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Systematic Evaluation Effects of Culture on the Effectiveness of Small and Medium Firms in Tra Vinh of Vietnam: With AHP and Regression*

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Abstract

Organizational culture has been recognized as a determinant of corporate Effectiveness. Cultural components could affect corporate Effectiveness to different extents. However, it seems that none of the previous studies have evaluated and compared these influential extents of cultural components. The current research applies analytic hierarchy processes to assess and rate the significance extents that, cultural components play in resulting in corporate Effectiveness. Then, the current work utilizes regression analyses to re-evaluate the significance extents for the robustness of analytic hierarchy processes. The findings indicate that clan culture is the most vital component in explaining corporate Effectiveness. In contrast, adhocracy culture is the least important component in affecting corporate Effectiveness. Market culture is a cultural component that is ranked the second in determining corporate Effectiveness, and next is hierarchy culture which is the third. The findings are in support of the positive influences of clan, market, and adhocracy cultures on corporate Effectiveness; whereas it found the negative impact of hierarchy culture on corporate Effectiveness.

Keywords: Cultural Component, Effectiveness, Analytic Hierarchy Process

JEL Classification Code: C31, C51, M14, M21, P47

1. Introduction

Dependability of corporate Effectiveness on how the business activities could be performed, the firm cannot be divided from elements, which likely determine corporate Effectiveness such as corporate culture (Soelton et al., 2021). Numerous dynamics are accountable for corporate Effectiveness, one of which, has been widely recognized, is corporate culture. In addition, Paais and Pattiruhu

(2020) defined corporate culture as a factor, which designates shared standards and customs that are learned by a group of people and transmitted to other members inside a firm. Likewise, corporate culture has been viewed as a standard for all business processes through which the objectives, images, tasks, and strategies of the organization are reflected in cultural components (Kwarteng & Aveh, 2018). Accordingly, corporate culture imposes real impacts on corporate Effectiveness. Furthermore, Diana et al. (2021) indicated that corporate culture is one of the determinants that can impact corporate Effectiveness.

Additionally, a study by Ali et al. (2017) focussing on the linkage between organizational culture and corporate Effectiveness revealed, that the previous empirical results on the linkage have been inconclusive; as a result, recommended more research should be undertaken to elucidate that gap. Yusoff (2011) demonstrated all cultural components (clan, market, hierarchy, and adhocracy), have impacts on corporate Effectiveness; however, only some of them positively influence corporate Effectiveness; while Lee and Kim (2017) elucidated all cultural components

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significantly determine corporate Effectiveness. In contrast, Yesil and Kaya (2013) showed some insignificant evidence on the linkage between organizational culture and corporate Effectiveness.

Numerous studies on the linkage between corporate culture and Effectiveness have been performed. Mulugeta (2020) discovered corporate culture has the ability to develop corporate Effectiveness; while Luca et al. (2018) emphasized the influence of creative culture in improving corporate Effectiveness. Overall, numerous prior scholars discussed and investigated the causal linkage between organizational culture to corporate Effectiveness; however, few of them have assessed the comparative importance of components of organizational culture in affecting corporate Effectiveness.

The current research work seeks to inspect the influence of organizational culture on corporate Effectiveness. Mainly, it tries to evaluate and compare the significant extent to which the components of corporate culture make contributions to improving corporate Effectiveness. To rate the significance that the components of corporate culture (clan, market, hierarchy, and adhocracy) to corporate Effectiveness, the current research is one of the first to utilize analytic hierarchy processes to make pairwise comparisons. Besides, to test the robustness of analytic hierarchy processes, the current study applies multiple regression analyses to rank the significance extents of the cultural components in contributing to corporate Effectiveness. The rest of the current research work is going to continue as below.

2. Literature Review

A few scholars affirmed one of the significant intangible causes of organizational Effectiveness is organizational culture and discovered organizational culture differs across businesses over time (Jacobs et al., 2013; Acar & Acar, 2014). The research results offer statistical evidence for a causal connection between corporate culture and effectiveness in hospital contexts. Yildiz (2014) defined corporate culture as a set of goals and values shared by workers in business that has been perceived as a resource of knowledge in business. The findings of that research indicate the influence of corporate culture on Effectiveness in a company with the supportive effects of knowledge management; whereas Mousavi et al. (2015) shed light on the significance of corporate culture on Effectiveness, where some elements of corporate culture directly affect Effectiveness some just indirectly do. Whereas Leithy (2017) established and tested a theoretic framework combining corporate culture in connection with work-related attitudes, work behavior as intervening factors, and corporate Effectiveness as a

predicted variable; Kim and Chang (2018) took various snapshots of perceived corporate culture and inspected the correlation from corporate culture to Effectiveness. The results demonstrate both work-related attitudes and work behavior are likely linked with corporate Effectiveness. Lee and Kim (2017) categorized organizational culture into four constituents (clan, market, hierarchy, and adhocracy). Clan and market cultures have been more predominant than adhocracy and hierarchy cultures, while cultures of adhocracy, clan, and market have a dependably positive relation to corporate Effectiveness.

Marcoulides and Heck (1993) proposed and tested a model concerning how corporate culture influences corporate Effectiveness. Corporate culture is conjectured to be made of 3 interconnected items such as a sociocultural scheme of the perceived function, a value system, and the collective beliefs of the individuals working in the business. Corporate culture is decided by several fundamental features. Anchored in the conflicting value framework, Zhang et al. (2008) examined the bond between organizational culture and corporate Effectiveness. The viewpoint of consistency and balance were employed to explore the research model. The consistency between organizational culture and external environment is discovered to be positively related to corporate Effectiveness. The balance among organizational cultures is also revealed to be positively connected to corporate Effectiveness.

De Hilal et al. (2009) emphasized the acquisition of a big energy firm by a conglomerate in privatization and tried to confirm whether effectiveness indices carried out by the acquiring firm in the post-acquisition period are well-matched with corporate culture. The findings reveal the existence of substantial differences in organizational culture and also suggest the need to enhance the consistency between effectiveness indices and items of organizational culture. Fekete and Bocskei (2011) acknowledged culture of the clan likely increases corporate Effectiveness because loyalty, confidence, and commitment to the firm are fundamental sources behind the positive link between the culture of the clan and corporate Effectiveness.

Agbejule (2011) investigated the joint influence of managerial accounting and organizational culture on organizational Effectiveness. Shahzad et al. (2012) focussed on defining and measuring organizational culture and analyzing its effect on corporate Effectiveness. They determined numerous conceptions of organizational culture and Effectiveness. The findings revealed organizational culture imposes a deep effect on the various organizational process, employees, and corporate Effectiveness. They recommended more research should be undertaken in this field to comprehensively understand the features and ability of organizational culture to manipulate corporate Effectiveness.

Al Mamun and Hasan (2017) documented sound organizational culture as one of the important determinants, which enables the staff to remain in business. As a result, businesses can attract and motivate staff by deciding on suitable organizational culture that may lead to enhanced Effectiveness so enterprises can obtain the best possible corporate Effectiveness. Additionally, organizational culture can produce staff's positive views of the firm; so involve them in running businesses, which could result in the best possible corporate Effectiveness (Wilkins & Ouchi, 1983). Furthermore, Yesil and Kaya (2013) asserted organizational culture is essential for effective functioning and running businesses and emphasized the role of organizational culture on Effectiveness.

The causal association between organizational culture and effectiveness has been investigated in prior studies that recommended some kinds of organizational cultures could result in improved organizational Effectiveness and contended organizational Effectiveness is conditional on the degree to which organizational cultures are broadly shared within the business (Denison, 1990; Ogbonna & Harris, 2000; Gordon & DiTomaso, 1992). In addition, Krefting and Frost (1985) maintained organizational culture can generate competitive advantages by defining the limitations of the business in terms of individual exchanges and abilities of information processing. It has been recommended in previous research that a sound and strong culture positively affects organizational Effectiveness.

Ogbonna (1993) indicated that extensively shared and powerfully held values may allow executives to foresee employee reactions to some strategic choices, thus diminishing undesired outcomes. Ogbonna and Harris (2000) demonstrated innovative culture is directly connected to organizational Effectiveness, whereas bureaucratic culture is not directly related to organizational Effectiveness. Denison (1990) emphasized flexible values are associated with organizational Effectiveness; while Gordon and DiTomaso (1992) found that organizational cultures that emphasized adaptableness are connected to organizational Effectiveness. Suppleness values conquered by more unfastened and less entrenched structures in processes are more likely to respond faster to external threats and opportunities than those with controlled values of culture. The adaptableness to the external setting is encouraging a curious culture that encourages organizational learning.

Overall, suppleness values could help organizations in recognizing opportunities for improving client satisfaction, accordingly maintaining current clients, which leads to higher market share. Consequently, suppleness value can highlight both the usage of non-financial and financial information to augment organizational attention, which advocates the development of a new plan. As stated by Al Mamun and Hasan (2017), reputable organizational culture has been

documented as one of the important antecedents which enable the staff to remain in the firm. Consequently, firms can attract and motivate them by approving suitable organizational culture that can lead to enhanced Effectiveness and thereby gain the greatest probable corporate Effectiveness.

Based on Lee and Kim (2017), hierarchy culture stresses solidness, authority, and internal conservation via guidelines that support inevitability, competency, and precision. Similarly, Yesil and Kaya (2013) regarded formal and fixed procedures and engrained and smooth-running processes within a firm as the crucial attributes of hierarchy culture. Likewise, Felipe et al. (2017) emphasized this culture usually tends to obstruct from sharing of knowledge within a firm, as it is exceptionally formal and dependent on working methods, procedures, prescribed practices, and directions for making business decisions.

Cameron and Quinn (2011) reflected an irrelevant decision in business and holding with care top-down communication, steadiness, and regularization as the internal-oriented characteristics of hierarchy culture, which allow the firm to gradually react to environmental turbulence since hierarchy culture is motivated to keep the existing business environment unchanged by holding guidelines and instructions instead of adapting itself to this change. Fekete and Bocskei (2011) discovered an effect of hierarchy characteristics on Effectiveness. Too much validation of hierarchy can lead to short-term success for a firm, as it imposes vast stress on corporate Effectiveness temporarily. Nonetheless, for a long time, workforces and customers become less reactive to corporate Effectiveness (Lee & Kim, 2017). Administrators who regularly work in hierarchy culture often find it difficult to react rapidly to environmental changes, so it is easy for them to lack suppleness in augmenting corporate Effectiveness (Crocitto & Youssef, 2003).

Yesil and Kaya (2013) emphasized market culture on the accomplishment of goals and the dominance of markets, which are tended to achieve the best achievement. Keeping nearer to the customers is one of the vital factors for the firm to attain valuable market-connected information, which helps to achieve competitive advantages (Waterman & Peters, 1982). Organizational culture concerned with to market can generate competitive advantages, leading to positive corporate Effectiveness (Ali et al., 2017).

The external culture tendency of the market for instance, commitment to predicting and replying quickly to the requirements of the business environment and intense changes could result in access to an extensive set of valuable knowledge external to the firm. Similarly, Worley and Lawler (2010) consented market culture could develop external attributes, which likely support the continuous associations of workforces with stakeholders. Consequently, it is easier for the enterprise to gain helpful information connected

with markets, which helps make better business decisions. Principles essential to the market attributes of organizational culture are associated with corporate Effectiveness (Iivari & Iivari, 2011). It seems that market culture is one of the vital determinants of organizational Effectiveness since this culture likely helps to facilitate novelty and suppleness. Overall, market culture emphasizes external contexts and the significance of usefulness, competence, and competitiveness that could augment corporate Effectiveness.

As Yesil and Kaya (2013) contended, clan culture is referred to as an affable place of work for the entire family to work collectively to acquire a collective objective. Fekete and Bocskei (2011) acknowledged that clan culture likely augments corporate Effectiveness, as an obligation, loyalty, and self-confidence to the firm are the fundamental foundations behind the positive link between clan culture to corporate Effectiveness.

The characteristics of clan culture are made of confidence, oath, agreement, collaboration, assistance, participation, coordination, personal improvement, and loyalty. As believed by Lee and Kim (2017), clan culture emphasizes liveliness and supple influence, concentrating on relative bonds within the firm in which cooperation and contribution are more vital than formal procedures.

As a result of attention on the bonds among family members, enterprises, where clan culture exists, can underscore the significance of enhancement in employees to retain maintainable competitive advantages and increase corporate Effectiveness (Lee & Kim, 2017). Additionally, Wilkins and Ouchi (1983) revealed, that clan culture can produce workers' positive feelings about the firm and thereby involve them in business, resulting in better organizational Effectiveness.

Based on Yesil and Kaya (2013), adhocracy culture is embodied as a dynamic, industrial, inventive, and state-of-the-art workplace that stresses the development of new goods and services, suppleness, extension, alteration, efficiency, and experimentation in work. In addition, Lee and Kim (2017) acknowledged adhocracy attribute as a component of organizational culture, revealing an external trend, which is inventive and countering better to environmental turbulence that helps to develop new business and make new products; therefore, attain superior competitive advantages. Firms in which adhocracy culture is predominant trends to adjust themselves to environmental turmoil, face uncertain business environments, and try to conquer the resources of finance and human for organizational development.

Furthermore, Kim et al. (2004) acclaimed that adhocracy culture underlines the importance of instantaneous and cautious reactions of workforces to external turmoil, which makes firms notice growth to reach the main objective of earning competitive advantages. Moreover, Yesil and Kaya

(2013) discovered a firm oriented to an adhocracy culture should regard fluctuations as opportunities, and try to stimulate them successfully. Correspondingly, the findings from Iivari and Iivari (2011) exposed organizational procedures are connected with adaptableness and agility, being regarded as organizational ability to adapt to environmental uncertainty, leading to better corporate Effectiveness. Generally, it can lead to the suggestion that adhocracy culture is likely an antecedent of corporate Effectiveness. It could then recommend cultural constituents of the organization (hierarchy, market, clan, adhocracy) that can determine corporate Effectiveness.

3. Research Methods

3.1. Analytic Hierarchy Processes

To rank the comparative extent of cultural components of the organization (clan, market, hierarchy, and adhocracy) in predicting corporate Effectiveness, the procedures of the analytic hierarchy were utilized. Based on Bernasconi et al. (2010), a tool is applied to appraise various criteria and analyzed decision-making. Initiating the analytic hierarchy analyses is the theory of ratio-scale measures established by Stevens (1946). It has however been familiar in numerous respects. The process of analytical hierarchy has the biased appraisal of every assessing-maker as input and the measuring influence of every alternate as output. The method is supposed as a procedure of recompense disintegrating a complicated adjudicating matter into the hierarchy. Valuations of pairs among the choices to one another are employed to acquire weights and scores.

3.2. Regression Analyses

The procedures of regression analyses were also employed to rank the relative extent of cultural components in predicting corporate Effectiveness. Regression is a significant statistical method that helps to investigate the association among various research constructs. There are numerous types of regression. Overall, they all investigate the influences of descriptive constructs on an affected construct. It provides detailed insight, which can be applied to additionally improve corporate Effectiveness. In the current study, regression analyses were utilized to statistically scrutinize the effects of cultural components of the organization (hierarchy, market, clan, adhocracy) on corporate Effectiveness and also concurrently reconsider the comparative extent of cultural components of the organization (hierarchy, market, clan, adhocracy) in predicting corporate Effectiveness. Regression analyses are mainly aimed at checking the robustness of analytic hierarchy processes.

3.3. Data Gathering

The research population of the current work consisted of the small and medium enterprises in Tra Vinh province of Vietnam. The first solicitations were carried out to catch reactions from significant informers involved in the business. Of 500 questionnaires, which had been distributed, there were only 420 appropriate responses for analyses. Overall, the final research sample comprised 420 firms collected from the small and medium firms in Tra Vinh province of Vietnam.

3.4. Measurements

Organizational culture and corporate Effectiveness are measured based on previous studies (Lee & Kim, 2017; Huynh, 2020). Organizational culture (ORG) is evaluated on the four following components (hierarchy, market, clan, and adhocracy). Hierarchy- HIE is made of three components (Workplace highlights formalization and structure- HIE1, Workplace takes a one-way, top-down approach to communication- HIE2, Workplace highlights formal status and roles in the workplace- HIE3). Market-MAR includes three components (Workplace underlines competition and outcome excellence- MAR1, Workplace believes ability associated with a task is the most vital requirement for workers- MAR2, Workplace assesses worker effectiveness based on actual outcomes- MAR3). Clan- CLA is composed of three components (Workplace

has a family-like atmosphere- CLA1, Workplace considers solidarity and a feeling of oneness as vital- CLA2, Workplace considers working as a team as vital- CLA3). Adhocracy- ADH comprises three components (Workplace motivates change and novelty- ADH1, Workplace fairly compensates novelty- ADH2, Workplace offers more incentive to creative workers than sincere ones- ADH3). Corporate Effectiveness (COR) is calculated on ROA.

4. Results

4.1. Analytic Hierarchy Processes

With the research sample of 420 observations, taking an average on each item, and utilizing the analytic hierarchy processes, produces item weights of each level as presented in Tables 1, 2, 3, 4, 5 & 6.

Table 1 indicates that CLA is the most important in explaining corporate Effectiveness (0.36); whereas MAR is the second most important (0.31). HIE is the third (0.19), while ADH is the least important in explaining corporate Effectiveness (0.14). CI of 0.02 and CR of 0.02 are 0.00, far less than the 0.1 acceptable level. The consistency test of the weights is accepted; thereby, these weights can be used for the next steps. Tables 2,3,4 & 5 demonstrate the important levels that elements play in constituting CLA, MAR, HIE & ADH. CIs and CRs are all smaller than the 0.1 value, the lowest threshold. The consistency tests are satisfied. Consequently, the weights are suitable for the next analyses.

Table 1: Local Weights of Level 1 (for COR)

	CLA	MAR	HIE	ADH	4 th Root of Values	Weights	Vector	Vector:Weight
CLA	1.00	1.33	2.00	2.02	1.52	0.36	1.44	4.04
MAR	0.75	1.00	2.03	2.08	1.34	0.31	1.26	4.04
HIE	0.50	0.49	1.00	1.72	0.81	0.19	0.77	4.06
ADH	0.50	0.48	0.58	1.00	0.61	0.14	0.58	4.06
Total					4.27	1.00		16.19

$$\lambda_{max} = \text{Sum}(\text{Vector:Weight})/4 = 4.05; CI = (\lambda_{max} - n)/(n - 1) = (4.05 - 4)/(4 - 1) = 0.02; CR = CI/RI_n = 0.02/0.9 = 0.02.$$

Table 2: Local Weights of Level 2 (for CLA)

	CLA1	CLA2	CLA3	3 th Root of Values	Weights	Vector	Vector:Weight
CLA1	1.00	1.48	1.97	1.43	0.45	1.36	3.04
CLA2	0.67	1.00	2.48	1.19	0.37	1.13	3.04
CLA3	0.51	0.40	1.00	0.59	0.18	0.56	3.04
Total				3.21	1.00		9.13

$$\lambda_{max} = \text{Sum}(\text{Vector:Weight})/3 = 9.13/3 = 3.04; CI = (\lambda_{max} - n)/(n - 1) = (3.04 - 3)/(3 - 1) = 0.02; CR = CI/RI_n = 0.02/0.58 = 0.04.$$

Table 3: Local Weights of Level 2 (for MAR)

	MAR1	MAR2	MAR3	3 rd Root of Values	Weights	Vector	Vector:Weight
MAR1	1.00	2.00	4.82	2.13	0.60	1.86	3.07
MAR2	0.50	1.00	1.07	0.81	0.23	0.71	3.07
MAR3	0.21	0.94	1.00	0.58	0.16	0.51	3.07
Total				3.52	1.00		9.22

$$\lambda_{\max} = \text{Sum}(\text{Vector:Weight})/3 = 9.22/3 = 3.07; \text{CI} = (\lambda_{\max} - n)/(n - 1) = (3.07 - 3)/(3 - 1) = 0.04; \text{CR} = \text{CI}/\text{RI}_n = 0.04/0.58 = 0.06.$$

Table 4: Local Weights of Level 2 (for HIE)

	HIE1	HIE2	HIE3	3 ^h Root of Values	Weights	Vector	Vector:Weight
HIE1	1.00	1.85	2.13	1.58	0.49	1.49	3.05
HIE2	0.54	1.00	2.28	1.07	0.33	1.01	3.05
HIE3	0.47	0.44	1.00	0.59	0.18	0.56	3.05
Total				3.24	1.00		9.16

$$\lambda_{\max} = \text{Sum}(\text{Vector:Weight})/3 = 9.16/3 = 3.05; \text{CI} = (\lambda_{\max} - n)/(n - 1) = (3.05 - 3)/(3 - 1) = 0.03; \text{CR} = \text{CI}/\text{RI}_n = 0.03/0.58 = 0.04.$$

Table 5: Local Weights of Level 2 (for ADH)

	ADH1	ADH2	ADH3	3 th Root of Values	Weights	Vector	Vector:Weight
ADH1	1.00	1.80	2.02	1.54	0.47	1.46	3.08
ADH2	0.56	1.00	2.60	1.13	0.35	1.07	3.08
ADH3	0.50	0.38	1.00	0.58	0.18	0.55	3.08
Total				3.24	1.00		9.24

$$\lambda_{\max} = \text{Sum}(\text{Vector:Weight})/3 = 9.24/3 = 3.08; \text{CI} = (\lambda_{\max} - n)/(n - 1) = (3.08 - 3)/(3 - 1) = 0.04; \text{CR} = \text{CI}/\text{RI}_n = 0.04/0.58 = 0.07.$$

Table 6: Local & Global Weights and Ranks of Levels 1 and 2

Factors	Local Weights	Local Rank	Components	Local Weights	Local Rank	Global Weights	Overall Rank
CLA	0.36	1	CLA1	0.45	1	0.162	2
			CLA2	0.37	2	0.133	3
			CLA3	0.18	3	0.065	7
MAR	0.31	2	MAR1	0.60	1	0.186	1
			MAR2	0.23	2	0.072	5
			MAR3	0.16	3	0.051	9
HIE	0.19	3	HIE1	0.49	1	0.093	4
			HIE2	0.33	2	0.063	8
			HIE3	0.18	3	0.034	11
ADH	0.14	4	ADH1	0.47	1	0.066	6
			ADH2	0.35	2	0.049	10
			ADH3	0.18	3	0.026	12

The computing of local and global weights is displayed in Table 6. The figures show the local rank of four variables (CLA, MAR, HIE, ADH), where CLA is ranked the first, MAR is the second, and HIE is the third, whereas ADH is the last. Table 6 also demonstrates the local rank and overall rank of the components of organizational culture.

For CLA, CLA1 is the first, CLA2 is the second, and CLA3 is the third. For MAR, MAR1 is the first, MAR2 is the second, and MAR3 is the third. For HIE, HIE1 is the first, HIE2 is the second, and HIE3 is the third. For ADH, ADH1 is the first, ADH2 is the second, and ADH3 is the third. The overall rank demonstrates the comparative importance of the twelve components of organizational culture. Based on Table 6, it can see that, MAR1 is the first, CLA1 is the second, CLA2 is the third, HIE1 is the fourth, MAR2 is the fifth, ADH1 is the sixth, CLA3 is the seventh, HIE2 is the eighth, MAR3 is ninth, ADH2 is the tenth, HIE3 is the eleventh, and ADH3 is the twelfth.

4.2. Regression Analyses

4.2.1. Scale Reliability

To scrutinize the constancy of elements within the constructs, the techniques of Cronbach’s α were carried out, generating the results in Table 7. The evaluations of Cronbach’s α should gain values greater than 0.6 to be acceptable and above 0.7 to be satisfactory. The correlations should acquire values bigger than 0.5 to be acknowledged. In addition, the estimations of Cronbach’s α if the element is eliminated should be less than their Cronbach’s α to be recognized as satisfactory. As shown in Table 7, the evaluations of Cronbach’s α are all over the level of 0.7,

and all of the correlations are larger than the 0.5 accepted threshold.

4.2.2. Multiple Regression

Additionally, all the estimations of Cronbach’s α if the element is eliminated (fluctuating from 0.624 to 0.865) are smaller than their Cronbach’s α s (fluctuating from 0.765 to 0.873). The aforementioned results reveal all the elements are internally constant with their constructs. Therefore, the elements are suitably retained for the next analyses.

The causal hypotheses are statistically examined by employing multiple regression analyses. The results are presented in Table 8. CLA, MAR, HIE, and ADH all impose statistical effects on ROA. The components of CLA, MAR, and HIE statistically influence ROA at the 1% significance level; whereas ADH statistically affects ROA at the 5% significance level. The links of CLA, MAR, and ADH with ROA are positive, but that of HIE is negative. The fitness of the model is significant at the 1% value with the F of 100.248, and R^2 attains the 0.552 value. Furthermore, the estimation of Durbin-Watson gains the 1.876 value falling in the interval from du to $(4 - du)$; indicating no autocorrelation. The estimation of χ^2 from the Breusch–Pagan test achieves the 0.520 value at the 0.423 significance that surpasses the 10% level, demonstrating no heteroskedasticity. The above-mentioned results are in statistical support of the suggestion that the four components of organizational culture all impose statistical effects on corporate Effectiveness. Furthermore, the findings displayed in Table 8 also evaluate the comparative influential power of the components of organizational culture in predicting corporate Effectiveness.

Table 7: Scale Reliability Analyses

Element	Correlations	Cronbach’s α if the Element is Eliminated	Cronbach’s α
CLA1	0.778	0.800	0.873
CLA2	0.788	0.794	
CLA3	0.706	0.865	
MAR1	0.664	0.658	0.782
MAR2	0.654	0.667	
MAR3	0.547	0.787	
HIE1	0.694	0.730	0.819
HIE2	0.707	0.717	
HIE3	0.625	0.808	
ADH1	0.651	0.624	0.765
ADH2	0.553	0.735	
ADH3	0.605	0.685	

Table 8: Multiple Regression Analyses

	β	S.E.	t	P_t	VIF
Constant	1.051	0.181	5.798	0.000	
CLA	0.541	0.042	13.029	0.000	1.332
MAR	0.142	0.042	3.397	0.001	1.513
HIE	-0.129	0.043	-2.982	0.003	1.717
ADH	0.047	0.019	2.474	0.012	1.163
Durbin-Watson	1.876				
$\chi^2/P\chi^2$	0.520/0.423				
R^2	0.552				
FIP_F	100.248/0.000				

* Dependent Variable: ROA.

As seen in Table 8, CLA is the strongest factor in affecting corporate Effectiveness with the coefficient of 0.541 at the 1% significance level; while ADH is the weakest factor in affecting corporate Effectiveness with the coefficient of 0.047 at the 5% significance level. MAR is the second strongest; while HIE is the third strongest factor in affecting corporate Effectiveness with the coefficients of 0.142 & -0.129 at the 1% significance level. The findings are consistent with those obtained from the analytic hierarchy processes.

5. Conclusion

The influence of organizational culture on corporate Effectiveness has been widely recognized in preceding research. However, only a few studies have been undertaken to explore the comparative importance of cultural components of an organization in determining corporate Effectiveness. The current research work attempts to analyze this gap. It employed analytic hierarchy processes to make pairwise comparisons among the decisions with each other to rank the significant extent, to which cultural components contribute to the probability of leading to improved corporate Effectiveness. To additionally check the robustness of the results that analytic hierarchy processes offer, the current research project applies regression analyses to re-rank the relative importance of cultural components on corporate Effectiveness. The empirical results disclose that clan culture is the most vital factor in explaining corporate Effectiveness. In contrast, adhocracy culture is the least important component in affecting corporate Effectiveness. Market culture is a cultural component that is ranked the second in determining corporate Effectiveness, and next is hierarchy culture which is the third. Overall, the findings are in support of the positive effect of clan culture on corporate Effectiveness. Clan culture is the most significant component in enhancing corporate

Effectiveness. It implies a firm in which workers share cohesions, act as part of a large family, and attempt to be active and involved can gain better corporate Effectiveness. Adhocracy culture is conversely the least imperative component in improving corporate Effectiveness. Adhocracy culture's lack of impediment and bureaucratization makes the firm more supple that reacts more rapidly to environmental fluctuations, consequently gaining higher corporate Effectiveness. The results are also in support of the positive effect of market culture on corporate Effectiveness. Market culture is the second most vital component in augmenting corporate Effectiveness. Market culture with changing aspects allows the firm to gain tangible corporate Effectiveness. The negative effect of hierarchical culture on corporate Effectiveness indicates culture grounded on structure and control can hinder organizational development, resulting in worse corporate Effectiveness.

Furthermore, elements of clan, market, hierarchy, and adhocracy cultures differently affect corporate Effectiveness. MAR1, CLA1, and CLA2 are the first, second, and third vital components in leading to corporate Effectiveness, whereas ADH2, HIE3 and ADH3 are ranked the tenth, eleventh and twelfth in explaining corporate Effectiveness. HIE1, MAR2, and ADH1 are rated the fourth, fifth and sixth; while CLA3, HIE2 and MAR3 are the seventh, eighth, and ninth important components of corporate Effectiveness. The current research offers academics a better understanding of the significant extent of the cultural components in affecting corporate Effectiveness. The findings are also beneficial to business executives by allowing them to better comprehend the priority extents of the cultural components resulting in the best corporate Effectiveness. As a result, they can decide on the suitable cultural components of the organization that can help to gain competitive advantages, leading to the best possible corporate Effectiveness.

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