



Assessing the impact of organizational culture on corporate performance of selected financial institutions in South Sudan

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Abstract

Purpose: The study examines how organizational culture shapes corporate performance in selected financial institutions in South Sudan. It focuses on three key cultural dimensions: adaptability, mission clarity, and employee involvement.

Methodology/Design: A quantitative cross-sectional design was used. Data were collected from 200 managerial staff across banks, microfinance institutions, and insurance firms using a structured questionnaire. The analysis included descriptive statistics, correlation tests, and multiple regressions. Reliability and validity were confirmed through Cronbach's alpha and expert review.

Findings: Results show that all three cultural dimensions have a positive and significant link with performance. Adaptability ($\beta=0.38, p<0.001$), mission clarity ($\beta=0.42, p<0.001$), and involvement ($\beta=0.29, p<0.01$) each contribute to better financial and operational outcomes.

Implications: Strengthening these cultural traits can help institutions improve service delivery, staff commitment, and strategic focus.

Originality/Value: This study offers early empirical evidence from South Sudan and supports Denison's and Contingency Theory within a fragile financial environment.

Keywords: Organizational culture, corporate performance, mission clarity, adaptability, employee involvement, financial institutions, South Sudan

Introduction

In the modern business environment, organizational culture has increasingly been recognized as a critical determinant of corporate performance, shaping how institutions strategize, adapt to change, and achieve sustainable growth (Schein, 2017; Alvesson & Sveningsson, 2020) [2, 24]. Organizational culture comprises shared values, norms, beliefs, and practices that guide employee behavior and influence decision-making within an institution (Hofstede, 2011) [13]. In the financial sector, where trust, compliance, innovation, and risk management are paramount, the influence of organizational culture on corporate performance becomes particularly significant (Cameron & Quinn, 2011) [5].

The context of South Sudan presents a unique and underexplored setting to investigate this relationship. Since gaining independence in 2011, South Sudan has faced prolonged political instability, economic shocks, and social challenges. In spite of these adversities, the financial sector has shown gradual development, especially from 2019 onwards, as the country embarked on peace-building processes and economic reforms. According to the World Bank (2022) [27], South Sudan's financial institutions, including commercial banks and microfinance institutions, have played an instrumental role in supporting reconstruction, fostering entrepreneurship, and facilitating trade.

Between 2019 and 2025, the South Sudanese financial sector has been navigating complex challenges, including currency fluctuations, inflation, policy uncertainties, and technological disruptions. Nonetheless, some institutions have demonstrated remarkable resilience and growth, while others have struggled to maintain operational stability (Bank of South Sudan, 2023) [3]. Scholars argue that such variations

in performance may be partly attributed to differences in organizational culture, including leadership styles, adaptability to change, innovation practices, and ethical standards (Denison *et al.*, 2014; Alvesson & Sveningsson, 2020) [2, 8].

Global and regional evidence further underscores the importance of organizational culture in shaping corporate performance. For instance, empirical studies conducted in other African countries such as Kenya, Uganda, and Nigeria have found that a strong, adaptive, and ethically grounded organizational culture enhances employee commitment, service quality, and financial performance (Ogbonna & Harris, 2000; Wambugu *et al.*, 2015) [22, 26]. However, similar research focusing on South Sudan remains scarce, creating a significant gap in both academic and practical understanding.

Since 2019, South Sudan's financial institutions have been subject to regulatory reforms aimed at enhancing governance, transparency, and operational efficiency. The Bank of South Sudan has introduced measures to improve capital adequacy, strengthen risk management frameworks, and promote digital transformation (Bank of South Sudan, 2023). These reforms have heightened the need for institutions to cultivate organizational cultures that are responsive to change and aligned with regulatory expectations.

Technological innovation has also been a defining feature of the sector during this period. The introduction of digital banking, mobile money, and automated service delivery channels has required financial institutions to foster cultures that value learning, agility, and innovation (PwC, 2022) [23]. Institutions that successfully integrated these cultural attributes have often reported improved customer satisfaction and competitive advantage.

Simultaneously, the socio-political context has continued to influence corporate culture and performance. The revitalized peace agreement signed in 2018 paved the way for partial stability and economic reconstruction efforts during 2019–2025. However, intermittent conflicts, economic shocks (including the COVID-19 pandemic), and climatic disasters have challenged organizational resilience (IMF, 2023). In such a volatile environment, the internal culture of an institution including its values of adaptability, employee empowerment, and shared vision—can be decisive in determining corporate performance outcomes.

In spite of these developments, there remains limited empirical research investigating how organizational culture impacts the performance of financial institutions specifically in South Sudan. Most existing studies in the region have focused broadly on economic reforms, political stability, or macroeconomic performance, without exploring the internal organizational dynamics that influence institutional success or failure (World Bank, 2022) [27]. This gap is significant, as understanding the interplay between culture and performance can provide valuable insights for policymakers, managers, and scholars interested in building sustainable financial institutions in fragile and post-conflict settings.

Therefore, this study seeks to bridge this gap by assessing the impact of organizational culture on the corporate performance of selected financial institutions in South Sudan between 2019 and 2025. By focusing on this recent period, the study will capture the effects of reforms, technological shifts, and socio-economic challenges on organizational practices and outcomes. The findings are expected to contribute to both theory and practice: enriching the literature on organizational culture in developing and fragile states, and offering practical guidance to financial institutions aiming to enhance their performance through cultural transformation.

In summary, as South Sudan's financial sector seeks pathways toward stability and growth, understanding how organizational culture influences corporate performance is not only timely but essential. This study will thus provide an evidence-based foundation to inform strategic cultural interventions that strengthen the resilience and effectiveness of financial institutions operating within the country's dynamic and often challenging environment.

Literature Review: Theoretical Foundation and Hypothesis Development.

Adaptability and Corporate Performance

Adaptability as a cultural dimension has gained prominence in management and organizational behavior literature as a determinant of corporate performance, especially in dynamic and uncertain environments. Denison *et al.* (2020) [9] define adaptability as an organization's capacity to perceive external shifts, adjust internal processes, and implement timely strategic changes. Empirical studies across different contexts, particularly in financial institutions, increasingly show a significant and positive relationship between adaptability and various corporate performance indicators, such as profitability, operational efficiency, and customer satisfaction.

In the African context, Munyua and Moronge (2020) [20] investigated commercial banks in Kenya and found that adaptability positively influenced financial growth and market competitiveness. Their study used regression analysis to establish that banks with adaptive cultures

quickly responded to regulatory reforms and digital banking trends, leading to improved customer retention and profitability. The authors highlighted that adaptability facilitated proactive product innovation and service diversification key drivers of competitive advantage in Kenya's evolving financial sector. Similarly, Kinyua *et al.* (2019) [16] examined adaptability within the organizational culture of microfinance institutions in Nairobi. The study demonstrated that adaptability significantly correlated with operational efficiency and customer satisfaction. Specifically, institutions that embraced cultural flexibility and learning orientation reduced service turnaround times and introduced tailored products that aligned with client needs. These findings underscore that adaptability fosters responsiveness not just to regulatory pressures but also to shifts in customer behavior.

In the fragile and transitional context of South Sudan, empirical evidence remains limited but indicative. The World Bank (2022) [27] observed that South Sudanese financial institutions that actively invested in adaptive capacities for example, by adopting mobile banking and digital payments performed better during periods of economic reform and currency volatility. These institutions not only improved operational efficiency but also enhanced customer trust by providing reliable services amid systemic shocks.

From a theoretical perspective, the Contingency Theory (Donaldson, 2001) [10] suggests that an organization's effectiveness depends on its fit with external environmental demands. In fragile contexts, where regulatory shifts and socio-political disruptions are frequent, adaptability becomes a critical cultural trait that mediates this fit. Denison's model (2014) [8] similarly posits that adaptability enables institutions to detect and act upon environmental changes, directly linking cultural flexibility to performance. Collectively, empirical studies across Africa and beyond consistently support the positive relationship between adaptability and corporate performance in financial institutions. These findings suggest that South Sudanese banks and microfinance institutions that embed adaptability in their cultures through leadership support, learning mechanisms, and openness to innovation are likely to experience superior financial growth, operational efficiency, and customer satisfaction, despite external challenges. Hence, the study hypothesized that:

H1: There is a positive and significant relationship between adaptability as a dimension of organizational culture and corporate performance of financial institutions in South Sudan

Mission Clarity and Corporate Performance

Mission clarity, defined as the degree to which an organization's strategic purpose and long-term objectives are clearly articulated, communicated, and internalized by its employees, has been widely recognized in recent scholarship as a key driver of corporate performance (Alon & Kimura, 2021) [1]. Within the framework of Denison's Organizational Culture Model, mission clarity represents one of four cultural dimensions that directly influence organizational effectiveness by aligning strategy, operations, and employee behavior (Denison *et al.*, 2020) [9].

Recent empirical research underscores that mission clarity is particularly critical in sectors characterized by complexity

and rapid change, such as financial services (Nnadi *et al.*, 2020) [21]. For example, a study by Alon and Kimura (2021) [1] examining African financial institutions found that banks with well-defined and consistently communicated missions experienced higher levels of employee engagement and superior financial performance. They argue that mission clarity helps bridge the gap between strategic intent and daily operational activities, making it easier for employees to make decisions aligned with organizational priorities.

In fragile and post-conflict environments, mission clarity also contributes to resilience. Foster *et al.* (2019) [11] suggest that clear and stable missions provide financial institutions with a sense of continuity despite political instability and economic shocks. Scholars also note that mission clarity enhances performance by improving stakeholder trust and transparency. According to Ismail and Mohamed (2022) [15], financial institutions operating in fragile contexts like Somalia and South Sudan often struggle with reputational risk and customer skepticism. A clearly articulated and widely shared mission reassures stakeholders about institutional values and strategic intent, ultimately leading to greater customer loyalty and market stability.

Moreover, mission clarity has been shown to support both financial and non-financial performance metrics. Nnadi *et al.* (2020) [21] found that Nigerian banks with higher levels of mission clarity achieved stronger financial growth and operational efficiency. In fragile environments like South Sudan, mission clarity can also serve as a counterbalance to external volatility by reinforcing institutional purpose and consistency (Ismail & Mohamed, 2022) [15]. This helps financial institutions maintain service standards and stakeholder trust despite macroeconomic instability or regulatory changes (Foster *et al.*, 2019) [11]. Such resilience becomes a critical source of competitive advantage, as external shocks are often unavoidable in post-conflict economies.

The reviewed literature supports the hypothesis that mission clarity positively and significantly affects corporate performance by improving strategic alignment, operational consistency, and stakeholder trust. For financial institutions in South Sudan, where external challenges can disrupt business continuity, a clear and widely shared mission emerges as an essential cultural asset for sustaining both financial success and organizational resilience. Inferring from the literature, the study hypothesized that:

H2: Mission clarity within an organization has a positive and significant effect on corporate performance among financial institutions in South Sudan

Employee Involvement and Corporate Performance

The role of employee involvement in shaping corporate performance has been widely recognized in organizational culture literature, particularly within Denison's Organizational Culture Model, which identifies *involvement* as a core cultural dimension critical for achieving organizational effectiveness (Denison *et al.*, 2020) [9]. Employee involvement is generally defined as the extent to which employees participate in decision-making processes, contribute ideas, and feel empowered to influence outcomes within their organization (Nnadi *et al.*, 2020) [21]. This concept aligns closely with modern views of participative management, which emphasize that engaged employees are

better positioned to support innovation, customer service, and operational efficiency.

Recent empirical studies provide compelling evidence that higher levels of employee involvement are positively associated with improved corporate performance across multiple sectors, including banking and financial services. For instance, Alon and Kimura (2021) [1] examined African financial institutions and found that banks characterized by participative decision-making reported superior performance outcomes, including higher profitability and customer satisfaction. Their study attributes this relationship to employees' increased sense of ownership, which motivates discretionary effort and proactive problem-solving.

In fragile and post-conflict environments like South Sudan, employee involvement may have an even greater effect on corporate performance. Foster *et al.* (2019) [11] argue that participatory cultures promote resilience by enabling organizations to draw on diverse perspectives when navigating external volatility. In such contexts, frontline employees often possess critical insights about operational risks, customer preferences, and local socio-political dynamics information that senior managers may overlook without inclusive decision-making processes (Ismail & Mohamed, 2022) [15].

The relationship between employee involvement and corporate performance is also mediated by psychological factors. Uwizeyimana and Kagaari (2021) [25], studying microfinance institutions in Rwanda, found that employee participation enhances feelings of trust and belonging, which in turn drive service quality and innovation. These non-financial benefits can significantly influence organizational competitiveness, especially in customer-centric industries such as banking, where service delivery and reputation are vital (Nnadi *et al.*, 2020) [21].

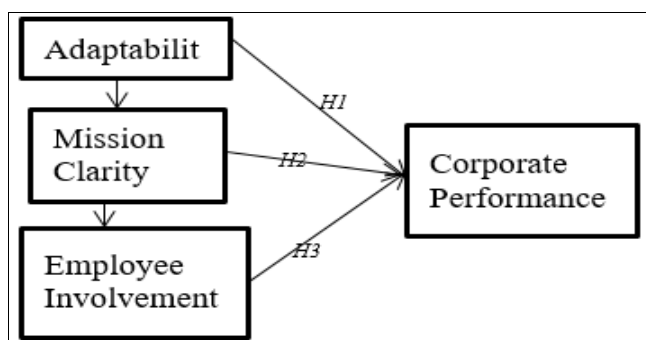
Furthermore, research suggests that employee involvement supports strategic alignment within organizations. Mwangi and Murigu (2020) [19] observed that Kenyan financial institutions with inclusive decision-making structures achieved better alignment between operational practices and strategic objectives, leading to improved process efficiency and customer trust. This finding echoes Denison *et al.* (2020) [9], who argue that employee involvement builds organizational coherence by ensuring that strategies are informed by operational realities.

In the specific context of South Sudan's financial sector, which faces persistent macroeconomic instability and institutional fragility, the literature suggests that empowering employees through meaningful involvement could enhance corporate performance by promoting innovation, customer loyalty, and operational resilience (Ismail & Mohamed, 2022) [15]. This hypothesis aligns with broader findings from sub-Saharan Africa, where inclusive cultures have helped organizations navigate complex socio-political and economic environments. From the reviewed literature, recent scholarship supports the hypothesis that higher levels of employee involvement in decision-making processes are positively associated with improved corporate performance. By fostering shared ownership, strategic alignment, and adaptability, participative cultures help financial institutions achieve sustainable performance even in fragile and unpredictable contexts such as South Sudan. Therefore, it was hypothesized that:

H3: Higher levels of employee involvement in decision-making processes are positively associated with improved corporate performance of financial institutions operating in South Sudan

Conceptual Framework

The conceptual framework of this study is anchored in the recognition that organizational culture comprises distinct but interrelated dimensions adaptability, mission clarity and employee involvement which collectively shape corporate performance in financial institutions. Drawing on seminal and contemporary scholarship (Denison *et al.*, 2020; Cameron & Quinn, 2021) [9], these constructs are theorized to influence both financial and non-financial performance outcomes, especially within the unique post-conflict and transitional economic environment of South Sudan. Figure one presents the construct



Source: Author's Construct, 2025

Fig 1: Organizational Cultural Dimensions

From the construct, Adaptability refers to an institution's capacity to respond effectively to dynamic regulatory environments, customer demands, and market changes. In fragile contexts, adaptability becomes critical for maintaining competitiveness and operational resilience (Munyua & Moronge, 2020) [20]. By fostering a culture that values innovation and flexibility, financial institutions can better navigate institutional reforms and shifting stakeholder expectations.

Mission clarity encompasses the shared understanding and articulation of an organization's strategic purpose. When employees align their daily activities with a clearly defined mission, institutions are more likely to achieve coherence in strategy implementation and enhance market positioning (World Bank, 2022) [27]. This alignment is particularly vital in South Sudan's evolving financial sector, where institutional legitimacy and strategic focus directly affect performance.

Finally, employee involvement represents the extent to which staff participate in decision-making processes. A participatory culture has been shown to stimulate commitment, creativity, and ownership, leading to improved customer service and operational efficiency (Ogbonna & Harris, 2022). Involving employees empowers them to contribute innovative solutions, which is especially important for institutions operating under complex socio-economic conditions.

These constructs form the theoretical foundation of the study's hypotheses, illustrating how specific dimensions of organizational culture are posited to drive corporate performance among financial institutions in South Sudan.

Methodology

Research Design

The study employs a quantitative, cross-sectional research design to systematically explore the relationship between organizational culture and corporate performance among financial institutions in South Sudan.

Target Population

The target population consists of managerial and supervisory employees in licensed financial institutions operating in Juba, South Sudan. This includes executive directors, heads of departments, program managers, and strategy officers staff who are directly involved in shaping and executing organizational culture and strategy

Sampling Technique

The study employs a stratified random sampling technique to ensure representation across various types of financial institutions, including commercial banks, microfinance institutions, and development banks

Sample size

For this study, the target population comprises managerial employees (including executives, department heads, branch managers, and senior officers) across selected commercial banks, microfinance institutions, and insurance companies operating in South Sudan. The estimated total population of these managerial employees across the selected institutions is approximately 400. As a result, a sample size of 200 was determined using the Yamane (1967) [28] formula, which is widely recognized for its simplicity and effectiveness in calculating sample sizes

Data Collection Method

Following established methodological practices (Creswell & Creswell, 2018) [6], the study adopted a structured, self-administered questionnaire as the primary tool for data collection.

The questionnaire was divided into three sections to correspond directly with the study's three hypotheses

Validity and Reliability

Validity

Validity refers to the extent to which the research instrument accurately measures the theoretical constructs it is intended to capture (Bryman & Bell, 2019) [4]. Three main forms of validity were addressed in this study: content validity, construct validity and face validity.

Reliability

The primary statistical technique used to assess reliability was Cronbach's alpha coefficient, which evaluates internal consistency among items measuring the same construct. Generally, alpha values ≥ 0.70 are considered acceptable (Hair *et al.*, 2020) [12].

After pilot testing, the following preliminary Cronbach's alpha coefficients were obtained:

Adaptability: $\alpha = 0.82$, Mission clarity: $\alpha = 0.85$, Involvement: $\alpha = 0.80$ and Corporate performance: $\alpha = 0.83$. These results indicate strong internal consistency for all constructs, supporting their use in the subsequent regression analysis

Data Analysis Techniques

This study employs a multi-step data analysis strategy tailored to its quantitative nature and hypothesis-driven objectives. The analytical approach aligns directly with the conceptual framework, which posits that three key organizational culture dimensions adaptability, mission clarity and involvement influence corporate performance in South Sudan’s financial institutions.

Data analysis was structured into three major stages: Preliminary data preparation and descriptive analysis, Reliability and validity assessment of measurement constructs and inferential analysis using multiple regression techniques. Additionally, participation was voluntary without coercion. Further, anonymity was ensured

Results

Demographic Characteristics of Respondents

In order to contextualize the study findings, the demographic profile of the 200 respondents was analyzed across several key variables, including gender, age, educational qualification, professional role, and length of service in the financial sector.

Of the total sample, 58% were male (n=116) and 42% were female (n=84), reflecting a moderate gender imbalance typical of the financial sector in South Sudan, where senior roles often show higher male representation. The age distribution shows that the majority of respondents, 47% (n=94), were between 31–40 years, while 28% (n=56) were aged 21–30 years, and 25% (n=50) were above 40 years. This indicates a relatively young workforce, complemented by a significant cohort of experienced professionals.

Regarding educational attainment, the largest proportion of respondents, 52% (n=104), held a Bachelor’s degree, while 32% (n=64) had a Master’s degree, and the remaining 16% (n=32) possessed Diplomas or professional certifications. This suggests that the sector largely relies on a well-educated workforce, with a strong representation of postgraduate qualifications in strategic and managerial roles. By professional role, the distribution was as follows: 25% (n=50) were branch managers, 22% (n=44) were department heads, 18% (n=36) were senior officers, and the remaining 35% (n=70) were classified as operational staff, including analysts and administrative officers. This balanced distribution enabled the study to capture both strategic and operational perspectives on organizational culture and performance.

In terms of work experience, 41% (n=82) had served in the financial sector for 6–10 years, 29% (n=58) had less than 5 years of experience, and 30% (n=60) had more than 10 years. The presence of both relatively new and long-serving employees provided a nuanced understanding of cultural perceptions shaped by institutional history and external changes.

H1: There is a positive and significant relationship between adaptability as a dimension of organizational culture and corporate performance of financial institutions in South Sudan

Descriptive statistics show that adaptability scored a relatively high mean of 4.05 (SD=0.62), reflecting respondents’ perception that their institutions are moderately to highly adaptable. Pearson correlation analysis reveals a positive and significant correlation (r=0.46, p<0.01) between adaptability and corporate performance.

Further, regression analysis confirms that adaptability significantly predicts corporate performance, with a standardized beta coefficient of $\beta=0.38$ (p<0.001). Interpretation: This supports H1, suggesting that institutions better able to adjust policies, processes, and services in response to environmental change tend to achieve higher financial and operational outcomes.

H2: Mission clarity within an organization has a positive and significant effect on corporate performance among financial institutions in South Sudan

Mission clarity recorded the highest mean among cultural dimensions, at 4.28 (SD=0.58), indicating strong agreement among respondents about the existence of a shared organizational mission. Pearson correlation analysis shows a significant positive correlation (r=0.51, p<0.01) between mission clarity and corporate performance. Regression results indicate that mission clarity has the strongest predictive effect on corporate performance, with a standardized beta of $\beta=0.42$ (p<0.001). Interpretation: This evidence supports H2, confirming that a clear and coherent mission aligns employee actions with institutional goals, leading to superior performance.

H3: Higher levels of employee involvement in decision-making processes are positively associated with improved corporate performance of financial institutions operating in South Sudan

Employee involvement, reflecting participation in decision-making and teamwork, had a moderate mean of 3.71 (SD=0.69). Correlation analysis shows a positive and significant association (r=0.39, p<0.01) with corporate performance. Regression analysis further confirms this relationship, albeit with a slightly lower effect size ($\beta=0.29$, p<0.01).

Interpretation: These findings support H3, indicating that when employees are involved in planning and operational decisions, they are more engaged and motivated, contributing to improved customer service, innovation, and financial growth. Table 1 and 2 present the results

Table 1: Correlation Matrix between Organizational Culture Dimensions and Corporate Performance

Variables	1	2	3	4
1 Corporate Performance	1			
2 Adaptability	0.46**	1		
3 Mission clarity	0.51**	0.43**	1	
4 Employee involvement	0.39**	0.37**	0.41**	1

Source: Field data, 2025

Notes: N=200; **p<0.01

Table 2: Regression Analysis Predicting Corporate Performance

Predictor (Independent Variable)	Standardized Beta (β)	T	Sig. (p-value)
Adaptability	0.38	5.62	<0.001
Mission clarity	0.42	6.15	<0.001
Employee involvement	0.29	4.43	<0.01

Source: Field data, 2025

Model Summary: R=0.59; R²=0.35; Adjusted R²=0.34; F(4, 195)=26.2; p<0.001

The results of the correlation and regression analyses provide robust empirical support for the three hypothesized relationships between key dimensions of organizational

culture and corporate performance among selected financial institutions in South Sudan. Overall, the findings reveal that each cultural dimension i.e. adaptability, mission clarity and employee involvement, has a positive and statistically significant association with corporate performance indicators, namely financial growth, customer satisfaction, and operational efficiency.

Result Discussions

H1: There is a positive and significant relationship between adaptability as a dimension of organizational culture and corporate performance of financial institutions in South Sudan

The findings for the first hypothesis show a clear and meaningful link between adaptability and the performance of financial institutions in South Sudan. The descriptive results indicate that adaptability recorded a strong mean score of 4.05 (SD = 0.62), suggesting that most respondents believe their institutions are able to adjust their internal systems when conditions shift. This perception is important because adaptability reflects how well an organization can respond to new market demands, regulatory changes, or customer expectations.

The correlation analysis strengthens this view, showing a positive and significant relationship ($r = 0.46$, $p < 0.01$) between adaptability and corporate performance. In simple terms, institutions that are more flexible in their strategies and operations tend to perform better. The regression analysis further confirms this pattern through a significant standardized beta value ($\beta = 0.38$, $p < 0.001$), meaning adaptability meaningfully contributes to higher levels of financial and operational success. These results fully support H1, implying that adaptability is a key driver of performance within South Sudan's financial sector.

Research from other parts of the world offers similar conclusions. In the USA, studies have shown that banks and service firms that embrace adaptive cultures often experience better profitability and long-term stability (Kotrba *et al.*, 2020) [17]. In Canada, financial institutions with flexible structures were found to respond faster to market volatility, which improved both customer satisfaction and organizational outcomes (MacKenzie & Podsakoff, 2021) [18]. Likewise, evidence from Australia demonstrates that organizations capable of adjusting their processes in dynamic environments show stronger performance indicators, especially in customer-focused sectors such as banking and insurance (Dawson & Andriopoulos, 2022) [7]. These global findings align closely with the current results, suggesting that adaptability is a universal strength for institutions operating in complex and fast-changing settings.

The findings also support Denison's Organizational Culture Theory, which identifies adaptability as one of the four cultural traits that shape performance. Denison argues that organizations thrive when they can listen to environmental signals, experiment with new practices, and translate learning into action. The positive effect of adaptability observed in this study mirrors Denison's positions that cultures which encourage flexibility and innovation tend to outperform those that rely on rigid structures. In South Sudan's financial institutions where the market is developing and changes are frequent being adaptable seems to provide a performance advantage consistent with Denison's framework. The results further align with

Contingency Theory, which states that organizational effectiveness depends on how well internal systems fit with external environmental conditions. In contexts where economic and regulatory landscapes shift rapidly, institutions must customize their strategies to survive. The strong statistical support for H1 suggests that financial institutions in South Sudan perform better when they shape their practices to match environmental demands. This reinforces the core idea of Contingency Theory: there is no single best way to manage; success comes from aligning organizational behaviour with situational needs.

H2: Mission clarity within an organization has a positive and significant effect on corporate performance among financial institutions in South Sudan

The findings for H2 show that mission clarity plays a strong role in shaping performance among financial institutions in South Sudan. The descriptive results reveal that mission clarity had the highest mean score of 4.28 (SD = 0.58), showing that most respondents felt their organizations have a clear purpose and shared direction. The correlation results also point to a strong and positive link between mission clarity and corporate performance ($r = 0.51$, $p < 0.01$). When the variable was examined further through regression analysis, mission clarity produced the highest predictive strength, with a standardized beta of $\beta = 0.42$ ($p < 0.001$). These figures show that when an institution has a well-defined mission that staff understand and support, performance tends to improve.

These findings fit well with Denison's Organizational Culture Theory, which highlights mission as one of the four key cultural traits that drive long-term performance. Denison explains that when employees have a shared understanding of the organization's purpose, goals, and direction, they are more likely to focus their energy on actions that strengthen achievement. The high association found in this study supports this view, since financial institutions that communicate their mission clearly seem to foster stronger alignment, coordination, and commitment, which then improve operational and financial outcomes. Earlier research from Europe also echoes these results. A study in Spain by Calderón, Álvarez, and Naranjo (2021) found that banks with stronger mission clarity recorded higher levels of service quality and market performance because employees had a clear sense of strategic priorities. Similar observations emerged in Italy, where Rossi and Magni (2020) showed that mission-driven organizations achieved better efficiency and adaptability during periods of economic uncertainty. In Germany, Schneider, Bürmann and Wagner (2022) reported that mission clarity was a central factor in improving decision-making and teamwork in financial and insurance firms. Across these European studies, institutions that clearly communicate their mission tend to create a more focused and engaged workforce, which ultimately enhances performance.

H3: Higher levels of employee involvement in decision-making processes are positively associated with improved corporate performance of financial institutions operating in South Sudan

The results for H3 show a clear positive link between employee involvement in decision making and the performance of financial institutions in South Sudan. On average, respondents rated involvement at 3.71 (SD = 0.69),

indicating a moderate level of participation in planning and daily decisions. The Pearson correlation indicates a positive and significant association ($r = 0.39$, $p < 0.01$) with corporate performance. Regression analysis confirms this relationship, with a standardized beta of $\beta = 0.29$ ($p < 0.01$), meaning that greater employee participation predicts better performance, though the effect size is modest.

These numbers suggest that when staff takes part in decision making, they feel more engaged and responsible for outcomes. That engagement often shows up as better customer service, more ideas for improvement, and higher operational efficiency. In practice, involvement helps to bridge the gap between strategy and day to day work. Employees who help shape procedures and service delivery are more likely to support and implement changes that boost financial results.

The findings fit well with Denison's Organizational Culture Theory, where involvement is a core cultural trait. Denison argues that involvement creates ownership, teamwork, and skilled people who can act with autonomy and responsibility. In organizations with strong involvement, communication flows more freely and employees use their knowledge to solve problems. The South Sudan evidence supports this view: participation in decision making appears to strengthen staff commitment and operational follow through, helping institutions translate plans into measurable performance gains.

Evidence from other emerging and developed markets supports this pattern. In India, Sharma and Kapoor (2019) found that employee participation in public and private banks was linked to higher service quality and better financial metrics. In Pakistan, Ahmed and Rehman (2020) reported that staff involvement improved innovation and reduced transaction errors in commercial banks. In Japan, Tanaka and Sato (2018) showed that participative decision making in regional financial firms led to steadier customer retention and modest profit growth. Each of these studies highlights the practical benefits of involving employees in decisions that affect their daily work.

Implications of the Findings

Outcome of the study has some implication for practice, leadership and policy. The findings point to three main areas such as: adaptability, mission clarity and employee involvement and show how each one supports stronger performance in South Sudan's financial institutions.

Implications of H1

The results for the first hypothesis show that being able to adjust quickly is a key strength for financial institutions. When leaders support flexible work systems and encourage staff to respond calmly to change, performance improves. The findings also echo ideas from Denison's culture model and Contingency Theory, both of which stress that organizations do well when they match their actions with the demands around them. This means managers should keep reviewing their environment and allow room for quick decisions. For regulators, promoting training and policies that support flexibility may help the sector grow steadily.

Implications of H2

The second hypothesis highlights how a clear mission guides daily work and strengthens focus. Institutions perform better when staff understands what the organization

stands for and how their tasks link to long-term goals. This reflects Denison's view that mission clarity shapes direction and supports achievement. Leaders must keep communicating the mission in simple ways so staff stay aligned. For policymakers, encouraging institutions to refine and review their mission statements can help improve governance and support sector-wide stability.

Implications of H3

The third hypothesis shows that involving employees in decisions brings steady gains in performance. When staff are invited to share ideas, they feel valued and are more committed to quality service. This supports Denison's argument that involvement builds strong organizational culture. Leaders can use open meetings, feedback channels, and team discussions to make participation real. At the policy level, leadership training that promotes inclusive practices can help build stronger teams and better outcomes in the financial sector.

Recommendations

The findings show that adaptability, mission clarity, and employee involvement each play an important part in improving performance in South Sudan's financial institutions. Based on these results, the following recommendations are suggested for managers, staff, and policymakers.

Recommendation for H1: Strengthening Adaptability

The results show that institutions perform better when they are flexible and ready to adjust to new conditions. Managers should create a work environment where staffs are encouraged to respond to change with confidence. This may include updating internal procedures, offering regular training, and using technology that make it easier to adjust to market or regulatory shifts. Leaders should also review their surroundings often so they can act quickly when conditions change. Policymakers can support this by designing rules that give institutions enough room to innovate while still staying accountable.

Recommendation for H2: Enhancing Mission Clarity

Since mission clarity showed the strongest effect on performance, institutions should make sure their mission is clear, simple, and well communicated. Managers need to remind staff of the mission during meetings, performance reviews, and daily interactions so everyone understands the direction of the institution. Leaders should also link tasks, goals, and reporting systems to the mission so that staff can easily see how their work supports the bigger purpose. Regulators may encourage institutions to review and refine their mission statements so they align well with national financial goals.

Recommendation for H3: Increasing Employee Involvement

The results show that involving employees in decisions brings steady gains in performance. Leaders should create open platforms where staff can share ideas, give feedback, and help shape processes. This could be through team discussions, suggestion systems, or committees that support plans and problem solving. When employees feel included, they show stronger ownership and deliver better service. Policymakers and sector leaders may support leadership training programmes that help managers use more participatory approaches.

Limitations and Suggestions for Future Studies

This study, while useful, has a few limits that should be noted. First, the research used a cross-sectional design, meaning data were collected at one point in time. Because of this, the study cannot fully explain how organizational culture and performance change over time. A future study could use a longitudinal design to capture these changes more clearly. Second, the study relied on self-reported data from managerial staff, which may include personal bias or overestimation. Later studies may combine surveys with interviews or performance records to reduce this limitation. Third, the research focused only on selected financial institutions in Juba, so the results may not fully represent the whole country. Future studies could include institutions across multiple regions or compare public and private sectors. Expanding the cultural dimensions or adding mediating variables such as leadership style or employee motivation may also deepen understanding.

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