are observed

☐ Yes

☐ No

b) Organizational structure consists of rigid levels

☐ Yes

☐ No

c) Communication systems are timely

☐ Yes

☐ No
g) Decision Making takes a long time

☐ Yes
☐ No

Kindly give reasons for answers above where applicable.

SECTION 3: NEW ORGANISATIONAL CULTURE AT LIQUID TELECOM

1. Choose from the below which option is present in your organization

a) Sitting Arrangement

☐ Open Space
☐ Closed offices

b) Office location

☐ Upscale area with no congestion
☐ Polluted area with a lot of congestion

c) Daily Interactions

☐ Open conversations with staff
☐ Conversations that led to rumors/gossip
2. State the model of culture your organization has adopted from the below options

a) Means Vs Goals Orientation
   - People identify with how work is achieved
   - People are more interested in what goals are to be achieved

b) Employee Vs Work Orientation
   - The organization takes responsibility for the welfare of its employees
   - The organization puts pressure on task being achieved even at expense of employee

c) Local Vs Professional Culture
   - Employees identify with the boss and/or members of the unit in which one works
   - Employee is identified by the type of work he does

d) Open Vs Closed System
   - Organization is open to outsiders when new people join the team
   - Organization is not open to outsiders when new people join the team

e) Discipline
   - There is little control and discipline in the organization
   - Organization has more control and discipline

f) Customer Relations
   - Employees believe in giving customer best service
   - Employees’ emphasis is on meeting the customer’s requirements only

g) Power Distance
   - People relate to one another more as equals regardless of formal positions
   - People relate to one another based on their formal positions
h) Individualism Vs Collectivism

☐ Employees are expected to look after him/herself
☐ Employees relate as strong groups and care for one another

i) Masculinity Vs Feminism

☐ People place more value on relationships and quality of life
☐ People value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

j) Uncertainty Avoidance

☐ Organization has many strict behavioral codes, laws and rules
☐ Organization has few strict behavioral codes, laws and rules

3. Kindly choose from options below.

a) HR Systems and policies are observed

☐ Yes
☐ No

b) Organizational structure consists of rigid levels

☐ Yes
☐ No

c) Communication systems are timely

☐ Yes
☐ No
g) Decision Making takes a long time

☐ Yes
☐ No

Kindly give reasons for answers above where applicable.

SECTION 4: CULTURE AND PERFORMANCE

1. How has the culture in your organization affected your performance?

☐ Positively
☐ Negatively
☐ Neutral

Kindly give reasons for the above question

2. Choose the options below that are applicable to your organization.

a) Employees have set goals and achieved their objectives at a more successful rate

☐ Yes
☐ No

b) There is focus on productivity

☐ Yes
☐ No
c) Staff development programs have been created for employees’ welfare
- Yes
- No

d) Employees understanding of the company vision clearly
- Yes
- No

f) Employees participate in decision making
- Yes
- No

g) Employees receive constant communication on important issues about the organization
- Yes
- No

3. Please choose the options below that are applicable in your organization?
- Employees own responsibility for their work
- Performance evaluations
- Promotions are awarded on merit
- Staff development on skills and knowledge
- Effective delegation of authority
- Low productivity
QUESTIONNAIRE 2: FOR MANAGEMENT

THE IMPACT OF ORGANISATIONAL CULTURE ON PERFORMANCE IN MERGED ORGANISATIONS IN KENYA: A CASE STUDY OF LIQUID TELECOM KENYA

SECTION 1: PERSONAL DATA

1. What is your age bracket?
   - [ ] 20-30 years
   - [x] 30-40 years
   - [ ] 40-50 years
   - [ ] 50-60 years

2. What is your gender?
   - [ ] Male
   - [x] Female

3. Which organization did you work for before the merger?
   - [x] Kenya Data Networks
   - [ ] Swift Global Kenya

4. How long did you work for your previous organization?
   - [x] Below 1 year
   - [ ] 1-2 years
   - [ ] 2-3 years
   - [ ] 3-5 years ago
5. Which department do you manage?

☐ Human Resource

☐ Finance

☐ Operations

☐ Programs

☐ ICT

☐ Other

If other, please specify

SECTION 2: ORGANISATIONAL CULTURE IN KDN/SGK

1. Choose from the below which option was present in your previous organization

a) Sitting Arrangement

☐ Open Space

☐ Closed offices

b) Office location

☐ Upscale area with no congestion

☐ Polluted area with a lot of congestion

c) Daily Interactions

☐ Open conversations with staff

☐ Conversations that led to rumors/gossip
2. State the model of culture your previous organization adopted from the below options

a) Means Vs Goals Orientation
   - People identify with how work is achieved
   - People are more interested in what goals are to be achieved

b) Employee Vs Work Orientation
   - The organization takes responsibility for the welfare of its employees
   - The organization puts pressure on task being achieved even at expense of employee

c) Local Vs Professional Culture
   - Employees identify with the boss and/or members of the unit in which one works
   - Employee is identified by the type of work he does

d) Open Vs Closed System
   - Organization is open to outsiders when new people join the team
   - Organization is not open to outsiders when new people join the team

e) Discipline
   - There is little control and discipline in the organization
   - Organization has more control and discipline

f) Customer Relations
   - Employees believe in giving customer best service
   - Employees’ emphasis is on meeting the customer’s requirements only

g) Power Distance
   - People relate to one another more as equals regardless of formal positions
   - People relate to one another based on their formal positions
h) Individualism Vs Collectivism
- Employees are expected to look after him/herself
- Employees relate as strong groups and care for one another

i) Masculinity Vs Feminism
- People place more value on relationships and quality of life
- People value competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

j) Uncertainty Avoidance
- Organization has many strict behavioral codes, laws and rules
- Organization has few strict behavioral codes, laws and rules

3. Kindly choose from options below.

a) HR Systems and policies are observed
   - Yes
   - No

b) Organizational structure consists of rigid levels
   - Yes
   - No

c) Communication systems are timely
   - Yes
   - No

g) Decision Making takes a long time
   - Yes
SECTION 3: NEW ORGANISATIONAL CULTURE AT LIQUID TELECOM

1. Choose from the below which option is present in your organization
   a) Sitting Arrangement
      □ Open Space
      □ Closed offices
   b) Office location
      □ Upscale area with no congestion
      □ Polluted area with a lot of congestion
   c) Daily Interactions
      □ Open conversations with staff
      □ Conversations that led to rumors/gossip

2. State the model of culture your organization has adopted from the below options
   a) Means Vs Goals Orientation
      □ People identify with how work is achieved
      □ People are more interested in what goals are to be achieved
b) Employee Vs Work Orientation

☐ The organization takes responsibility for the welfare of its employees

☐ The organization puts pressure on task being achieved even at expense of employee

c) Local Vs Professional Culture

☐ Employees identify with the boss and/or members of the unit in which one works

☐ Employee is identified by the type of work he does

d) Open Vs Closed System

☐ Organization is open to outsiders when new people join the team

☐ Organization is not open to outsiders when new people join the team

e) Discipline

☐ There is little control and discipline in the organization

☐ Organization has more control and discipline

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☐ Employees believe in giving customer best service

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☐ Organization has many strict behavioral codes, laws and rules

☐ Organization has few strict behavioral codes, laws and rules

3. Kindly choose from options below.

a) HR Systems and policies are observed

☐ Yes

☐ No

b) Organizational structure consists of rigid levels

☐ Yes

☐ No

c) Communication systems are timely

☐ Yes

☐ No

g) Decision Making takes a long time

☐ Yes

☐ No
SECTION 4: CULTURE AND PERFORMANCE

1. Are you satisfied with the performance in the organization?
   - Yes
   - No

   Kindly give reasons for the above question

2. Has profitability in the organization increased?
   - Yes
   - No

   Kindly give reasons for your answer

3. Has the client base for the organization grown?
   - Yes
   - No

   Kindly give reasons for answers above where applicable.
Kindly give reason for your answer.

4. Does the organization have high staff turnover?
   - [ ] Yes
   - [ ] No
   Kindly give reason for your answer.

5. Is the organization able to attract the best skills in the market?
   - [ ] Yes
   - [ ] No
   Kindly give reason for your answer.

THANK YOU FOR YOUR COOPERATION