### **Abebe Animut**

The Effect of Organizational Culture on Customer Satisfaction

The Case of Yeka Sub City Small Tax Payers' Office, Ethiopia

**Master's Thesis** 

# YOUR KNOWLEDGE HAS VALUE



- We will publish your bachelor's and master's thesis, essays and papers
- Your own eBook and book sold worldwide in all relevant shops
- Earn money with each sale

Upload your text at www.GRIN.com and publish for free



#### **Bibliographic information published by the German National Library:**

The German National Library lists this publication in the National Bibliography; detailed bibliographic data are available on the Internet at http://dnb.dnb.de .

This book is copyright material and must not be copied, reproduced, transferred, distributed, leased, licensed or publicly performed or used in any way except as specifically permitted in writing by the publishers, as allowed under the terms and conditions under which it was purchased or as strictly permitted by applicable copyright law. Any unauthorized distribution or use of this text may be a direct infringement of the author s and publisher s rights and those responsible may be liable in law accordingly.

#### **Imprint:**

Copyright © 2019 GRIN Verlag ISBN: 9783346304698

#### This book at GRIN:

#### **Abebe Animut**

# The Effect of Organizational Culture on Customer Satisfaction

The Case of Yeka Sub City Small Tax Payers' Office, Ethiopia

#### **GRIN - Your knowledge has value**

Since its foundation in 1998, GRIN has specialized in publishing academic texts by students, college teachers and other academics as e-book and printed book. The website www.grin.com is an ideal platform for presenting term papers, final papers, scientific essays, dissertations and specialist books.

#### Visit us on the internet:

http://www.grin.com/

http://www.facebook.com/grincom

http://www.twitter.com/grin\_com

# Faculty of Business and Leadership Department of Business Administration

Specialization: Project Management

The Effect of Organizational Culture on Customer Satisfaction:
The Case of Yeka Sub City Small Tax Payers' Office

By AbebeAnimutYimer

A Thesis Submitted to the Department of Business Administration, Leadstar University Collage, in Partial Fulfillment of the Requirements for the Award of a Masters Degree in Business Administration Specialization Project Management.

**May 2019** 

Addis Ababa, Ethiopia

#### Acknowledgement

First and for most I would like to thank God for being with me in every step of my activities with this work. I am very glad to express my sincere gratitude and appreciation to Mr. HundeKebede for his invaluable, constructive and enduring comments and professional advice from the inception to the completion of this thesis.

I would also like to acknowledge the contribution of all employees, officials and customers of the Yeka Sub City Small Tax Payers' Office for their cooperation by filling up the questionnaires and providing valuable information for completing my work.

My specials thank also goes to my wife YeshiAlelgnand my children for their priceless role of continuous blessing and moral support in all my deeds, for their encouragement and motivation throughout my life.

I would like to acknowledge the contribution of my friend Gizachew Tilahun for his holistic support and priceless contribution, co-operation and assistance throughout my work.

I also owed special debt to my friends and relatives who have been with me throughout my work by providing both material and moral support. Specifically, I would like to deeply thank; Dagnachew Hulumyfer, for his support.

Last, but not least my heartfelt appreciation goes to W/t SosnaAbaba for her beautifying the layout of the paper and neat print.

**AbebeAnimut** 

## Acronym

FDRE- Federal Democratic Republic of Ethiopia

SPSS – Statistical Package for Social Science

BPR Business Process Engineering

BSC Balanced Sort cord

#### **Abstract**

Organizational culture plays significant role in the overall performance of a particular organization. It becomes an increasingly important factor for organizational survival in the current dynamic environment. Customer satisfaction is one measurement of organizations performance based on the quality of services provided. This study tries to examine the effect of organizational culture on customer satisfaction in Yeka Sub City Small Tax Payers' Office. The employed semi-structured questionnaire as data gathering tools for the sample population and non-participant observation was also employed as data gathering tool to supplement questionnaire. The total sample size was 249 out of which 232 questionnaires were completed and included in the analysis part. The responses of respondents were analyzed using descriptive statistics and narration. SPSS software was used in analyzing the collected data. The results of analysis showed mixed responses. The correlation coefficients show that all independent variable were found to be positively correlated with customer satisfaction though there is a discrepancy in their strength. Moreover, multiple regression analysis was used to determine the effect of all independent variables on dependent variable, customer satisfaction. And accordingly, customer satisfaction is found to be primarily predicted by higher level of reliability, tangibility, team orientation, responsiveness, customer orientation and stability of organization. Mean while, the employee satisfaction is mostly predicted by higher level of stability, out come orientation and innovation and risk taking. Generally, it was found that when 65 % of observed variability in customer satisfaction can be explained by independent variables included in the study, 54 % of observed variability in employee satisfaction is found to be explained by change in independent variables included in the study organization.

Key terms: organizational culture, service quality, customer satisfaction

#### **Table of Contents**

Acknowledgement	I
Acronym	II
Abstract	III
Table of Contents	. IV
List of Tables	VII
List of Figures	VIII
CHAPTER ONE	1
1. Introduction	1
1.1. Background of the Study	1
1.2. Statement of the Problem	4
1.3. Objective of the Study	6
1.3.1. General Objective	6
1.3.2. Specific Objectives	6
1.4. Basic Research Questions	7
1.5. Hypothesis	7
1.6. Significance of the study	8
1.7. Scope of theStudy	8
1.8. Limitation of the study	9
1.9. Description of the study area	9
CHAPTER TWO	10
2. Review of Related Literature	10
2.1. Concepts and Definitions of Organizational Culture	10
2.1.1. Organizational Culture Development	12
2.1.2. Dimensions of Organizational Culture	13

2	2.1.3. Levels of Organizational Culture	16
2	2.1.4. Functions of Organizational Culture	17
2.2	. The Concept of Service and Service Delivery	20
2	2.2.1. Public Service Delivery	22
2	2.2.2. Measuring Public Service Delivery	23
2.3	. The Conceptof Customer Satisfaction	24
2	2.3.1. Determinants of Customer Satisfactions	27
2	2.3.2. The Concept of Service Quality	28
2.4	. Organizational Culture and Customer Satisfaction	29
2.5	. Review of EmpiricalLiterature	30
CHA	PTER THREE	34
3.	Research Design and Methodology	34
3.1	. Introductions	34
3.2	. Operational definition of key terms	34
3.3	Research Design	34
3.4	. Data types and sources	35
3.5	. Population, sampling procedure and sample size	35
3	3.5.1. Population	35
3	3.5.2. Sampling procedure and sample size	35
3.6	. Method data collection	36
3.7	. Data analysis and interpretation	37
3.8	. Structure of the research	37
CHA	PTER FOUR	38
4.	DATA PRESENTATION, DISCUSSION AND ANALYSIS	38
4.1	. Introduction	38