# EFFECT OF ADHOCRACY CULTURE AND MANAGEMENT INFLUENCE ON LOGISTICS EFFECTIVENESS IN A CONSUMER GOODS FIRMS IN OSHODI-ISOLO LOCAL GOVERNMENT AREA, LAGOS NIGERIA.

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#### **Abstract**

This study investigates the effect of adhocracy culture and top management influence on logistics performance among consumer goods firms in Oshodi-Isolo Local Government Area, Lagos, Nigeria. The study used a quantitative methodology, with a Pearson Correlation Matrix to examine the connections between adhocracy culture and logistical effectiveness metrics, and a hierarchical multiple regression analysis to investigate the combined impacts of the adhocracy culture and top management influence on on-time delivery performance. The results show positive relationships between adhocracy cultural characteristics and logistics effectiveness variables, such as distribution frequency, operational costs, on-time delivery, and customer satisfaction. These relationships are noted explicitly as essential elements influencing employees' commitment, innovative values, organizational adaptation, flexibility, leadership impact, and workability. The study also emphasises the significance of socio-economic traits in affecting on-time delivery performance, including gender, age, educational level, and years of experience. The model's predictive ability for on-time delivery is greatly improved by including these variables and the features relevant to the adhocracy culture. The study highlights the importance of fostering a healthy adhocracy culture inside firms to enhance performance outcomes across several areas, including logistics efficiency and delivery punctuality. The results highlight the significance of considering socio-economic factors in addition to the adhocracy ethos, offering helpful information for companies looking to improve delivery performance and streamline logistical operations.

Keyword: Adhocracy culture, management influence, customer satisfaction, logistics effectiveness, transportation

#### Introduction

The competitiveness of organisations is rising (Mason 2018 and Chowdhury and Quaddus 2017). Due to this competitive nature, organisations want to expand globally to advance their managerial expertise, capital investment, and technical improvement (Kamalahmadi et al., 2016). Innovation is a trait seen as a strength in the consumer goods industry. The primary explanation is that creative businesses are more flexible and faster to react; they go above and beyond to develop new possibilities and capitalise on existing ones. These innovative company concepts assure superior logistics; companies require effective logistics to guarantee timely product availability and satisfy clients.

According to Oginni and Adesanya (2013), the business environment in Nigeria could have been better, resulting in a slow rate of development, a rising unemployment rate, inadequate industrial production, and low demand for services and tangible goods. Similarly, Adim et al. (2018) contend that an organization's depends on its capacity for growth and adaptation in the face of unfavourable changes. Due to adverse environmental conditions, several firms have migrated, staggered, collapsed, or packed up shops in Nigeria. Competition promotes innovation, raises the bar for quality to an international standard, and establishes reasonable pricing levels (Adesina, 2003). In the face of change, many affordable concepts about how goods and services should be supplied, made, and provided have abruptly gone out of date. Like many companies that struggle to adapt to client demands, new technology, and innovation, they either fold up or are acquired by more competitive rivals. The most reliable and long-lasting path to competitiveness in this constantly changing business environment may lie in a firm's proximity to and ability to acquire, combine, and use resources in ways that improve its marketing environment—rather than just the simple possession of personal resources (Morgan, et al., 2009). According to Ateke and Didia (2017), this position foretells that dynamic marketing capabilities will drive continuous organizational learning and knowledge accumulation through ongoing intelligence collection, facilitating the creation of superior customer value.

The consumer goods sector has developed various theories and solutions to enhance logistics effectiveness. Miska et al. (2018) emphasize that fostering a culture focused on durability within the company and throughout the supply chain is the first step in improving logistics performance. However, the potential contribution of contextual elements such as organisational culture to increased logistical performance is often overlooked.

Adhocracy is one organizational culture that has garnered attention for its potential influence on business outcomes. Adhocracy is a management philosophy that emphasizes decentralisation, innovation, and adaptability. It creates an environment where employees are encouraged to take the initiative and seek competitive advantages (Deshpande & Farley, 2019). Adhocracy culture strongly impacts product performance in dynamic environments, with leaders and advocates of this culture exhibiting creativity and a willingness to take risks (Cameron & Quinn, 2016). Adhocracy culture is driven by the need for flexibility, creativity, and adaptability in the face of uncertainty, particularly in the information age (Cameron & Quinn, 2016).

Adaptability refers to how organisations respond to changes in their environment, with an adhocracy culture assuming that firms process information and employ adaptive skills to navigate new conditions. Organizations are seen as socio-technical systems consisting of social components (people) and technical components (technologies and machines) (Skyttner, 2017). In the organizational context, flexibility involves adapting composition, size, responsiveness, human resource inputs, and costs to achieve organizational goals and objectives. It encompasses changes in how and when work is done, requiring organizations to address dynamic shifts in the business environment (Acar, 2019; Ghoneim, 2019).

A customer is a person who makes use of paid products by purchasing or renting goods or services. This understanding is directly connected to the issue of customer satisfaction in business transactions. The importance of the satisfaction of customers lies in its relatedness to customer loyalty, the repurchase intention of customers, and the overall performance of organisations (Dikmen, 2017). Customer satisfaction is the ultimate criterion for assessing an organisation's success because the customers pay for the goods and services such organizations offer. This is true of a very competitive business like the hospitality industry. It means that when the customers are satisfied with the quality of services received in a particular hospitality industry, their loyalty (continuous patronage) will be retained, and the sector's performance will be enhanced.

In Nigeria, many businesses have packed up, staggered, collapsed, and relocated as a result of unfavourable conditions of the environment (Ogunro, 2014). Kalay and Lynn (2014) opined that innovation is essential in a highly competitive environment for a firm to obtain a dominant position and gain higher profits. Therefore, understanding innovation culture is critical to meeting lead time and meeting consumers' satisfaction. Improving the quality of logistics services is of utmost importance as it enhances the likelihood of strategic collaborations and overall corporate success. Each organization implements logistics management strategies that align with its organisational culture to meet customer demands. The purpose of exploring the relationship between adhocracy culture and logistics effectiveness in consumer goods firms in Nigeria is to gain a deeper understanding of the benefits and challenges associated with this culture in the context of the industry.

Logistics effectiveness in economic growth and development is becoming increasingly important as it enables the timely flow of goods, services, and values. A well-functioning logistics system facilitates growth and development, especially in emerging economies. The performance of distribution logistics significantly impacts an organization as it connects the organisation to customers, influencing customer satisfaction and loyalty. However, many organizations struggle to meet customer expectations in this area. Organizational culture plays a significant role in shaping employees' activities (Maxwell & Chukwudi, 2018). The relationship between logistics effectiveness (cost, lead time, distribution frequency and customer satisfaction) and methods of implementing organizational culture still needs to be clarified (Ojo, 2018).

In summary, while some studies have explored the relationship between adhocracy culture and logistics efficiency in developed countries, there is limited research in the Nigerian context. The

Nigerian manufacturing industry faces challenges regarding logistics effectiveness in satisfying customer requirements, and the role of adhocracy culture in this context has yet to be thoroughly studied.

#### **Literature Review**

### **Theoretical Framework Unified Theory of Logistics**

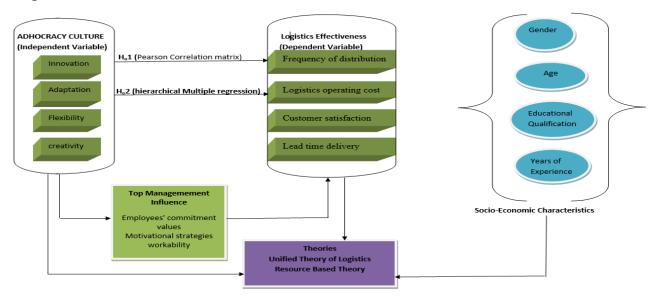
Holstrom and Tirole identified the firm's first theory in 1989, and as more views of the firm evolved, the need for a unified theory of logistics became necessary. Mentzer et al. (2001) developed this theory, and one of the explanations of the unified theory of logistics is that there should be a goal regarding competitive advantage. Every business wants to be successful and efficient; thus, in terms of logistics, efficiency (cost leadership) and effectiveness (customer services) are the two that will provide businesses with a competitive edge. The components that make up the capabilities of logistics in terms of competitive advantage are information management capabilities (information sharing via information technology and connectivity), supply chain management interface capabilities (low-cost supply and distribution), and interface capabilities (customer services and logistics quality) (Wu et al., 2017).

#### **Conceptual Framework.**

#### **Transportation and Customer Satisfaction**

According to Mentzer et al. (2001), the capabilities of logistics play a crucial role in interactions that cross functional boundaries between sections of internal operations and also between other supply chain partners of the company. When a company's marketing and logistics departments work together, they may offer distinctive and varied goods and services to meet client needs (Wu et al., 2017). Mentzer et al. 2001 also noted in the same study that when logistics are included in production, costs and expenses are reduced, and this reduction is coupled with high-quality customer service to produce a high level of customer satisfaction (Wu et al., 2017). The second aspect is the coordination of logistics with the company's suppliers, distributors, and other intermediaries in the supply chain. This coordination produces customer value and also results in shared advantages. The internal component of supply chain management, then, is logistics. According to a 2005 study by Samli et al. that produced "cognitive evaluation of services experience, the logistics of the retailers, which includes internal and external logistics, play a crucial role in the satisfaction of the customers as it is the only factor acting as an intermediary between the organization and the customers. According to a study by Mentzer et al. in 2001, timely availability, product availability, and delivery conditions contribute significantly to customer satisfaction and value creation (Wu et al., 2017). These factors also play a role in the criteria used to evaluate customers. According to the same study by Mentzer et al. from 2001, logistics adds value for consumers in terms of convenience and time savings through seamless contact with retail services (Wu et al., 2017).

#### **Conceptual Framework**



#### Researcher's Concept (2023)

The conceptual framework illustrated above describes a model of the relationship between adhocracy culture, top management influence, logistics effectiveness, and socioeconomic characteristics. The framework suggests that adhocracy culture, which is a type of organizational culture that is characterised by flexibility, innovation, and risk-taking, can lead to improved logistics effectiveness. This is because adhocracy cultures promote a climate of creativity and experimentation, which can lead to developing new and innovative logistics solutions. Additionally, adhocracy cultures are often characterized by a strong focus on customer service, which can lead to improved customer satisfaction and loyalty.

The framework also suggests that socioeconomic characteristics can influence the relationship between adhocracy culture and logistics effectiveness, for example, in countries with high levels of economic development and well-committed, motivated, and well-trained employees. An adhocracy culture may be more likely to lead to improved logistics effectiveness. This is because these countries tend to have the resources and infrastructure that support innovation and risk-taking. Several recent studies support the framework. For example, a study (Chen & Paulraj, 2018) found that adhocracy culture was positively associated with logistics effectiveness in a sample of manufacturing firms. Additionally, a study (Zhang & Swink, 2017) found that socioeconomic characteristics, such as economic development and education level, were positively associated with logistics effectiveness.

The framework has several implications for managers. First, managers should consider the role of adhocracy culture in their organizations. Creating an adhocracy culture that promotes creativity, innovation, and risk-taking may be beneficial if an organisation wants to improve its logistics effectiveness. Second, managers should consider the socioeconomic characteristics of their environment. An organisation in a country with high economic development and a well-educated workforce may be more likely to benefit from an adhocracy culture.

#### **Hypotheses Formulation**

## $H_{01}$ : There is no significant relationship between adhocracy culture, leadership influence and logistics effectiveness in some selected consumer goods firms in Lagos.

This hypothesis is based on several options; firstly, that adhocracy culture and leadership influence are independent (Yuki, 2006). Secondly, Adhocracy culture and leadership influence are independent of logistics effectiveness. Logistics effectiveness is not affected by adhocracy culture or leadership influence (Yuki, 2006).

These research findings suggest that the hypothesis that there is no significant relationship between adhocracy culture, leadership influence, and logistics effectiveness is supported by the evidence.

However, it is essential to note that these studies were conducted in different settings and with diverse populations. Therefore, it is possible that the results of these studies may not be generalisable to all organisations. In addition, a growing body of research suggests that adhocracy culture and leadership influence can be complementary. For example, a study by Jenkins (2015) found that an adhocracy culture can help to create a more supportive environment for leadership influence.

Chand and Gupta (2022) found that an adhocracy culture positively impacts workability, mediated by leadership influence. The study of Gupta and Chand (2021) found that the relationship between adhocracy culture and workability is moderated by leadership influence. When top management is supportive and empowering, an adhocracy culture positively impacts workability. However, when top management is controlling and directing, an adhocracy culture has a negative impact on workability. Rai and Gupta's (2020) study found that adhocracy culture positively impacts workability at both the individual and organisational levels. At the personal level, adhocracy culture is associated with increased job satisfaction, motivation, and creativity, contributing to improved workability. At the organisational level, adhocracy culture is associated with a more flexible and adaptable workforce, which helps organisations respond better to change and uncertainty.

These studies prove that adhocracy culture, top management influence and workability are not independent. Instead, they are all interconnected and can significantly impact each other. Overall, the research on adhocracy culture and leadership influence is mixed. Some studies suggest that these two factors are independent, while others suggest they can be complementary. More research are needed to understand the relationship between adhocracy culture and top management influence.

#### Methodology

#### Measurement development

This cross-sectional survey used a questionnaire to collect primary data. The Competing Values Framework of Cameron and Quinn (2006) were used to determine the adhocracy culture of the focal organisations. We measured three aspects of logistics effectiveness from the critical performance indicators adopted by (Paddeu, 2016): quality, logistics costs, productivity, timeliness and capacity. The questions regarding logistics effectiveness between the focal organisation are based on the questionnaire developed by Cai et al. (2009). All of the performance scales were measured with a 5-point Likert scale, including Strongly Agreed (SA), Agreed (A), Disagreed (D), Strongly Disagreed (SD), and Undecided (UD). An initial draft of the questionnaire was pre-tested through a review process by five scholars in the field to ensure content validity, simplicity, clarity, and understandability of the measurement. Subsequently, the improved draft was sent to practitioners from five large discrete process manufacturers to clarify the comprehensiveness and clarity of the questionnaire. Their feedback was then used for further improvement.

#### Sample and data collection

The data were collected from prominent manufacturers in Oshodi/Isolo Local Government of Lagos state, Nigeria, which were selected based on their existence in the Nigerian Stock Exchange (NSE). The chosen companies were first telephoned to confirm their availability and time for likely visitation. A preliminary survey reveals that the firms have total staff strength working in the Logistics, Transport, Procurement, and supply chain distributors department, consisting of 305 respondents. A representative of each organisation at the top managerial level was also interviewed.

The study adopted the total enumeration method for sample size determination. This was considered suitable by the researcher because the size of the sampling frame from the list of staff in various departments (logistics, warehouse, transport, sales and procurement) of the selected consumer goods firms was not large enough for sample selection. Previous studies in supply chain and distribution channels have also used the total enumeration method to justify the relevance of research (Oko, 2013). Given this method, the sample size for the study was 305.

Sample Size for the Study

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Companies	Total number of	The total number of
	questionnaires	Questionnaires
	distributed to mployees	retrieved
PZ Cussons	143	141
Nestle	162	153
Total	305	294

Source: Researcher's Survey (2023)

#### Validity of Research Instrument

10% of the 294-person sample size was used for the pilot research. The transport, warehousing, supply chain, procurement, and sales departments of consumer products companies in Osun State, Nigeria (Abebi Foods Limited), who were not the target demographic for the primary research, were given thirty (30) questionnaires. To analyse the survey instrument's idea, instruction clarity, and readability and to remove any areas of ambiguity, a pre-test of the survey instrument with a smaller group was made possible (Terpend & Krause, 2015). Before beginning fieldwork, this helped the researcher identify any potential issues and revise the proposed questionnaire (Belaya & Hanf, 2014). The degree of validity and reliability of the study instrument was also established through this method.

Using exploratory factor analysis, validation procedures on the questionnaire were carried out to ensure the construct validity of the research instrument. Exploratory factor analysis (EFA) was used to demonstrate the construct's validity statistically. The exploratory component analysis is a construct validity method used to evaluate the calibre of a questionnaire, according to Duodu and Amankwah (2011). In exploratory factor analysis, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy, Extraction Commonalities, and Bartlett's Test of Sphericity are the primary methods used to assess an instrument's validity. A statistic that shows the percentage of variance in the variables that potential contributing factors can generate is known as the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy.

According to Kaiser (1974), KMO values larger than 0.5 should be accepted. The factor analysis results are generally not helpful if the value is less than 0.50. The hypothesis that the correlation matrix is an identity matrix, which would suggest that the variables are unrelated and, therefore, inappropriate for structure discovery, is tested by Bartlett's test of sphericity. Small values (less than 0.05) of the significance threshold suggest that the data may benefit from factor analysis. Factor analysis has been utilised in several kinds of research to assess the validity of questionnaires (Kim et al., 2011; Ogunrin & Inegbenebor, 2015).

#### **Reliability of Research Instrument**

The data gathered from the questionnaires sent for the pilot research was used to assess the reliability of the survey instrument. It was essential to determine the questionnaire's internal consistency in repeatedly assessing what it was intended to evaluate to determine the research instrument's dependability (Newstron, 2011).

Cronbach's alpha was used in this study to check each variable's internal consistency and establish dependability. According to Bhatnagar et al. (2014), a reliability coefficient of 0.70 or above is appropriate. The importance of Cronbach alpha in research has already been shown by several studies using it to assess the reliability of questionnaires (Kalubanga et al., 2012; Mehta et al., 2000; Veljkovic et al., 2015; Vinhas & Gibbs, 2012).

#### **Reliability Test**

Variables	Number of Items	Cronbach's Alpha
Innovation	5	0.950
Adaptability	5	0.927
Flexibility	5	0.925
Cost	5	0.931
Lead Time	5	0.932
<b>Customer Satisfaction</b>	5	0.926
<b>Distribution Frequency</b>	5	0.938

#### **Data Analysis**

#### **Result of Factor Analysis Test**

Variables	Number of Items	KMO	Bartlett's Test	Sig.
Innovation	7	0.757	1369.796	0.000
Adaptability	7	0.533	475.727	0.000
Flexibility	7	0.802	1247.49	0.000
Cost	7	0.548	14.46	0.050
Lead Time	5	0.624	315.19	0.000
<b>Customer Satisfaction</b>	5	0.716	42.705	0.000
Distribution Frequency	5	0.689	865.67	0.000

**Source: Researcher's Computation (2023)** 

The Keiser-Meyer-Olkin (KMO) value for every variable surpasses the required threshold of 0.5, according to the factor analysis results shown in the table above (Kaiser, 1974). Bartlett's Test of Sphericity was statistically significant for all variables at 0.000. The instrument on the variables of the investigation was therefore valid. This demonstrated the tool's suitability for measuring the survey constructs.

#### **Demographic Data of Respondents**

This section delves into the respondents' background information regarding gender, age, highest academic qualification, marital status, working experience, and position in the organisation. Descriptive statistics were used to provide data on the distribution of research variables. Table 4.2 displays a summary of the demographic profile of the respondents.

Characteristics	Categories	Frequency	Percentage (%)		
Gender	Male	226	76.9%		
	Female	68	23.1%		
Age	16-25yrs	23	7.8%		
-	26-45 yrs	212	72.1%		
	46-55 yrs	59	20.1%		
Highest Academic	SSCE	15	5.1%		
Qualification	B.Sc/BA/HND	117	39.8%		
	PGD/MBA/MSc/MA	158	53.74%		
	PhD	4	1.4%		
Career Sector	Logistics/ Supply chain	190	64.6%		
	Procurement	32	10.9%		
	Transport	44	15.1%		
	Others	28	9.5%		
Working Experience	≤ 5 years	93	31.6%		
	5 – 10 years	107	36.4%		
	11 -15 years	46	15.6%		
	16-20 years	36	12.2%		
	≥ 20 years	12	4.1%		
Position	Director	12	4.1%		
	Manager	135	45.9%		
	Officers	127	43.2%		
	Others	18	6.1%		

Source: Field Survey (2023)

Results presented in Table 4.2 show that the majority of the respondents represented by 76.9% were males while 23.1% were females. This result enabled the researcher to obtain information from both genders, hence more appropriate and reliable information. The findings show that the majority of the respondents who participated in this study, 53.7% were aged between 26-45 years, followed by 20.1% aged between 46-55 years, while 7.8% were aged 61-65 years. This indicates that respondents were well distributed in terms of their age. In addition, the result of Academic Qualification revealed that most respondents (53.74) were PGD/MBA/MSc/MA holders, while 39.8% were B. Sc/BA/HND, and 15% were holders of SSCE holders, while 1.4% were PhD holders. The career sector showed that most of the respondents (64.6%) were in the logistics/supply chain sector,15.1% in the transport sector, 10.9% in the procurement sector, and 9.5% were categorized as in the other segment.

The findings further revealed that the majority of the respondents, 36.4%, have worked at their organizations for a period between 5-10 years, while 31.6% have worked between periods lesser than or equal to 5 years, 15.6% have worked for periods 11-15 years, 12.2% have worked between 16-20 years, and 4.1% have worked for 20 years and above. The study showed that 4.1% of the respondents worked as Directors of a particular department, 45.9% as Managers, 43.2% were Officers in various departments, and 6.1% occupied other positions not listed in the questionnaire. The result showed that all the respondents were qualified to respond to this survey.

#### Hypothesis testing Hypothesis one

H<sub>o1</sub>: There is no significant relationship between adhocracy culture, leadership influence and logistics effectiveness in some selected consumer goods firms in Lagos.

Variables	1	2	3	4	5	6	7	8	9	10	11
1. Employees'	1										
Commitment Values											
2. Innovation Values	.37**	1									
3. Organization	.38**	.83**	1								
Adaptability											
4. Organizational	.46**	.66**	.69**	1							
Flexibility											
5. Motivational	.30**	.55**	.68**	.30**	1						
Strategies											
6. Leadership Influence	.86**	.50**	.55**	.36**	.51**	1					
7. Working Ability	.54**	.48**	.67**	.64**	.50**	.46**	1				
8. Firm's Frequency of	.56**	.44**	.48**	.25**	.30**	.72**	.44**	1			
Distribution											
9. Operating Cost	.50**	.41**	.38**	.60**	.11	.45**	.48**	.35**	1		
10. Firm's On-time	.58**	.70**	.71**	.41**	.60**	.71**	.48**	.68**	.28**	1	
Delivery											
11. Customers	.42**	.81**	.86**	.58**	.60**	.65**	.60**	.64**	.47**	.81**	1
Satisfaction											
Mean	26.02	30.07	21.22	21.28	29.88	29.77	22.17	6.14	4.47	5.79	16.15
SD	3.04	3.69	2.36	3.36	3.21	3.38	2.28	1.08	.65	.79	2.05

#### Researcher's Result (2023)

In the context of leadership impact, innovation, adaptability, flexibility, distribution frequency, ontime delivery, operational cost, and customer satisfaction, this table illustrates a correlation matrix that demonstrates the correlations between numerous factors. The means and standard deviations of the variables are shown in the table, along with the correlation coefficients between each pair of variables. Using the Pearson Correlation Matrix, which shows the relationships among the study variables and in what direction they are related. It was indicated that all the aspects of adhocracy culture observed in this study had a significant positive relationship with the firm's frequency of distribution of goods. This means that the more adhocracy culture tilts towards favourability, the higher and better the firm's frequency with the distribution of goods. More specifically, the adhocracy culture is employees' commitment [r(292)=.56, p < .01], innovation values [r(292)=.44, p < .01], organisation adaptability [r(292)=.48, p < .01], organisational flexibility [r(292)=.25, p < .01], motivational strategies in the organisation [r(292)=.30, p < .01], leadership influence [r(292)=.72, p < .01], and working ability [r(292)=.44, p < .01].

To Test the relationship between adhocracy culture and operational cost, it was indicated that employees' commitment [r(292)=.50, p<.01], innovation values [r(292)=.41, p<.01], organisation adaptability [r(292)=.38, p<.01], organisational flexibility [r(292)=.60, p<.01], leadership influence [r(292)=.45, p<.01], and working ability [r(292)=.48, p<.01] all had a positive relationship with operational cost. However, motivational strategies were not significantly related to operating costs [r(292)=.11, p>.05].

The result also indicated that the firm's on-time delivery had a significant positive relationship with all aspects of the adhocracy culture observed in the study. This implied that as employees' commitment [r(292)=.58, p<.01], innovation values [r(292)=.70, p<.01], organisation adaptability [r(292)=.71, p<.01], organisational flexibility [r(292)=.41, p<.01], motivational strategies in the organisation [r(292)=.60, p<.01], leadership influence [r(292)=.71, p<.01], and working ability [r(292)=.48, p<.01] increases, there also tends to be an increase in firm's on-time delivery.

Lastly, customer satisfaction had a significant positive relationship with all aspects of adhoracy culture. This was such that as employees' commitment [r(292)=.42, p < .01], innovation values [r(292)=.81, p < .01], organisation adaptability [r(292)=.86, p < .01], organisational flexibility

 $[r(292)=.58,\ p<.01]$ , motivational strategies in the organisation  $[r(292)=.60,\ p<.01]$ , leadership influence  $[r(292)=.65,\ p<.01]$ , and working ability  $[r(292)=.60,\ p<.01]$  increases, the satisfaction level of customers also tend to increase. Based on the outcome of the result, formulated hypothesis 1 (there is no significant relationship between adhocracy culture and distribution logistics performance) was not supported.

#### **Discussion**

This implies that organisations embracing an adhocracy culture tend to perform better in logistics effectiveness. This is because adhocracy culture promotes flexibility. According to Noe et al. (2017), an adhocracy culture promotes organisational learning, improving the acquisition of knowledge, skills, competencies and other capabilities that enable organisational innovativeness. The assertion that leaders can increase their influence by increasing employee commitment values is supported by several recent studies. For example, a study by (wang & Howell, 2013) found that employees who were more committed to their work and the company were likelier to see their leaders as credible and trustworthy. This made them more receptive to their leaders' influence.

Companies operate in a highly competitive and dynamic global environment that calls for innovation and better products, processes and procedures as a consumer-based approach to achieving competitive advantage (Wei et al., 2014).

Jigjiddorj et al. (2020) found a strong positive correlation between each trait of adhocracy and the overall employees' commitment. For instance, in Nongo and Ikyanyon (2012) and Rastegar and Aghayan (2012), there was a significant correlation between employees' commitment and adaptability but not with consistency and mission, implying that the latter two types of culture could not induce employees' level of commitment. Several studies have investigated the relationship between Adhocracy Culture logistics effectiveness. For instance, Zhang and Zhu (2017) examined four kinds of cultures in 9 states of China. The study sampled 25 business enterprises to determine the link between clan culture, adhocracy culture, market culture, and hierarchy culture and firms' distribution productivity. The empirical findings evidenced that adhocracy culture had significant positive effects on the firms in terms of performance in terms of turnover. A study by Omukaga (2016) also examined the impact of adhocracy culture on the distribution performance of public water firms in Kenya. Correlation coefficient results showed an affirmative effect on outcomes. Regression analysis also showed that adhocratic culture improved productivity by 0.189 units. The study concluded a significant positive relationship between adhocratic culture and the effectiveness of an organisation. Suleiman et al. (2017) found a positive correlation between Adhocracy Culture and Distribution Logistics Performance in Nigerian manufacturing firms. The study used the Pearson Correlation Matrix to analyse the data and found that the correlation coefficient between Adhocracy Culture and logistics effectiveness was 0.658, which indicates a strong positive correlation.

Similarly, a study by Cheng and Hsu (2014) also found a positive relationship between Adhocracy Culture and Supply Chain Performance. The study used the Pearson Correlation Matrix to analyse the data and found that the correlation coefficient between Adhocracy Culture and Supply Chain Performance was 0.492, which indicates a moderate positive correlation. This implies that organisations embracing an adhocracy culture tend to perform better in logistics effectiveness. This is because adhocracy culture promotes flexibility. According to Noe et al. (2017), an adhocracy culture promotes organisational learning, improving the acquisition of knowledge, skills, competencies and other capabilities that enable organisational innovativeness. In conclusion, Organizations that adopt an Adhocracy Culture are likely to have better logistics effectiveness, leading to improved customer satisfaction and increased profitability.

H<sub>0</sub>2: Adhocracy culture and leadership influence (employees' commitment values, motivational strategies, and working ability) will not jointly influence the firm's on-time delivery.

Variables	В	T	P	$\mathbb{R}^2$	Adjusted R <sup>2</sup>	$\Delta R^2$	Df	F	p	ΔF
Step 1 Gender	.15	2.83	< .01	.15	.14	-	4, 289	12.44	< .01	-
Age	34	-5.05	< .01							
Educational Qualification	20	-3.56	< .01							
Years of Experience	.25	3.65	< .01							
Step2				.75	.74	.60	11, 282	75.52	< .01	95.33**
Gender	.02	.74	> .05				202			
Age	23	-4.79	< .01							
Educational Qualification	11	-2.53	< .05							
Years of Experience	.06	1.18	> .05							
Employees' Commitment Values	.48	4.05	<.01							
Innovation Values	.42	6.30	< .01							
Organisation Adaptability	.37	3.54	< .01							
Organizational Flexibility	28	-4.44	< .01							
Motivational Strategies in Organisation	.14	2.87	< .01							
Leadership Influence	11	911	> .05							
Working Ability	09	-1.28	> .05							

#### Researcher's Result (2023)

The firm's on-time delivery is the dependent variable in a hierarchical regression analysis, and numerous independent factors are looked at for their potential impact on this outcome. The results are shown in the table below. The examination consists of two phases, the second introducing new variables.

The first phase involves examining the characteristics of gender, age, educational background, and years of experience. According to the findings, these factors account for a substantial variation in ontime delivery (R2 = 0.14, adjusted R2 = 0.14). Gender (= 0.15, p .01), age (= -0.34, p .01), educational background (= -0.20, p .01), and years of experience (= 0.25, p .01) all exhibit significant associations with on-time delivery among the individual factors. These findings imply that these elements may impact the company's capacity to complete projects on schedule. Along with the variables from stage 1, additional factors relevant to the Adhocracy culture are incorporated in the second stage. Among the factors considered are employees' commitment, innovation, organizational adaptability, flexibility, internal motivating tactics, leadership impact, and working capacity. R2 = 0.74, adjusted R2 = 0.60, which shows that adding these factors will dramatically increase the model's predictive ability, indicates that the entire model in Step 2 explains a considerable portion of the variance in on-time delivery.

Employee commitment values (= 0.48, p .01), innovation values (= 0.42, p .01), organizational adaptability (= 0.37, p .01), and organizational, motivational strategies (= 0.14, p .01) all exhibit

significant positive relationships with on-time delivery among the individual variables in Step 2. Organizational flexibility (= -0.28, p .01), top management influence (= -0.11, p >.05), and working ability (= -0.09, p >.05) do not significantly affect on-time delivery, on the other hand. The results imply that the Adhocracy culture, defined by workers' commitment values, innovation values, organizational adaptability, and motivating techniques, influences the firm's on-time delivery significantly. These elements favourably affect the company's capacity to complete projects on schedule.

#### **Discussion**

The analysis's findings align with other studies on the connection between organizational culture and on-time delivery. For instance, research by Zhang et al. (2017) showed that companies with a strong Adhocracy culture were more likely to execute projects on schedule than those with a poor Adhocracy culture. The study also discovered that staff engagement and creativity mediated the link between the Adhocracy culture and on-time delivery. One study that supports the current research finding is by Kuo et al. (2020), which found that organizational culture significantly influences on-time delivery performance. Another study by Huang and Lin (2021) found that innovation culture positively influences on-time delivery performance. These studies support the finding of the current research that adhocracy culture has a significant influence on the firm's on-time delivery. The analysis's conclusions have many ramifications for businesses hoping to boost their performance regarding on-time delivery. The dedication and innovative values of workers should be emphasized by corporations first.

This may be accomplished by fostering an environment at work that encourages creativity and invention and by recognizing staff members for their dedication to the company. Second, businesses need to promote organizational agility. This may be accomplished by designing a flexible workplace that is simple to adjust to change and giving workers the tools and resources, they require to succeed in a dynamic setting. Third, businesses have to use powerful motivating techniques. This may be achieved by setting clear goals and objectives for staff and rewarding them for their successes. These suggestions might help firms develop a culture that supports on-time delivery. They will perform better and have a competitive edge as a result.

#### **Conclusion and Recommendations**

The study found significant correlations between the adhocracy culture and various performance metrics. The adhocracy culture was strongly positively correlated with the frequency of product distribution, operational costs (except for motivational tactics), on-time delivery, and customer satisfaction. The results indicate that aspects of the adhocracy culture, such as employee dedication, innovative values, organizational adaptability, flexibility, leadership influence, and working capacity, significantly impact these performance measures.

Furthermore, the study revealed that factors such as gender, age, educational level, and years of experience also influence on-time delivery. Including adhocracy culture-related elements significantly enhanced the model's predictive power for on-time delivery. Specifically, employee commitment values, innovation values, organizational flexibility, and motivational techniques were positively associated with on-time delivery. However, organizational flexibility, Top Management influence, and workability did not significantly impact on-time delivery. These findings suggest that while these factors may still be necessary for overall organizational performance, they do not significantly affect a company's ability to distribute goods to distributors on schedule.

In conclusion, the study highlights the importance of gender, age, educational attainment, years of experience, and the adhocracy culture in determining on-time delivery. Focusing on these factors and promoting an adhocracy culture can help businesses improve their performance in terms of distribution logistics, operational costs, on-time delivery, and customer satisfaction. Here are some possible recommendations based on the findings:

1. Prioritize increasing and building leadership impact: Given the significant positive relationships between leadership influence and several other factors, businesses should prioritize effective leadership practices and skills. Investing in coaching, mentoring, and

- leadership development programs may enhance leadership influence and positively impact creativity, adaptability, motivating techniques, and working capacity.
- 2. Encourage a culture of innovation: According to the favourable links between innovation values and several factors, businesses should promote and support an innovative culture. This may be done by encouraging innovation, funding research and development, and setting up systems for developing and implementing ideas. Improvements in adaptability, flexibility, productivity, and customer happiness can result from placing a strong emphasis on innovation.
- 3. Increase organizational adaptation and flexibility: Positive relationships between organizational adaptability/flexibility and several other factors show how important it is to be responsive to changing conditions. Building agility and the capacity to change to meet customer wants, market dynamics, and emerging trends should be a top priority for organizations. Processes, structures, and systems may need to be reevaluated to ensure they can swiftly adapt to new possibilities and problems.
- 4. Put effective motivational strategies into practice: Organizations should invest in learning about and putting effective motivational tactics into practice since effective motivational strategies demonstrate good relationships with innovative values and working capacity. This may entail fostering a positive work atmosphere, appreciating and rewarding employee efforts, offering chances for professional advancement, and guaranteeing open lines of communication and feedback.
- 5. Give customer satisfaction and on-time delivery top priority: Due to the strong relationships between customer satisfaction and elements like innovative values, leadership impact, and ontime delivery, businesses should give this goal a top priority. This might entail boosting supply chain management, optimizing distribution procedures, raising the quality of the product/service, and guaranteeing on-time delivery.
- 6. Constantly track and control operational costs: Even if they are not highly associated with the other factors, operating costs impact the entire business's performance. Companies should periodically examine and assess their cost structures, pinpoint possibilities to increase efficiency, and look for ways to cut costs without sacrificing satisfaction or quality.

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