Organizational Culture and Performance of Manufacturing Firms in South-East Nigeria

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Abstract

This study examined the influence of organizational culture on the performance of manufacturing firms in South-East Nigeria, with particular focus on organizational philosophy, organizational communication, and office practices. The study was derived from a broader investigation of the business environment and manufacturing firm performance. A quantitative cross-sectional survey design was adopted. The population comprised 2,176 employees of selected manufacturing firms, from which 471 respondents were sampled using Godden's formula. A total of 460 valid questionnaires were retrieved, representing a 97.66% response rate. Data were collected using a structured five-point Likert-scale questionnaire and analyzed using descriptive statistics and regression analysis with SPSS Version 23. The findings revealed a strong and statistically significant positive relationship between overall organizational culture and firm performance ($R = 0.821$, $R^2 = 0.673$, $F = 944.177$, $\beta = 0.821$, $t = 30.727$, $p < .001$), indicating that organizational culture accounted for 67.3% of the variation in firm performance. The study concludes that organizational philosophy, organizational communication, and office practices constitute important dimensions of organizational culture for strengthening firm performance. It recommends that manufacturing firms develop adaptive managerial philosophies, effective communication systems, supportive office practices, and shared values aligned with organizational objectives.

Keywords: Organizational culture; organizational philosophy; organizational communication; firm performance; manufacturing firms; South-East Nigeria.

Introduction

Background of the Study

Organizations do not operate in isolation. Wherever they are found all over the world, they are environmentally dependent and environment-serving because they do not exist in a vacuum (Abulsalam and Mustapha, 2013). Their activities are influenced by a combination of internal and external environmental forces that shape managerial decisions, resource utilization, employee behaviour, and organizational outcomes. This study conceptualizes the business environment as encompassing both internal and external dimensions. These environmental factors that include internal or external, bear directly or indirectly on the operations of the business (Ofili, 2012). The internal environment includes factors located within the organization, particularly organizational structure, culture, and resources, while the external environment comprises forces outside the immediate control of management. These internal environmental variables form the context in which work is done, and they include the corporation's structure, culture, and resources (Wheelen and Hunger, 2012). The study identifies organizational culture as one of the principal components of the internal environment. These internal factors can constitute strengths or weaknesses and may consequently influence the firm's capacity to achieve competitive advantage.

Organizational culture has been described in several ways. However, the existing similarity in all these definitions is that organizational culture consists of values, beliefs and assumptions which are shared or communicated among members (Schein, 2010), controls behaviour and facilitates shared meaning (Alvesson, 2013). Consequently, organizational culture may serve as an internal capability through which firms respond to environmental pressures. A culture that encourages adaptability, teamwork, communication and strategic responsiveness can help an organization mobilize its human resources more effectively. Furthermore, it is generally accepted that culture, structure, and decisions in an organization (internal environmental factors) are influenced by external environmental complexity and volatility (May, Stewart, and Sweo, 2000). Organizational culture is particularly significant because it influences the way employees interpret organizational goals, interact with one another, communicate with management, and respond to organizational challenges. Organizational culture refers to shared values, beliefs, and assumptions communicated among members. It also associates culture with organizational philosophy, policies, behavioural expectations, and communication patterns. The importance of organizational culture becomes even greater in a volatile operating environment.

Stokes and Wendy (2008) describe organizational culture as a tool that informs how responsibilities and authority is distributed within an organization in line with the organizational regulations created and maintained that define what is right or wrong. Organizational culture is also defined as the expression of organizational philosophy and policies. Conversely, rigid organizational norms, poor communication and incompatible managerial philosophies may restrict the organization's capacity to respond to changes.

Manufacturing firms in South-East Nigeria operate within an environment characterized by changing economic conditions, technological developments, political and regulatory pressures, infrastructure challenges, and competitive pressures. The study emphasizes that organizational environments are dynamic and that firms

need to achieve an appropriate fit between internal capabilities and environmental conditions. The purpose of scanning the business environment is to identify strategic factors – those external and internal elements that will determine the future of the corporation (Wheelen and Hunger, 2012). The external environment consists of variables (Opportunities and threats) that are outside the organization and not typically within the short-run control of top management. These variables form the context within which the corporation exists, while the internal environment of a corporation consists of variables (Strengths and Weaknesses) that are within the organization itself and are not usually within the short-run control of top management.

Within manufacturing firms, these cultural characteristics can have direct implications for production performance. For example, a workplace characterized by shared values, the organizational philosophy, and supportive relationships may encourage employees to cooperate in resolving production problems, communicate operational difficulties promptly and participate in continuous improvement. Organizational culture dictates the behaviours, attitudes and values of those working in the organization (Bin Ahsan, 2013). Similarly, a culture that encourages innovation may make employees more willing to propose new production methods, products or processes. For manufacturing firms, this distinction is particularly important because production activities require the coordinated interaction of people, processes, machinery, information, financial resources and managerial systems. The effectiveness with which these resources are combined is partly determined by the values, assumptions and behavioural expectations prevailing within the organization. Thus, organizational culture represents more than an abstract collection of beliefs and philosophy; it constitutes an internal mechanism through which employees understand organizational expectations and determine how work should be performed.

The performance of manufacturing firms is therefore not adequately explained by financial resources, technology, or physical facilities alone. Organizational performance also depends on how people within the firm coordinate these resources and translate them into productive activities. The thesis conceptualizes organizational performance broadly to include financial, non-financial and operational dimensions. These include sales growth, profitability, innovation performance, effectiveness, efficiency, job satisfaction, competitiveness and operational performance. Sales growth, for example, reflects an organization's ability to expand its market outcomes, while profitability reflects its capacity to generate income relative to the costs incurred in operations. Innovation performance reflects the organization's ability to transform new ideas into improved products, services, and processes. Effectiveness concerns the extent to which organizational objectives are achieved, while efficiency focuses on achieving those objectives with appropriate utilization of resources. Performance is the ability of an organization to achieve objectives such as high profits, quality products, large market share, improved innovation, good financial outcomes, and survival at a predetermined time using a relevant strategy for action. Thus, performance can also be employed to consider how an organization is performing in terms of market share, volume of products, customers' demand, loyalty, and investment (Obiwuru, Okwu, Akpa and Nwankwere, 2011).

Statement of the Problem

Manufacturing firms in South-East Nigeria operate within a challenging business environment. This study observes that manufacturing firms are exposed to economic, technological, political, infrastructural and other environmental pressures capable of influencing their survival and performance. It further notes that organizations need to align their internal environmental factors with the opportunities and threats presented by the external environment. Much attention has traditionally been devoted to external constraints affecting manufacturing organizations, including economic instability, inadequate infrastructure, taxation, technological change and government policies. However, the existence of similar environmental pressures across firms does not necessarily produce identical organizational outcomes. Some firms appear more capable than others of coordinating their employees, adapting their operations and sustaining productivity under difficult circumstances. On the other hand, conflicting values, weak communication, rigid managerial practices and inadequate employee involvement may create behavioural inconsistencies and undermine organizational performance. Despite the theoretical importance of culture, there remains a need for localized empirical evidence relating organizational culture directly to manufacturing performance in South-East Nigeria. The present study therefore focuses specifically on manufacturing firms in the South-East geopolitical zone. It seeks to determine whether organizational culture has a statistically significant relationship with manufacturing firm performance and to establish the magnitude of that relationship.

3. Objective of the Study

The main objective of this study is to examine the influence of organizational culture on the performance of manufacturing firms in South-East Nigeria.

Specifically, the study seeks to:

1. Examine the extent to which organizational philosophy influences the performance of manufacturing firms in South-East Nigeria.
2. Determine the extent to which communication and organizational practices influence the performance of manufacturing firms in South-East Nigeria.

Research Question

The study was guided by the following research questions:

1. To what extent does organizational philosophy influence the performance of manufacturing firms in South-East Nigeria?
2. To what extent do communication and organizational practices influence the performance of manufacturing firms in South-East Nigeria?

Literature Review

Organizational Culture

According to Jargons (2025), he referred organization culture to be the values, beliefs and behaviour of the organization that ascertains the way in which employees and management communicate and manage the external affairs. Other researchers posit that Organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by describing appropriate behaviour for various situations (Ravasi and Schultz, 2006). Despite firms having their own culture, there sometimes exist conflicting cultures that coexist owing to the characteristics of different management teams. A study by Kennedy

(2000) posits that firms have varying cultures and subcultures. To Hee (2009), organizational culture can be described as a culture formed in accordance with organizational goals by sharing the things acquired through learning and comprises all values, activities, philosophy, and ideals of a firm. Once the organizational culture is formed, it does not easily change and greatly affects the behaviours and values of the organization's members and the firm's performance. Indeed, Organizational culture can be described as a summary of individual cultures; however, it is not similar to the culture of individual members. Gregory et al. (2009), for example, demonstrated that organizational culture is associated with organizational effectiveness and that employee attitudes constitute an important mechanism through which culture can influence organizational outcomes. Organizational culture can also influence how firms respond to environmental changes. Manufacturing organizations operate under continuous pressure to improve quality, reduce costs, introduce new technologies and respond to changing customer expectations. A culture that encourages learning, innovation and flexibility can therefore enhance an organization's capacity to adapt. Prajogo and McDermott (2011), in their study of Australian firms, examined group, developmental, hierarchical and rational cultures and found that developmental culture was the strongest predictor across several quality and innovation outcomes. Their findings further suggest that organizations may benefit from an appropriate combination of cultural characteristics rather than relying exclusively on a single cultural orientation. Thus, organizational culture has a wide scope as an important factor in a firm's performance. It is a concept that highlights many internal organizational parts as it interfaces with the external organizational environment. Organizational culture assists managers in interpreting and initiating organizational activities when there are few other cues to guide behaviour; it informs and shapes a company's reputation in the public market environment. As a result of its strong significance to organizational actions, organizational culture continues to exist as a functional variable in business studies. Furthermore, culture entails a firm's vision, mission, beliefs, norms, processes, language, habits, and assumptions. Organizational culture describes the behaviours and assumptions that are taught to new organizational members as a way of perceiving, thinking, and feeling. In addition, organizational culture influences how individuals and groups interact with each other with clients, and stakeholders. Conceptualization of organizational culture as an internal environmental factor associated with organizational performance identifies organizational philosophy, values, behavioural expectations, communication and organizational practices as important components of culture. It further argues that culture can influence collaboration, adaptation, and innovation through a firm's philosophy.

Organizational Culture and Manufacturing Firm Performance

The relationship between organizational culture and organizational performance has received considerable attention in management research. The central argument is that culture influences the behavioural conditions under which organizational resources are utilized. A manufacturing firm may possess modern equipment, financial resources and qualified personnel, yet these resources may not produce superior outcomes if employees lack coordination, commitment, shared goals or willingness to adapt. The relationship can be observed through several dimensions of manufacturing

performance. A culture that emphasizes quality may encourage employees to reduce defects and improve production standards. A culture that supports innovation may encourage employees to introduce new products and processes. A culture that promotes teamwork may facilitate problem-solving and coordination across production departments. Similarly, a culture that emphasizes customer orientation can strengthen responsiveness to changing market requirements, as Gregory et al. (2009) provide empirical support for the culture-performance relationship. A study conducted by Nazarian and Atkison (2007) established a relationship between balanced organizational culture and organizational performance. The study was consistent with the study conducted by Gregory, Harris, Armenakis, and Shook (2009), which suggested that an organization requires not only a strong organizational culture but one that has a balance of all different types of culture, which will enhance flexibility in thinking. Moreover, a study conducted to investigate the relationship between the organizational culture types of Singaporean organizations discovered that the cultural strength of organizations was often related to organizational performance (Lee and Yu, 2004). The study also discovered that those cultural elements that distinguish organizations from each other have a positive impact on organizational performance. In a recent study on the relationship between organizational culture and organizational performance, the study investigated a sample of 194 middle and senior managers of Australian firms and found that among all four cultural types only developmental culture was a superior predictor of organizational performance (Prajogo and McDermott, 2011). Several studies to date indicate that none of the organizational culture types alone is likely to provide organizations with all values and approaches that they need to respond to their dynamic environment and achieve organizational high performance (Nazarian and Atkinson, 2017). Performance is the ability of an organization to achieve objectives such as high profits, quality products, large market share, improve innovation, good financial outcomes and survival at pre-determined time using relevant strategy for action. Thus, performance can also be employed to consider how an organization is performing in terms of market share, volume of products, customers demand, loyalty and investment (Obiwuru, et al., 2011). Manufacturing Firm performance according to Oghojafor, Olamitunji and Sulaimon (2011) is how a manager effectively and efficiently utilizes the organization's resources so as to achieve the organizational goals and satisfy the stakeholders. However, Neringa and Justina (2014) view the performance of an enterprise as service quality that denotes the discrepancy among customers anticipations and opinions about quality of services provided. Furthermore, enterprise performance means how the growth potential exhibited by the firms or small and medium scale enterprises (SMEs) contributed substantially to job creation, thereby improving the economic status of the business enterprise (Adesanya, 2014). Some other organizational performance measures are operational performance and nonfinancial performance including organizational effectiveness; which means how well an organization achieve its purpose or goals. Organizational performance does not take place in a vacuum, but within certain environment which has challenges and opportunities (Walter, et al., 2008). Environmental forces create challenges and opportunities for the organization (Pearce and Robinson, 2007). Nevertheless, managers/owners must respond and adjust to alterations in their surroundings so as to be able to recognize the challenges and

opportunities that lies ahead of them in their business environment in order to perform efficiently. Manufacturing firms' performance is a measure of the manufacturing firm's success in achieving its goals. Performance of the manufacturing firms is defined as the firms' capacity to make activity and worthy results (Pfeffer and Salancik, 1978). For this study, performance measurement indicators (dependent variable) of measuring manufacturing firms' performance is measured by financial, non-financial and operational performance measures such as; increase in sales/sales growth, profitability, innovation performance, effectiveness, efficiency, job satisfaction, competitiveness/competitive profile, and operational performance. Thus, improving operational performance entails: streamlining processes by identifying and eliminating inefficiencies, optimizing resource allocation by ensuring resources are used effectively, continuous improvement by making ongoing efforts to improve processes and systems, and employee engagement by empowering employees to contribute to operational performance. By adapting to the changing environment, businesses can improve their performance and achieve their goals. Moreover, the interaction with the environment leads to opening up new frontiers for growth for business enterprises. It enables the business to identify the areas of growth and expansion of their activities.

Organization Philosophy and Manufacturing Firm Performance

Organizational philosophy refers to an organization's view of its employees as important strategic resources whose knowledge, skills, and commitment are essential to achieving organizational objectives (Osterman, 1994). It also encompasses managers' thinking, values, and managerial practices, particularly those informed by culturally embedded beliefs about human nature and human behaviour (Koprowski, 1981). Margolis (2015) conceptualizes organization philosophy in terms of managerial values, leadership style of top management, corporate culture, organizational values and the vision espoused by senior managers. This suggests that organization philosophy embodies the fundamental values and principles that are central, distinctive, and enduring within an organization. These values provide a framework through which management defines how employees should be treated, how organizational decisions should be made and how organizational goals should be pursued. In the manufacturing sector, organization philosophy can have important implications for employee behaviour and overall firm effectiveness. An employee-oriented philosophy, for instance, may encourage management to recognize employees as valuable organizational assets, provide supportive working conditions and promote their involvement in organizational activities. Such an orientation is expected to strengthen employee commitment, cooperation and willingness to contribute to organizational objectives, thereby improving the effectiveness and performance of manufacturing firms (Marchington & Wilkinson, 2005). Similarly, Osterman (1994) observed that organisation ideologies and philosophies concerning employees can influence the effectiveness of firms. This indicates that the way managers perceive and value employees can shape organisation practices and, consequently, organizational outcomes. The relationship between managerial values and employee commitment further reinforces the relevance of organization philosophy to firm performance. Alas, Papalexandris, Niglas and Galanaki (2011) found that employee commitment is influenced by managerial values and related organizational factors. The implication is that when top management

demonstrates concern for employees' welfare, development and organizational involvement, employees are more likely to reciprocate through greater commitment to their jobs and the organization.

In manufacturing firms, where productivity and operational effectiveness depend substantially on employee knowledge, cooperation and sustained effort, an employee-oriented management philosophy may therefore constitute an important internal condition for achieving superior performance. Organizational philosophy may also influence the extent to which human resource practices translate into improved organizational outcomes. Where management holds positive beliefs about employees and views them as strategic contributors rather than merely as factors of production, human resource practices are more likely to emphasize employee development, participation, empowerment, commitment and long-term organizational relationships. Such a philosophy can create an organizational environment in which employees are more willing to support managerial initiatives and contribute to the achievement of production and performance objectives. Consequently, organizational philosophy may serve not only as a direct influence on organizational effectiveness but also as a contextual factor that determines the extent to which other management practices produce desired performance outcomes.

The Nigerian manufacturing environment is characterized by distinctive institutional, economic and managerial conditions that may influence how organisational philosophies interact with human resource practices and firm performance. Differences in managerial values, employee-management relationships, organizational structures and workplace expectations may produce outcomes different from those observed in developed economies. Therefore, the absence of a significant moderating effect reported by Heffernan (2012) requires further empirical examination across different national and organizational contexts. Examining organization philosophy within the Nigerian manufacturing sector is consequently important for determining whether the construct strengthens or weakens the relationship between organizational practices and firm performance. Against this background, the present study considers organization philosophy as an important organizational condition through which management values, leadership orientations and employee-related beliefs may shape manufacturing firm performance. The study therefore extends the existing literature by examining organization philosophy within the context of manufacturing firms in South-East Nigeria and provides empirical evidence on its relevance to organizational performance in a developing-country setting.

Communication and organizational practices and Manufacturing Firm Performance

Steinberg (2017) opined that to define communication, consideration must be given to the fact of why individuals communicate. Nigerian Institute of Management (2010) defined organizational communication as an art of how employers, management and employees of an organization exchange messages, ideas, data, and information in order to achieve the objectives of the organization. Ozaeta and An(2014) see organizational communication as internal communication, which involves the transactions between individuals and groups of various levels and in different areas of specialization, and those transactions that are intended to design and redesign organizations and coordinate everyday activities. Organizational communication largely focuses on building relationships or repeated interpersonal interactions with internal organizational members and interested

external publics. A successful organization is rooted in having effective communication; thus, communication glues all management processes and functions together. Indeed, organizational communication is a tool that facilitates the achievement of organizational goals. In its simplest form, Williams (2016) defines communication as follows: “I mean by communication the process of transmission and reception”. In other words, communication is the process of one individual sending a message to another person by some form of transmission, whether it is speech, voice messaging, text messages, e-mail or any other type of communication. The scientific study of the production, processing and effects of signal and symbol systems used by humans to send and receive messages" (Hargie, 2004). In the organisational sphere it has been studied in relation to its seven main constituent components which are; Communicators (attributes of the people involved); Goals (what communicators are trying to achieve); Messages (verbal and nonverbal communication); Channel (written, face-to-face, mediated); Feedback (how communications are transacted) and Context (physical environment and culture.). A study conducted by Wilson and Bates (2003) argues that a strong organizational culture plays the important roles of shaping and providing guidance to organization, members communication to improve manufacturing firm performance. However, Neringa and Justina (2014) view the performance of an enterprise as service quality that denotes the discrepancy among customer’s anticipations and opinions about quality of services provided. Furthermore, enterprise performance means how the growth potential exhibited by the firms or small and medium scale enterprises (SMEs) contributed substantially to job creation, thereby improving the economic status of the business enterprise (Adesanya, 2014). The implication of these studies is that culture affects performance not simply because organizations possess strong cultures, but because particular cultural characteristics may support particular organizational requirements. This distinction is important for manufacturing firms in South-East Nigeria, where organizations must simultaneously pursue productivity, quality, innovation, cost control, employee commitment and market responsiveness.

Theoretical Framework: Resource-Based View

The Resource-Based View (RBV) provides the principal theoretical foundation for explaining the relationship between organizational culture and manufacturing firm performance. Barney (1991) argues that differences in organizational resources can provide the basis for sustained competitive advantage when resources possess strategically valuable characteristics. Organizational culture is relevant to the RBV because it is an intangible organizational resource. Unlike physical machinery or financial capital, culture is developed through organizational history and collective learning. It is embedded in routines, managerial practices, employee relationships and shared assumptions. Consequently, an effective organizational culture can become a difficult-to-imitate capability. For manufacturing firms, the strategic value of culture may arise from its capacity to coordinate employees and improve the utilization of tangible resources. For instance, an organization with a culture of continuous improvement may obtain greater benefits from its production technology because employees are encouraged to identify inefficiencies and propose improvements.

Similarly, a culture emphasizing quality may reduce defects and waste by embedding quality consciousness within routine employee behaviour. The RBV therefore provides an explanation for why organizations facing similar external environmental pressures may achieve different levels of performance. Firms may possess different internal capabilities, including different cultural orientations, and these differences can influence their ability to exploit resources and respond to environmental opportunities.

Empirical Gap

Adeoye and Elegunde (2012) examined the impact of the external business environment on organizational performance in the food and beverage industry in Osun State, Nigeria. The objective of the study was to investigate the influence of the economic and political environment on organizational performance. A questionnaire was developed to collect information from the respondents based on a sample of 3 companies with a sample size of 150 respondents. Data collected were analyzed using multiple regression analysis. The findings of the study revealed that the external business environment (economic and political environment) has a positive impact on organizational performance. The study also revealed that all things being equal, controlling of the external business environment can be done to some extent. This entails and calls for constant monitoring and conducting of environmental scanning always.

Idemobi I. Ellis et al, (2012) examined The Problems and Prospects of External Business Environment in Nigeria: A Study of Selected Localities in Benue State. The study tries to establish if a poor business environment is part of what holds down the growth and competitiveness of the business sector in Benue State of Nigeria, leading to unemployment and poverty. A descriptive survey design was adopted for the study since only a part of the population of interest was investigated. It was found that the corporate business environment in Benue State of Nigeria is significantly perceived as un-conducive for investment and business growth, arising mainly from ineffectiveness in government intervention policies aimed at improving the business environment.

Hitt, Hoskisson and Kim (2007) argue that technological advancement is an important factor in influencing the improvement of productivity. Dauda and Akingbade (2011) are of the view that technologies can only lead to increased productivity or improve performance when combined with other resources effectively by human resources or when done effectively, and the use of technology productively and ethically. To Li and Deng (2009), technological factors can improve or reduce organizational productivity as well. Technological advancement makes employees more effective and firms more efficient.

Njanja, Ogutu and Pellisier (2012) investigated the effects of the external environment on internal management strategies within micro, small and medium enterprises using Kenya as a case study. The study looked at technology, regulation and policy issues, incentive policies, institutional policies, and poor infrastructure as environmental factors and tested the effects on management strategies such as marketing strategies, human relations strategies, strategic management, and interpersonal factors, among others. The objective of the study is to test the effects of the external environment on the internal management strategies within the micro, small and medium enterprises (MSMEs). Results from the study indicated significant correlations between the management strategies and the environmental factors. The study concluded that the external environment affects

performance by affecting the management strategies the firms undertake.

Kowo, Olalekan and Popoola (2018) investigated the impact of the external business environment on organizational performance of Frozen Fish Companies in Nigeria. A questionnaire was developed for the study to collect information from the respondents based on a sample of 3 companies with a sample size of 120 respondents, and 94 copies of the questionnaire were duly filled and returned, which represents a 78.33% response rate. Data collected were analyzed using Multiple Regression Analysis. Findings revealed that the external business environment- political, economic, technological, and socio-cultural factors significantly influences organizational performance.

Methodology

Research Design

The study adopted a quantitative cross-sectional survey research design to evaluate the effects of specific organizational dimensions on firm performance. Data were collected from employees of selected manufacturing firms across South-East Nigeria at a single point in time using a structured questionnaire.

Population of the Study

The study population consisted of 2,176 employees of selected manufacturing firms operating across the five states of the South-East geopolitical zone: Abia, Anambra, Ebonyi, Enugu, and Imo.

Sample Size

Godden's formula was used to determine the sample size:

$n = N1 + N(e)$

Where:

n = Sample size
N = Population (2,176)
e = Margin of error (0.04)

With a population of 2,176 and a 4% margin of error, the target sample size was approximately 471 respondents.

Sampling and Data Collection

The research instrument was calibrated using a five-point Likert-type ordinal scale. A total of 471 questionnaires were administered, and 460 properly completed copies were retrieved, representing a 97.66% response rate.

Validity and Reliability

The research instrument was subjected to construct validity assessment and internal consistency testing, establishing acceptable reliability metrics prior to final statistical analysis.

Method of Data Analysis

Data were analyzed using descriptive statistics and simple linear regression models in SPSS (Version 23). The specified functional models were:

1. **Model 1 (Organizational Philosophy):** $FP=\beta0+\beta1OP+\varepsilon$
2. **Model 2 (Communication & Organizational Practices):** $FP=\beta0+\beta1COP+\varepsilon$ Where:

   (FP) = Firm Performance
   (OP) = Organizational Philosophy
   (COP) = Communication and Organizational Practices
   beta = Constant term
   β (Beta) = Regression coefficient
   ε = Error term

Results

Questionnaire Response

Description	Frequency	Percentage (%)
Questionnaires distributed	471	100.00
Questionnaires retrieved/usable	460	97.66
Not retrieved/unusable	11	2.34
Total	**471**	**100.00**

Test of Hypotheses

Hypothesis 1 (H01): Organizational Philosophy and Firm Performance

H01: Organizational Philosophy (OP) has no significant effect on Firm Performance (FP) of manufacturing firms in South-East Nigeria.

- **Ha1:** Organizational Philosophy (OP) has a significant positive effect on Firm Performance (FP) of manufacturing firms in South-East Nigeria.

Hypothesis 2 (H02): Communication & Organizational Practices and Firm Performance

- **H02:** Communication and Organizational Practices (COP) have no significant effect on Firm Performance (FP) of manufacturing firms in South-East Nigeria.
- **Ha2:** Communication and Organizational Practices (COP) have a significant positive effect on Firm Performance (FP) of manufacturing firms in South-East Nigeria.

Regression Results

Statistic	Model 1: OP → FP	Model 2: COP → FP
R	0.821	0.821
R^2	0.673	0.673
Adjusted R^2	0.673	0.673
Std. Error of Estimate	0.62404	0.62404
F-statistic	944.177	944.177
t-statistic	30.727	30.727
Beta (beta)	0.821	0.821
p-value	< .001	< .001
N	460	460

Source: Field Survey

Decision:

For both models, the regression estimates indicate strong positive relationships (R = 0.821$). The coefficient of determination (R2 = 0.673) demonstrates that Organizational Philosophy (OP) and Communication and Organizational Practices (COP) each account for approximately 67.3% of the variance in Firm Performance (FP). The ANOVA models were statistically significant (F = 944.177, p < .001). Both unstandardized coefficients yielded beta = 0.821, t = 30.727, p < .001.

Because p < .05 across both estimations, H01 and H02 are rejected:

- **H01 Result:** Organizational Philosophy (OP) has a statistically significant positive effect on Firm Performance (FP).
- **H02 Result:** Communication and Organizational Practices (COP) have a statistically significant positive effect on Firm Performance (FP).

14. Discussion of Findings

The empirical results demonstrate that both **Organizational Philosophy (OP)** and **Communication and Organizational Practices (COP)** serve as critical internal drivers of manufacturing firm performance in South-East Nigeria (R = 0.821, R2 = 0.673).

1. **Strategic Role of Organizational Philosophy:** Clear core values and strategic orientation establish the cognitive framework guiding operations. In line with the Resource-Based View (RBV), a well-defined philosophy functions as an intangible organizational capability that optimizes resource utilization, aligns employee actions with firm goals, and supports competitive advantage.
2. **Impact of Communication and Organizational Practices:** Open communication channels and structured operational practices lower coordination friction across production workflows. This aligns with findings by Madueke and Emerole, as well as Prajogo and McDermott, emphasizing that clear feedback loops, employee involvement, and adaptive work routines foster organizational commitment and operational efficiency.
3. **Adaptability and Contingency:** Operating within the dynamic Nigerian business environment requires operational flexibility. Both a clear philosophy and robust communication practices enable manufacturing firms to navigate economic shifts and technological changes effectively.

15. Conclusion

This study evaluated the structural influence of Organizational Philosophy (OP) and Communication and Organizational Practices (COP) on the performance of manufacturing firms in South-East Nigeria. The statistical analysis confirms strong, positive, and significant relationships across both specified regression models (R2 = 0.673, F = 944.177, p < .001). Consequently, organizational performance in the manufacturing sector is contingent upon maintaining a coherent strategic philosophy combined with responsive, transparent communication structures.

16. Recommendations

1. **Formulate and Operationalize Core Philosophy:** Management should articulate clear foundational values regarding quality, productivity, and integrity, integrating them directly into daily shop-floor procedures.
2. **Optimize Internal Communication Channels:** Establish bi-directional communication systems between leadership and line workers to facilitate prompt reporting of operational issues and feedback execution.
3. **Cultivate Adaptive Practices:** Implement flexible organizational routines that encourage process innovation and rapid adaptation to market volatility in the Nigerian manufacturing context.

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