

## CULTURAL CLIMATE AND SALES GROWTH OF MANUFACTURING ENTERPRISES IN SOUTH EAST NIGERIA

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### **Abstract**

*The study investigates cultural climate and sales growth of manufacturing enterprises in South Eastern Nigeria. The study was conducted to find out the relationship between each of market culture, clan culture, hierarchy culture and sales growth in manufacturing enterprises. The study was guided by three research questions and three hypotheses. The survey design was used to handle the study. The researcher used the probability sampling technique in the study. Descriptive statistics of mean and standard deviation were used to analyze data. Correlation analysis was employed in the testing of the hypotheses. The analysis was enabled by Statistical Package for Social Sciences (SPSS). The findings showed that market culture significantly influenced sales growth; clan culture enhanced sales growth; and hierarchy culture improved sales growth in the manufacturing firms. It was concluded that cultural climate was a driver of sales growth in manufacturing enterprises in South Eastern Nigeria. The study recommends that manufacturing enterprises should always respect their corporate culture for the consistent improvement of their sales growth.*

**Key Words:** *Cultural climate, Sales growth, Manufacturing enterprises.*

### **Introduction**

#### **Background of the Study**

The culture of an organization is always a critical aspect of organizational climate. Organizational culture and climate consist of shared values, norms, attributes and perceptions that influence how people in an organization behave. Organizational culture refers to the shared behavioural expectations and norms in a work environment. This is the collective view of the "the way work is done" (Chil, 2015). The culture of the organization is the firm's identity, its values and the norms that have arisen organically over time. Common values include curiosity, quality, innovation, outcome, diversity and inclusion (Calip, 2020). Glasdor (2021) shows that organizational culture is the collective beliefs, assumptions, ideas and approaches developed by a group of professionals that informs how they interact with each other and the methods they apply to overcome obstacles. These established ideas are taught to and adapted by new group members as appropriate and acceptable. Organizational culture is important because it is the

driving force behind employee behaviour and relations. It is the key in determining the future, success and company direction. It reflects the organizational identity, determines individual actions, and affects professional relationships and employee freedom.

Cultural climate may have the capacity to influence sales growth in manufacturing enterprises. Hitesh (2018) opines that sales growth is the parameter which is used to measure the performance of the sales team to increase the revenue over a pre-determined period of time. Sales growth is an essential parameter for survival and financial growth of a company. Reasoning in the same direction, Alfred (2020) maintains that the sales growth rate measures the rate at which a business is able to increase revenue from sales during a fixed period of time. Mehta (2022) is of the view that sales growth indicates whether a business is growing or declining. Sales growth strategies include creation of highly effective sales enablement programmes, looking for expansion closer to the main company office, defining the ideal customer profile, use of case studies to showcase successful business collaborations and focusing on account-based selling.

It is based on the foregoing that this study on cultural climate and sales growth of manufacturing enterprises in South East Nigeria was conducted to investigate the link between various organizational cultural dimensions and sales growth. This was in a view to identifying and filling research gaps so as to empirically contribute to knowledge.

### **Statement of the Problem**

It is often the desire of every business organization to have a result-oriented organizational culture and overall organizational climate capable of effectively improving its sales growth and all-round viability. This is particularly ideal for enterprises that have unquenchable desire to consistently enhance their sales growth. The current situation however is that many organizations are yet to take the issue of organizational culture seriously. Babatunde, Yusuf and Abdulkareem (2018) reveal that in a dynamic environment, numbers of organizations have failed in effectively managing the environment leading to deficiency in employee commitment and unpleasant performance in the sales of the organization's products. This agrees with the observations made by the researcher in the recent past that some business organizations are still unyielding to environmental pressures to pay serious attention to their organizational culture for improved sales growth. It therefore follows that many ongoing concerns may not have taken necessary steps to improve, rehabilitate and/or to upgrade their cultural climate for the purpose of impacting corporate sales growth. This can never be to the best interest of any business.

In addition to the foregoing, the researcher has noticed that a lot of research gaps exist in the area of organizational cultural climate. The empirical evidences available in reputable journals did not indicate how cultural climate influenced sales growth in manufacturing enterprises. Babatunde, Yusuf and Abdulkareem (2018) investigated organizational climate and its effect on the performance of Nigerian pharmaceutical companies. Their study did not handle the relationship which this present study seeks to evaluate. Aysen (2018) handled the impact of organizational climate on organizational commitment and perceived organizational

performance: empirical evidence from public hospitals. He did not also handle the relationship which this present study seeks to handle. The same is the case with Akpan, Chukwudi, Ihekwoaba and Harriet (2022) who examined the impact of organizational climate on job performance in Nigerian University libraries: perceptions of academic libraries.

### **Objectives of the Study**

The major objective of this study is to investigate cultural climate and sales growth in South East Nigeria. The specific objectives of the study include to:

- i. examine the relationship between market culture and sales growth in manufacturing enterprises.
- ii. Investigate how clan culture influences sales growth in manufacturing enterprises.
- iii. Evaluate the extent to which hierarchy culture affects sales growth in manufacturing enterprises.

### **Research Questions**

Based on the objectives of the study, the researcher developed the following research questions:

- i. What is the relationship between market culture and sales growth in manufacturing enterprises?
- ii. How does clan culture influence sales growth in manufacturing enterprises?
- iii. To what extent does hierarchy culture affect sales growth in manufacturing enterprises?

### **Hypotheses**

In order to answer the research questions, the researcher posed the following set of null hypotheses:

**H01:** There is no significant relationship between market culture and sales growth in manufacturing enterprises.

**H02:** Clan culture does not significantly influence sales growth in manufacturing enterprises.

**H03:** Hierarchy culture does not significantly affect sales growth in manufacturing enterprises.

### **Scope of the Study**

The researcher focused on Aluminum Extrusion Industry Plc, Inyishi- Owerri; Guinness Plc, Aba; Nigerian Breweries Plc, Enugu; Cometstar Manufacturing Company Ltd, Onitsha; and Chrisreal Industries Ltd, Afikpo, Ebonyi State. These represent the geographical scope of the study. The content scope will consist of the relationship between each of market culture, clan culture, hierarchy culture and sales growth. The unit scope will consist of various units in the study organizations e.g Production, Human Resources, Accounts/Finance, Marketing, etc.

**Significance of the Study**

There are a number of persons that will benefit from this study in so many ways. Those that will benefit and how they will benefit are as follows:

**Boards of Organization:** Board of Directors of enterprises will henceforth appoint management teams that are very result-oriented, focused and ready to continuously enhance the climate of their organizations onto beefed viability and competitive strengths.

**Competitors:** They will brace up to the challenges posed by the development of sound organizational climate by their rivals with a view to striving to compete more favourably. The competitors will also avoid unhealthy competition by way of professionally performing above board in using the tool of organizational climate to enhance sales growth and other viability indicators in their firms to the pleasant surprise and astonishment of their rivals.

**Employers:** Employers will see the need to develop the appropriate corporate cultures and structures that may trigger profitable actions, behaviours and conducts in the organization for the achievement of organizational goals.

**Entrepreneurs:** They will be encouraged to continuously improve their organizational cultural climate. Most of them will learn what organizational climate is all about so as to make efforts to meet the expectations of individual customers.

**Future Researchers:** They will benefit in the literature review hence they will be exposed to the way of articulating the conceptual, theoretical and empirical reviews. They will also understand the pattern of developing gaps identified in literature. They will learn much about the methodology of a survey research.

**Government:** The government will start taking immediate steps to improve organizational cultural climate in the public sector.

**HR Managers:** They will be in a better position to facilitate the training and development of the workforce in the area of organizational cultural climate. Human Resource Managers will henceforth engage persons who are ready to contribute to the organizational cultural climatic indicators of their enterprises.

**Innovators:** Innovators will use this study to improve the climate of their businesses with a view to enhancing corporate viability, sales growth and organizational resilience.

**Management Consultants:** They will be better equipped to serve their clients better especially as it relates to issues bordering on organizational cultural climate. This will help to improve quality and policy of management consultancy services in Nigeria and beyond.

**Organizational Management:** Management of organizations including the top level, middle level and lower level management will use this study to develop sustainable strategies capable of fulfilling the expectations and beliefs of individuals in the organization. They will certainly continuously improve the working environment and culture of the organization after going through this study.

**Organizational Politicians:** In the area of organizational politics, the very players will be seriously reminded that without the right organizational cultural climate, their politicking may never result to sales growth, viability and success of their enterprises. This will enable such key players like the managers and board members to be focused in taking decisions and actions that trigger the creation of the right climate for positive corporate outcomes.

**Sales Managers:** Sales managers will develop their efforts in improving the sales growth of their enterprises with the instrument of organizational climate.

**Those lacking social skills:** They will be exposed to the social skills offered by organizational cultural climate with a view to boosting their social skills while contributing to organizational sales growth.

**Training Institute:** They will be exposed to the various measures and dimensions of organizational cultural climate. This will certainly help the institutes to teach their students the core rudiments of organizational cultural climate for deeper understanding of the concept and for the proper application of such knowledge in the business organizations.

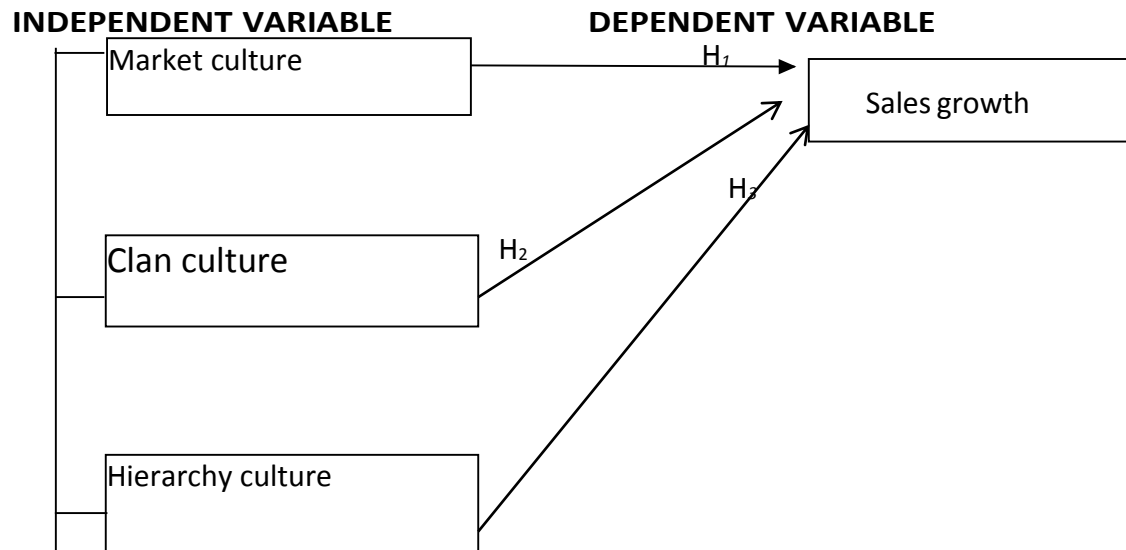
**Unemployed graduates:** They will learn about the concept of organizational climate so that they may prudently and unhaphazardly apply it in their workplaces whenever they become employed.

### **Review of Related Literature**

This part of the study consists of conceptual literature, theoretical literature and empirical literature.

### **Conceptual Literature**

The researcher used the following operational conceptual model to show the variables and measures covered in the study:

**Operational Conceptual Framework**

Source: Researcher (2022)

The above operational conceptual framework shows that various dimensions of cultural climate may influence sales growth. These dimensions are: market culture, clan culture and hierarchy culture.

**Organizational Cultural Climate**

Organizational culture and climate consist of shared values, norms, attributes and perceptions that influence how people in an organization behave. Organization culture refers to the shared behavioural expectations and norms in a work environment. This is the collective view of the "the way work is done" (Chil, 2015). The culture of the organization is the firm's identity, its values and the norms that have arisen organically over time. Common values include curiosity, quality, innovation, outcome, diversity and inclusion (Calip, 2020). Glasdor (2021) shows that organizational culture is the collective beliefs, assumptions, ideas and approaches developed by a group of professionals that informs how they interact with each other and the methods they apply to overcome obstacles. These established ideas are taught to and adapted by new group members as appropriate and acceptable. Organizational culture is important because it is the driving force behind employee behaviour and relations. It is key in determining the future, success and company direction. It reflects the organizational identity, determines individual actions, and affects professional relationships and employee freedom.

Kuppler (2015) opines that a culture can evolve only out of mutual experience and shared learning. "There is value in understanding how both climate and culture are influencing our work to effectively manage problems, challenges, or goals. The results of a focus on changing organizational climate may lead to some quick wins, like managers temporarily engaging employees more effectively, but the improvements may be short-lived unless a culture shift occurs. When faced with problems, challenges, or goals it often helps to understand the aspects

of culture that either inhibit or support effectiveness. To surface these aspects of culture, employees should be asked, for example, if they are expected or implicitly required to:

- check decisions with superiors
- work to achieve self-set goals
- point out flaws
- take on challenging tasks
- never make a mistake
- not “rock the boat”
- make a “good impression”
- know the business

These examples are from the Human Synergistics Organizational Culture Inventory, the most widely used and heavily researched culture assessment in the world. We all have experienced the positive and negative impact of these perceived expectations. In some cases they help to propel our thinking forward to “act on what we know” and accomplish great things with constructive behavior. In other cases, they lead to passive or aggressive behavior that undermines our effectiveness. Some organizations may actually be paralyzed by fear and plagued with inaction when they need the exact opposite.

Huff (2014) defines organizational culture, conventionally as the ensemble of beliefs, assumptions, values, norms, artifacts, symbols, actions, and language patterns shared by all members of an organization. In this view, culture is thought to be an acquired body of knowledge whose interpretation and understanding provide the identity of the organization and a sense of shared identity among its members. This approach assumes clarity and organization wide consensus among members and discounts ambiguity.

However, organizational culture can also be viewed from at least two other perspectives. A different perspective centers not on the whole but rather on the consensus reached within the different subcultures of the organization, which often conflict with each other. Outside the confines of the subcultures, ambiguity and inconsistency exist organization wide (e.g., where members may say one thing and do another). Yet another approach discounts consensus and consistency as defining characteristics of culture and focuses on ambiguity as the essence of culture. Here, agreement and disagreement are constantly changing and no stable organization wide or subculture consensus exists.

Understanding and interpreting organizational culture is important, as it affects organizational development, productivity, and learning at all levels. The underlying cultural assumptions can both enable and constrain what an organization is able to do (Huff 2014).

**Types of Organizational culture**

Glassdoor (2021) asserts that although each organization builds its own culture, there are some basic characteristics that can help you define a company's culture and see if you are a good fit. The usual categories are:

- **Market culture**

Market culture values productivity and motivates employees through competition. Employees focus their efforts toward a defined goal and completing the most tasks accurately, efficiently, and quickly. Tasks are clearly defined, there is little collaboration, and individuals are responsible for their own productivity. The end goal of a market culture is to maximize profit. Market culture suits many introverts who shy away from collaboration and like to be self-sufficient.

- **Clan culture**

Clan culture is relaxed and mirrors the habit of a large family or clan. The culture is collaborative and friendly. Employees have many commonalities and form bonds of loyalty and tradition. They work in support of one another, and the strong relationships serve as motivation for career and project success. Employees tend to refer to the atmosphere as a "home" and employee turnover is reduced. Although it can be difficult to feel a part of the group for newcomers, this culture is welcoming and satisfying for those who prefer to work in teams.

- **Adhocracy culture**

The root of the word, "ad hoc," is Latin for "to this." An adhocracy culture is collaborative and employees' work together facing challenges at a team. The culture places an emphasis on creativity, innovation, industry, and cultivates a work environment that is dynamic. Individuals are encouraged to take risks and create new methods. This atmosphere is best for people who are nonconformists and work best on their own schedule.

- **Hierarchy culture**

There are strict and long-established procedures in a hierarchy culture. Employees typically familiarize themselves with the handbook immediately, and leadership emphasizes company procedures. Corporate initiated protocols are used to resolve issues and operate consistently. Hierarchy culture values uniformity and uses strict standards to measure productivity. This structure suits individuals who thrive in structured environments and function with rules. Organizational culture is important because it is the driving force behind employee behavior and relations. It is the key in determining the future, success, and company direction. It reflects the organizational identity, determines individual actions, affects professional relationships, and employee freedom. Aspects that reveal company culture are:

- How leadership views and treats employees and customers.
- Chains of command.
- Communication systems and processes.
- The input employees have in company decisions.
- Employee work ethic.



- Diversity and inclusion.
- Fair opportunities for advancement (Glassdoor 2021)

### **Sales Growth**

Bhasin (2021) maintains that sales growth is the parameter which is used to measure the performance of the sales team to increase the revenue over a pre- determined period of time. Sales growth is an essential parameter for survival and financial growth of the company. A good sales growth can always be used for the benefits of the employees and company in terms of providing salary raise, acquiring new assets, an expansion of the company or the product line. A negative growth is an undesirable outcome, hinting a wrong strategy or decisions.

For example, if Southwest Airlines had a sale of 2000 seats at \$100 each in year 2017 and 1800 seats at \$200 each in the year 2018, the positive sales growth would be of \$160,000 [  $2000 \times 100 = 200,000$ ;  $1800 \times 200 = 360,000$ . Thus  $360,000 - 200,000 = 160,000$ ]. Point to note over here that majority of companies are interested only in financial growth. So even if Southwest Airlines sold fewer seats, it earned a better revenue owing to the price rise.

When the current year earnings are lesser than previous years, it is termed as negative sales growth. It is an indicator that somewhere, something went wrong due to which the sales suffer. A continuous negative growth brings tough choices to a company and it often does not end very well. Continuing with above example of Southwest Airlines, if 1800 seats were sold in 2018 at \$100 each, the total revenue for 2018 would be \$180,000 and the growth after subtracting 2017 sales would be  $180,000 - 200,000 = (-20,000)$  Here the growth is negative \$20,000.

Reasons for negative sales growth could be (and not restricted to)

- Increased competition
- The inability of the sales team
- Sudden changes in government policies
- Negativity in the market about the product
- Wrong product or pricing policies

### **Importance of Sales Growth**

Sales growth is an indicator that the steps taken towards policies are correct and working. A positive sales growth is a green signal which means things are being done right while a negative sales growth is a red signal which means it is time to stop and rethink. A positive sales growth is the objective sought by a company because it means more profits. A positive sales growth also signals that conditions are favorable in the market and the strategy or technique company is currently following is working in their favor. While getting a positive sales growth may be easy but maintaining it is a challenging task (Bhasin, 2021).

A positive sales growth also indicates an increase in market share, customer acceptance, and user base. It means the product is being accepted in the market.

To maintain a positive growth, the company needs to adapt to the changing market. Thus, a positive sales growth also indicates making necessary changes to the current working of the company, in order to improvise and adapt the market needs and customer demands in long run. Various comparisons of Sales Growth can determine various approaches that a company can take to increase its sales. The type of Sales Growth analysis followed by a company determines their position in the market. A further detailed analysis like analyzing customer Sales Growth will further determine the reason for the increase or decrease in sales growth.

Analyzing sales growth answers the 'Why' for the company. Why is there a growth or why is there a negative growth. Answering that question would determine the strategy to follow (Bhasin, 2021).

### **Theoretical Framework**

The researcher used the following theories to beef up the study:

#### **Functionalism Theory of Organization Climate**

Functionalism, also known as the functionalist theory or perspective, arose out of two great revolutions of the eighteenth and nineteenth centuries. The first was the French Revolution of 1789, whose intense violence and bloody terror shook Europe to its core. The aristocracy throughout Europe feared that revolution would spread to their own lands, and intellectuals feared that social order was crumbling.

The Industrial Revolution of the nineteenth century reinforced these concerns. Starting first in Europe and then in the United States, the Industrial Revolution led to many changes, including the rise and growth of cities as people left their farms to live near factories. As the cities grew, people lived in increasingly poor, crowded, and decrepit conditions, and crime was rampant. Here was additional evidence, if European intellectuals needed it, of the breakdown of social order. In response, the intellectuals began to write that a strong society, as exemplified by strong social bonds and rules and effective socialization, was needed to prevent social order from disintegrating. Without a strong society and effective socialization, they warned, social order breaks down, and violence and other signs of social disorder result. This general framework reached fruition in the writings of Émile Durkheim (1858–1917), a French scholar largely responsible for the sociological perspective, as we now know it. Adopting the conservative intellectuals' view of the need for a strong society, Durkheim felt that human beings have desires that result in chaos unless society limits them (Durkheim, 1952).

Similar to the view of the conservative intellectuals from which it grew, functionalism is skeptical of rapid social change and other major social upheaval. The analogy to the human body helps us understand this skepticism. In our bodies, any sudden, rapid change is a sign of danger to our health. If we break a bone in one of our legs, we have trouble walking; if we lose sight in

both our eyes, we can no longer see. Slow changes, such as the growth of our hair and our nails, are fine and even normal, but sudden changes like those just described are obviously troublesome. By analogy, sudden and rapid changes in society and its social institutions are troublesome according to the functionalist perspective. If the human body evolved to its present form and functions because these made sense from an evolutionary perspective, society evolved to its present form and functions because these made sense. Any sudden change in society thus threatens its stability and future. Functionalism even suggests that social problems must be functional in some ways for society, because otherwise these problems would not continue (<https://courses.lumenlearning.com>).

### **Empirical Review**

The researcher used the following empirical studies to beef up the study:

1. Babatunde, Yusuf, and Abdulkareem (2018) wrote on organizational Climate and its effects on the performance of Nigerian Pharmaceutical Companies. In a dynamic environment, numbers of organizations have failed in effectively managing the environment leading to deficiency in employees' commitment and unpleasant performance in the sales of the organizations' products. It is on this instance that this study aimed at examining the effects of organizational climate on the performance of Tuiyil Pharmaceutical Company. Survey method was employed to describe how the independent construct affects the dependent. The study also has a population of 342 out of which a sample of 168 was selected from the employees of TPC using the Bartlett, Kotrlik and Higgins (2001) with .05 margin of error with  $p=.50$  and  $t=2.58$ . Additionally, a close ended questionnaire with 5 Likert Scale point was employed in enquiring from the targeted respondents. The result of this study revealed that work environment and remuneration significantly affects the sales performance and employees' commitment of the organization with Beta .369 and .000 significance level. Hence, this study concluded that organizational climate through work environment and remuneration of employees significantly affects the performance of TPC, Ilorin using sales performance and employees' commitment as a measure. Lastly, the study recommended that efforts should be concentrated on improving the environment in which employees operate and the remuneration packages should be reviewed upward so as to influence the commitment of staff and in turn affects the sale performance as projected.
2. Akpom, Ihekwoaba, and Igbo (2022) examined academic librarians' perceptions of the characteristics that contribute to a favorable organizational climate and those that negatively affect it in Nigerian university libraries. The study concentrated on Nigeria's Southeast and South- South geopolitical zones. The researchers adopted a descriptive survey design for the research. A structured questionnaire was employed to collect the data from the respondents and analyzed using mean and standard deviation. The study population consists of 143 academic librarians in university libraries in the study area. The entire population was

used as a sample because it was a manageable number. The result demonstrates that respondents have favorable impressions of their organizational climate. Specifically, respondents are satisfied with the communication, work environment, leadership style, organizational structure, rewards, and teamwork. They can be rewarded based on measurable performance metrics, such as a pay bonus when meeting a specific task or other forms of reward. The study found that to keep librarians motivated, the reward system needs to be improved without delay.

3. Adenike (2011) explored organizational climate as a predictor of employee job satisfaction of academic staff from a private Nigerian University. The study of the antecedent of job satisfaction is important because of the role it plays in job satisfaction of employees which in turn affects organizational productivity. Data were collected from three hundred and eighty-four academic staff of the university with the aid of questionnaire out of which a total of two hundred and ninety-three questionnaires were returned fully and appropriately filled. Three hypotheses were tested and the results of the finding showed a significant positive relationship between these two variables. Therefore, apart from confirming a theoretical proposition, the findings of this study are likely to have significant practical value.

### **Gap Identified in Literature**

The gap identified in literature is that empirical studies accessed by the researcher in the areas of organizational cultural climate in South East Nigeria did not investigate how market culture, clan culture, hierarchy influenced sales growth. This study fills the gap observed.

### **Methodology**

The study adopts the survey research design. The questionnaire is the major instrument for data collection. For the population of the study, Aluminum Extrusion Industry Plc Inyishi Owerri has a population of 101; Guinness Plc, Aba has a population of 164; Nigeria Breweries Plc, Enugu has a population of 170 while Comestar Manufacturing Co Ltd, Ontisha has a population of 102. The total population of the study is therefore 537.

The Taro Yame's formula was adopted to obtain a sample size of 229. Sample size proportion was also used in determining the number of questionnaire copies that would be administered on each of the study organizations. The data sources consist of primary and secondary sources. The primary sources are the survey tools (questionnaire and observations) while the secondary sources include journals, texts and other materials. Validity of the questionnaire was done by showing the instrument to the supervisors and to other experts for their corrections and inputs (face validity). It was also ensured that all the items in the questionnaire were strictly based on the research questions (content validity).

The reliability was conducted by way of carrying out a pilot study and subjecting the outcomes of the pilot study to Cronbach Alpha Statistic. The formula is:

$$\alpha = \frac{N \cdot \bar{C}}{\bar{V} + (N - 1) \cdot \bar{C}}$$

**Where:**

N= The Number of items

$\bar{C}$  = C-bar = the average inter-item covariance among the items

$\bar{V}$  = V-bar = the average variance.

To compute the sample size proportion, we use the formula:

$$k = \frac{W_i}{N} \times n$$

**Where;**

k = sample size proportion,

$w_i$  = no. of employees for individual firm N = population size

n = sample size (See Appendix)

A reliability ratio of 0.87 (87%) was obtained. Data analysis was committed to descriptive statistics of mean, percentages and standard deviation. Correlation analytical technique was used to test hypotheses. The computations were aided by Statistical Package for Social Sciences (SPSS). The formula for correlation is:

$$r = \frac{n \sum xy - \sum x \sum y}{\sqrt{[n \sum x^2 - (\sum x)^2] [n \sum y^2 - (\sum y)^2]}}$$

**Sampling Procedure**

The study employed the probability sampling method. The simple random sampling technique was adopted from the probability sampling method which entails random selection of staff. Also, members of the population had equal chance of being selected. This method was adopted by the researcher because of its simplicity to avoid bias in judgment.

To identify the enterprises for the sample, a purposive sampling technique was applied, as firms that were selected for the study were only manufacturing firms with the staff strength not less than fifty employees situated in some selected States in Nigeria. A table of proportion was used to identify the number of employees that were sampled for each of the selected banking firms.

Substituting the value into this formula, we have:

$$n = \frac{537}{1 + 537(0.05)^2}$$

$$n = \frac{537}{2.3425} = 229.24 \cong 229$$

Our sample size is therefore 229 employees.

The number of employees included in the sample from each of the four (4) selected manufacturing firms was determined through proportional allocation from the computation of the sample size proportion as shown below in Table 3.2.

To compute the sample size proportion, the researcher used the formula:

$$k = \frac{w_i}{N} \times n$$

Where;

k = sample size proportion,

w<sub>i</sub> = no. of employees for individual firm

N = population size

**Table 3.2:** Selected Manufacturing Firm for the Study (with the number of employees and the Proportion size to be considered).

S/N.	Organizations	Total	Sample Size Proportion
1	Aluminum Extrusion Industry Plc Inyishi Owerri,	101	43
2	Guinness Plc, Aba,	164	70
3	Nigeria Breweries Plc, Enugu	170	73
4	Comestar Manufacturing Co Ltd, Ontisha	102	43
	Total	537	229

To ensure adequate representation, the simple random sampling technique without replacement will be used to select the elements that will be in the sample size. Accordingly, the sampling technique to be used for the present study is the simple random sampling technique with proportional allocation of sample units.

**The decision rule:** The rejection of the null hypothesis was based on the P-Value as the null hypothesis is rejected if P-value < 0.05.

**Sampling Procedure**

The sampling procedure to be used in this research is the non-probability sampling method. This is based on the fact that the researcher understands the nature of the research questions. It may not be all workers in virtually all departments that will reliably answer the research questions. It will be only those workers whose nature of job is quite relevant to issues under investigation that will be sampled. To identify the 4 manufacturing firms of the sample, a purposive sampling technique will be applied, as firms that will be selected for the study will only be manufacturing firms with the staff strength not less than 50 employees situated in some selected States in South East Nigeria. A table of proportion will be used to identify the number of employees that will be sampled for each of the selected manufacturing firms.

### Questionnaire Analysis

Out of the 229 questionnaire copies distributed to the respondents, only 226 copies were properly filled and returned. This means 81.9 % return.

- i. What is the relationship between market culture and sales growth in manufacturing enterprises?
- ii. How does clan culture influence sales growth in manufacturing enterprises?
- iii. To what extent does hierarchy culture affect sales growth in manufacturing enterprises?

### Research Question 1:

What is the relationship between market culture and sales growth in manufacturing enterprises?

**Table 1: Respondents' responses on the relationship between market culture and sales growth in manufacturing enterprises**

Q/No	Item	SA	A	UN	D	SD	N	Mean	Std. Dev.
1	Market culture is a tool for improving sales growth in manufacturing firms.	127	57	19	14	9	226	4.23	0.774
2	Management works hard on continuous improvement of market culture for sustainability in sales growth.	97	67	27	20	15	226	3.93	0.721

Field Survey (2023)

The Table 1 above presents data from responses by the respondents under study. The result also disclosed a strong agreement by the respondents on their opinion on the relationship between market culture and sales growth in manufacturing enterprises. The results further shows that the respondents agreed to the facts that:

Market culture is a tool for improving sales growth in manufacturing firms ( $\bar{x} \pm S.D$  of 4.23  $\pm$ 0.774); management works hard on continuous improvement of market culture for sustainability in sales growth (with a  $\bar{x} \pm S.D$  of 3.93  $\pm$ 0.721).

**Research Question 2:** How does clan culture influence sales growth in manufacturing enterprises?

**Table 2: Respondents' responses on the relationship between clan culture and sales growth in manufacturing enterprises**

Q/No	Item	SA	A	UN	D	SD	N	Mean	Std. Dev.
3	Clan culture enhances sales growth in	101	60	36	21	8	226	4.00	0.801

	manufacturing firms.								
4	Workers in the organization help to promote clan culture for improved sales growth.	110	66	25	17	8	226	4.12	0.785

Field Survey (2023)

The table 2 above presents data from responses by respondents on the relationship between clan culture and sales growth in manufacturing enterprises. The results show that majority of the respondents affirmed to the statements. There is a high level agreement by the respondents on the opinion that clan culture enhances sales growth in manufacturing firms as the result accounted for a mean of 4.00 and a standard deviation of 0.801. The result has indicated that the majority of the respondents agreed to the item statement that workers in the organization help to promote clan culture for improved sales growth (with a  $\bar{x} \pm S.D$  of 4.12  $\pm$  0.785).

**Research Question 3:** To what extent does hierarchy culture affect sales growth in manufacturing enterprises?

Report on Research Question 3 is presented on Table 3

**Table 3: Respondents’ responses on the relationship between hierarchy culture and sales growth in manufacturing enterprises**

Q/No	Item	SA	A	UN	D	SD	N	Mean	Std.Dev.
5	Hierarchy culture improves sales growth in manufacturing firms.	133	53	20	12	8	226	4.29	0.722
6	Management organizes workshops for workers on the use of hierarchy culture in boosting sales growth.	143	49	25	7	2	226	4.43	0.846

Field Survey (2023)

The table 3 above presents data from responses by the respondents under study. The result also disclosed a good agreement by the respondents on their opinion on the relationship between hierarchy culture and sales growth in manufacturing enterprises. The results further show that the respondents agreed to the facts that:

Hierarchy culture improves sales growth in manufacturing firms with a ( $\bar{x} \pm S.D$  of 4.29  $\pm$  0.722; management organizes workshops for workers on the use of hierarchy culture in boosting sales growth (with a  $\bar{x}$  Testing of Hypotheses  $\pm S.D$  of 4.43  $\pm$  0.846).

**H01:** There is no significant relationship between market culture and sales growth in manufacturing enterprises.

**Table 5:** Correlation analysis between market culture and sales growth in manufacturing enterprises



Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Market culture	4.23	0.774	0.751	0.001
Sales growth	3.93	0.721		

SPSS Correlation Analysis Output (2023).

The result on table 5 presents the correlation analysis between market culture and sales growth in manufacturing enterprises. The result shows a p-value of 0.001 and correlation coefficient of 0.751. The result shows a p-value less than 0.05 being the level of significance; therefore rejecting the null hypothesis and accepting the alternative hypothesis. Therefore, the correlation coefficient between market culture and sales growth in manufacturing enterprises is statistically significant. Therefore, there is a significant relationship between market culture and sales growth in manufacturing enterprises

**H02:** Clan culture does not significantly influence sales growth in manufacturing enterprises.

**Table 6:** Correlation analysis between clan culture and sales growth in manufacturing enterprises

Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Clan culture	4.00	0.801	0.766	0.001
Sales growth	4.12	0.785		

SPSS Correlation Analysis Output (2023).

The result on table 6 presents the correlation analysis between clan culture and sales growth in manufacturing enterprises. The result shows a p-value of 0.001 and correlation coefficient of 0.766. The result shows a p-value  $\leq 0.05$  level of significance, thereby rejecting the null hypothesis and accepting the alternative which states that clan culture significantly influences sales growth in manufacturing enterprises.

**H03:** Hierarchy culture does not significantly affect sales growth in manufacturing enterprises.

**Table 7:** Correlation analysis between hierarchy culture and sales growth in manufacturing enterprises

Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Hierarchy culture	4.29	0.722	0.793	0.001
Sales growth	4.43	0.846		

SPSS Correlation Analysis Output (2023).

The result on table 7 presents the correlation analysis between hierarchy culture and sales growth in manufacturing enterprises. The result shows a p-value of 0.001 and correlation coefficient of 0.793. The result shows a p-value less  $\leq 0.05$  level of significance; therefore rejecting

the null hypothesis and accepting the alternative which states that there is a significant relationship between hierarchy culture and sales growth in manufacturing enterprises.

### **Findings**

After the data analysis, the study found that:

- i. Market culture improved sales growth in manufacturing enterprises in South East Nigeria.
- ii. Clan culture positively and significantly influenced sales growth in manufacturing enterprises in South East Nigeria.
- iii. Hierarchy culture positively and significantly influenced sales growth in manufacturing enterprises in South East Nigeria.

### **Conclusion and Recommendations**

#### **Conclusion**

This study concludes that cultural climate influenced sales growth of manufacturing enterprises in South East Nigeria. Market culture improved sales growth and clan culture boosted sales growth in manufacturing enterprises. The researcher therefore submits that with hierarchy culture, organizations will always remain focused, progressive and viable in sales growth.

#### **Recommendations**

Based on the findings, the researcher made the following recommendations:

- i. Manufacturing firms should always promote the use of market culture so as to always improve sales growth.
- ii. Clan culture should always be used to promote sales growth in manufacturing enterprises.
- iii. Manufacturing firms should always preserve the use of hierarchy culture in enhancing the sales growth of the enterprises.

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