



Evaluating the role of organizational culture and management commitment in driving organizational transparency among Ghanaian SMEs

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ABSTRACT

This paper sought to find out how Organizational Culture (OC) and Management Commitment (MC) influence Organizational Transparency (OT) among Small and Micro Enterprises [SMEs] in Ghana. Situated on organizational culture theory and transformational leadership theory, a cross-sectional design and a quantitative research approach were utilized for the study. The total target population comprised 488 registered SMEs with owners and top managers as key respondents. Out of a total of 421 SMEs approached, using convenience sampling, 354 valid responses were obtained. Also, data were collected using a structured questionnaire with standardized measurement scales scored on a five-point Likert scale. Data were analyzed through Partial Least Squares Structural Equation Modelling (PLS-SEM) version 4.1.0.7 with 5,000 bootstrap subsamples. The findings revealed that management commitment significantly influenced transparency, with both ethical leadership of top management and provision of resources leading to extremely high outcomes of transparency. The findings further showed that management commitment played a moderating role between culture and transparency by creating a synergistic effect whereby transparency was substantially amplified when both elements worked together. The study concludes that transparency is an internalized organizational value requiring simultaneous attention to both cultural development and leadership commitment. The study recommends that SME leaders deliberately nurture cultural values promoting openness and trust while demonstrating visible commitment through resource allocation and ethical behavior. Interventions should address cultural transformation and leadership commitment simultaneously, as neither dimension alone suffices for establishing sustained organizational transparency. This dual approach is essential for enhancing organizational governance and stakeholder trust in Ghanaian SMEs.

Keywords: Ghana SMEs, Management Commitment, Organizational Culture, Organizational Transparency, Structural Equation Modelling

I. INTRODUCTION

Transparency has continuously been cited as a pillar of good governance and accountability. It is a concept that allows relevant information to flow freely and openly to all stakeholders, thereby building trust and encouraging participation and cooperation between different parties (Rawlins, 2008). According to Schnackenberg and Tomlinson (2016), transparency is the provision of clear, correct, and easily accessible information within organizations. In Ghana, more than 90% of businesses are SMEs (Ocloo et al., 2014). They substantially contribute towards job creation and an increase in the country's Gross Domestic Product [GDP] through transparency efforts that make them resilient against



shocks while fostering competition accompanied by long-term stakeholder trust and confidence (Amoah et al., 2022). However, minimal structural inadequacies internally among most Ghanaian SMEs' enterprise structures coupled with weak enforcement on regulation as well as prevailing organizational culture has left an uneven play across these enterprises on practicing transparency (Anning-Dorson, 2021).

The two interrelated internal factors are management commitment and organizational culture. Organizational culture is defined as shared values, beliefs, norms, and behavioural patterns that guide actions and decision-making processes of employees within the organization (Schein, 2010). A culture of openness and accountability, ethical behaviour, and the inculcation of continuous learning promotes information sharing enhances the flow of communication build trust among internal as well as external stakeholders. Transparency is driven by internal values and communication systems in such organizations where it becomes a natural outcome (Groysberg et al., 2018). An environment that stifles feedback and innovation also creates information bottlenecks hence lowering confidence among stakeholders.

Management commitment, meanwhile, serves to sustain the cultural disposition of the organization by displaying management's preparedness to lead transparency and ethical governance. It also signifies top management's readiness to uphold integrity, support resource allocation, and an enabling environment for transparent practices to flourish (Yildiz, 2019). In SMEs where leadership structures are relatively centralized, it is important to note that leaders' actions and attitudes have significant influences on the ethical climate and operational behaviour of the entire organization. Leaders who invest in communication systems that promote information flow both ways as well as accountability frameworks inspire transparency due to setting a positive tone at the top (Zhu et al., 2014; Karahanna et al., 2021).

Ghana provides particular possibilities for comprehending the connection between transparency and internal governance because of the cultural and managerial contexts which can be observed in SMEs. Ghanaian business culture is a dual structure containing both traditional communal values and modern corporate ideals (Yeboah, 2014). In this regard, respect for authority accompanied by strong social cohesion becomes an enabling factor for transparency when it is guided through ethical leadership but may also become a barrier to openness in situations of high hierarchy (Mensah, 2016). Some managers are able or unable to interpret these cultural dimensions hence balancing them appropriately determines whether the principles of transparency find their way into practical daily activities within an organization (Zahari et al., 2024).

In addition, weak institutional enforcement of governance regulations in developing economies like Ghana places more responsibility on internal organizational mechanisms to sustain ethical conduct (Adu-Gyamfi et al., 2021). Transparent culture supported by committed management becomes a self-regulatory approach through which SMEs can sustain accountability and trust of stakeholders (Leso et al., 2023). This alignment of culture and leadership forms a strong base for transparent practices that enhance governance as well as performance (Gorondutse & Hilman, 2019; O'Regan & Lehmann, 2008).

Openness is considered as one of the indicators that measures the existence of healthy and sound culture within organizations (Kmieciak, 2019). This is supported by empirical evidence conducted in developing countries which found that organizations with a good culture of openness accompanied by committed leaders score high on transparency and overall performance (Mahmud et al. 2019; Kang & Kim, 2017). Therefore, it can be inferred that cultural management commitment creates a conducive working environment for the enterprise to thrive coherently with internal and external factors.

Even though transparency is seen as important for good governance, building trust among stakeholders, and staying competitive in the long term, many small and medium-sized businesses in Ghana still find it difficult to practice transparency. This is because these businesses often lack strong internal systems, have weak accountability structures, and do not share sufficient information (Owusu-Frimpong & Martins, 2010). Research shows that factors inside an organization, like its culture and how committed leaders are, have a significant effect on whether transparency works (Zahari et al., 2024). However, how exactly these two factors work together to either support or hinder transparency in Ghana's SMEs is not well understood.

In many Ghanaian SMEs, the way people work is influenced by long-standing traditions that focus on authority and following a hierarchy (Akpamah & Matko, 2023). This can make it difficult for people to speak openly or share feedback, which is needed for transparency and responsibility. Also, when it comes to leadership, there is often limited support for ethical behaviour or openness (Nketsiah & Van der Westhuizen, 2024). Some business leaders do not genuinely put effort into promoting transparent practices. Since these businesses operate in an environment that is not highly regulated, it is mostly up to the leaders and the culture within the company to decide how well transparency can be achieved and sustained over time.

Furthermore, empirical studies on transparency have focused mainly on big corporations and public organizations leaving a gap in knowledge about SMEs particularly in a developing country like Ghana (Albu & Flyverbom, 2019; Schnackenberg & Tomlinson, 2016). Therefore, little is known about how organizational culture and management commitment work together to influence transparency and what contextual factors may enhance or weaken



this relationship. The gap in promoting ethical governance, stakeholder trust, and overall sustainability of Ghanaian SMEs is critical. Thus, this study seeks to assess the interactive effect of organizational culture and management commitment on transparency practices among SMEs in Ghana.

The paper seeks to assess the effects of organizational culture and management commitment towards transparency among Ghanaian SMEs. It therefore examines the interactive influence of these two internal factors on information disclosure, ethical behaviour and governance practices within the SME sector. The study is both theoretical and practical in its contribution. Culturally and leadership-wise, it attempts to provide a deeper understanding of transparency by integrating cultural and leadership perspectives within the context of emerging economies. Practically, it sheds light for SME owners, managers and policymakers on how to foster ethical leadership and cultivate cultures of openness that promote good governance. Building on the interplay between organizational culture and management commitment can improve stakeholder confidence while enhancing accountability as well as supporting sustainable growth of Ghanaian SMEs.

1.1 Research Objectives

- i. To examine the influence of organizational culture on organizational transparency among Ghanaian SMEs.
- ii. To assess the effect of management commitment on organizational transparency among Ghanaian SMEs.
- iii. To determine whether management commitment moderates the relationship between organizational culture and organizational transparency among Ghanaian SMEs.

II. LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Organizational Culture Theory

Organizational Culture Theory by Schein (2010) is profound in the sense that it believes culture to be a system of shared beliefs, values, and assumptions that guide the behaviour of people inside an organization. These artifacts are deeply embedded within the mindsets of employees and thus determine their reactions toward any internal process, particularly transparency mechanisms. As advanced by Cameron and Quinn (2011), adhocracy or clan cultures within organizations precipitate a rather significant level of openness in communication, transparent decisions concerning ethical matters, and participative governance which essentially presupposes transparency itself. Hierarchical cultures may instead place emphasis on the proposed control and authority that invokes suppression of transparent practices through open dialogue. Such a discussion is essentially relevant in describing how transparency is perceived and practiced among SMEs in Ghana due to such cultural dimensions as power distance, collectivism, and preference for informal communication channels. Cultural factors determine if workers think they have the right to talk, share worries, or question choices made by bosses. So, knowing the types of organizational culture helps a lot in explaining differences in openness among small and medium enterprises.

2.1.2 Transformational Leadership Theory

Transformational Leadership Theory was first introduced by Burns (1978) and later extended by Bass (1985) to incorporate inspiration, motivation, and transformation of the organizational environment. Transformational leadership attributes—idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration—provide a very plausible path toward the encouragement of such values as openness, accountability, and transparency. Zhu et al. (2014) showed that high commitment from top management is essential in forming transparency-related organizational policies and behaviours. The leader who visibly advocates for ethical conduct invests in transparency systems and practices desired behaviour sets an example for the entire organization. Where founder or family leadership exists—as it does in most Ghanaian SMEs—managerial behaviour will have a direct bearing on whether transparent practices are adopted and institutionalized.

2.1.3 Stakeholder Theory

The Stakeholder Theory by Freeman (1984) posits that organizations are obliged to consider the interests of all stakeholders in their decision-making process. Thus, transparency becomes a matter of strategy as much as it is an ethical obligation. As noted by Schnackenberg and Tomlinson (2016), transparency includes disclosure as well as clarity and accuracy of information shared; these elements go a long way toward building trust among stakeholders. For Ghanaian SMEs, being transparent is imperative to draw investors in besides fulfilling regulatory requirements and winning the goodwill of customers, thereby signalling its accountability metrics and ethical standards to outside stakeholders which most definitely strengthens its legitimacy standing and adds up to sustainability (Adu-Gyamfi et al., 2021). Therefore, drawing from both theories, organizational transparency is far from being understood simply as a technical process but rather as a dynamic outcome product of some deeper organizational dynamics. Corporate culture sets the normative environment; transformational leadership injects strategic drive while stakeholder theory emphasizes



the ethical and relational imperatives. It is at their intersection that this paper stands to view how internal cultural values and leadership behaviours may interact in encouraging or impeding transparency in Ghanaian SMEs.

2.2 Empirical Review

2.2.1 Organizational Culture and Organizational Transparency

The role organizational culture plays in encouraging transparency is well-recognized. Cultures that implore the value of integrity, openness, participation, and learning put better transparency mechanisms into practice (Groysberg et al., 2018). For example, Cameron and Quinn (2011) used the Competing Values Framework to describe organizational cultures and argued that clan and adhocracy cultures would support open communication across which decisions could be shared—a situation to help transparency take root. Adu-Gyamfi et al. (2021) share that in the African context, SMEs with participatory and informal cultures willingly disclose financial cum strategic information openness to some extent. They further argue that differentiating between managerial perceptions and attitudes towards discretion can vary. Mensah (2016) shares that though the Ghanaian traditional cultural values sit at a high-power distance coupled with collectivism, such values would rather work against transparency since it strongly establishes hierarchies and frowns upon dissent. Kang and Kim (2017) noted in their cross-national study that firms with open and adaptive organizational cultures consistently beat bureaucratic rigid firms in transparency metrics. This gives more support to the building of transparency on the foundation of supportive organizational culture, which begins its implementation at a mere level of day-to-day operations.

2.2.2 Management Commitment and Organizational Transparency

The management commitment plays an equally vital role in fostering transparent organizational practice. Another important aspect of transparency outcomes is the active involvement and support of top management in modelling ethical conduct, enforcing disclosure policies as well as encouraging stakeholder engagement. Top management support has been found to significantly influence transparency outcomes. In the Ghanaian SME, leadership is very centralized and therefore, the values of top managers easily translate into organizational norms. Studies by Karahanna et al. (2021) and Nguyen & Mohamed (2011) noted that when leadership manifests transparency-communicate clearly, information access, and responsiveness to any concern that workers may have—consultation reinforces trust for management as it reduces uncertainty plus general organizational accountability. Also, a study by Mahmud et al. (2019) in South Asia proved that leadership commitment to governance standards—with transparent reporting and stakeholder inclusion—improves the firm's reputation reduces corruption and attracts investors. These outcomes are very pertinent to Ghanaian SMEs because they mostly struggle with credibility when dealing in competitive markets.

2.2.3 Interplay between Organizational Culture and Management Commitment

Management commitment and organizational culture can interplay to either dampen or reinforce their individual effects on transparency. Transformational leadership will only be most effective in pushing transparency if cultural values support such an environment, i.e., the cultural value supports openness and trust (Nguyen & Mohamed, 2011). This interaction forms a positive feedback loop going further when transparency is institutionalized. Kang and Kim (2017) further noted that if leadership behaviours do not match organizational culture, transparency initiatives will just last for a short period or be very superficial. Systems which in one way or the other are aligned, such as when leaders demonstrate transparency and the culture support ethical behaviour, offer an opportunity for continuous improvement in the sustainability of improvements in stakeholder relationships as well as compliance and internal morale.

In Ghana, such alignment is mostly facilitated by contextual factors—family ownership structures, informal norms, and external pressures from donors or regulators. As noted by Adu-Gyamfi et al. (2021), SMEs that have not only inculcated leadership commitment but also embraced collaborative culture are more poised to institute formal transparency measures like open book accounting or performance dashboards than those with weak leadership or closed cultures. Though literature is evolving, there has not been much empirical study explicitly assessing how the interaction between organizational culture and management commitment affects transparency, particularly in the Ghanaian SME context. Transparency is treated mostly as an isolated construct by most research works; hence, they miss an explicit assessment of their combined or synergistic effect. This study moves a step further than other studies by empirically assessing not only the individual influence of organizational culture and management commitment on transparency but also how interactive dynamics play a role. This study fills an important gap while focusing on Ghanaian SMEs, a sector that is very critical toward national development but under-researched in governance literature and provides evidence-based insight to managers and policymakers who are driving for ethical governance strength by the SME sector.



2.3 Hypotheses Development

This study develops several hypotheses that draw from literature, both theoretical and empirical, to test the effect of organizational culture and management commitment on Ghanaian SMEs' transparency. The factors are recorded in the document as principal elements in developing transparency practices where informal governance systems dominate and there is a paucity of strong institutional oversight (Mahmud et al., 2019; Adu-Gyamfi et al., 2021). Organizational culture is found to be significantly determinant in facilitating transparent information sharing and participation at all employee levels if certain values of openness, collaboration, and ethical behaviour are infused (Groysberg et al., 2018; Cameron & Quinn, 2011). A growing body of empirical work indicates that corporate cultural attributes in Ghanaian SMEs support or militate against such practice (Mensah, 2016).

Just as management commitment— seen in leaders' readiness to practice transparent behaviour, provide resources and enforce ethical standards — directly influences organizational norms and behaviours (Karahanna et al., 2021; Zhu et al., 2014), leadership attitudes also significantly determine transparency outcomes in highly personalized SME environments (Nguyen & Mohamed 2011). Literature further emphasizes the interactive and mutually reinforcing nature of organizational culture and management commitment, whereby transparency initiatives stand a better chance of thriving when leadership commitment works hand-in-hand with supportive organizational culture (Nguyen & Mohamed 2011; Kang & Kim 2017). This relationship builds on consistency in communication that leads to accountability being reinforced, hence more trust among stakeholders.

H₀₁: Organizational culture has a positive and significant influence on organizational transparency among Ghanaian SMEs.

H₀₂: Management commitment has a positive and significant influence on organizational transparency among Ghanaian SMEs.

H₀₃: Management commitment moderates the relationship between organizational culture and organizational transparency such that the relationship is stronger when management commitment is high.

III. METHODOLOGY

3.1 Research Design

The study utilized a cross-sectional design and quantitative research approach. According to Bryman and Bell (2015), and Creswell and Creswell (2018), a cross-sectional research design is suitable for collecting data from a sample of a population at one single point in time to examine the prevalence, characteristics, and relationships between variables as they exist at that specific moment. In this study, a cross-sectional design is appropriate since data were collected at a point in time to test the hypotheses; and examine the direct effects and moderation relationship among the variables (organizational culture, management commitment, and organizational transparency).

3.2 Target Population

The target population were small and medium enterprises within Accra Metropolitan District of Greater Accra Region with a total of 488 registered firms. The owners and top managers were the key respondents since they play critical roles in strategic decision-making and organizational processes.

3.3 Sampling and Sampling Technique

Due to resource constraints which typically characterize research work within the SME sector, convenience sampling was considered most practical. This is a very common sampling method in SME studies because it helps save time and financial costs by utilizing easily accessible respondents while keeping the study feasible. Out of a total possible number of 488 firms, 421 SMEs were approached to participate and after data screening, 354 valid responses were obtained and 67 dropped due to incomplete or missing information. Respondents were fully informed of the aims and objectives of the study and that their participation was treated with the utmost confidentiality and anonymity before administration of the questionnaire.

3.4 Instrument

A closed ended structured questionnaire was used as the data collection instrument. The questionnaire comprised standardized measurement scales adapted to suit the Ghanaian SME context. The Competing Values Framework by Cameron and Quinn (2011) was used in measuring Organizational Culture (OC). Management Commitment (MC) items were adapted from Angus-Leppan et al. (2010). Organizational Transparency (OT) has been measured based on indicators proposed by Bushman et al. (2004). All items have been scored on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). A pretest was conducted with 25 SMEs to check clarity, relevance, and internal consistency, and necessary adjustments were made before full deployment.



3.5 Data Collection Procedure

Self-administered questionnaires were used to collect data after written consent had been signed by each participant. The researcher explained to the participants that they could withdraw from the study at any time without any consequences. Anonymity and confidentiality were observed during and after data collection. The storage and management of the data strictly adhered to Ghana's Data Protection Act 2012 (Act 843) and institutional ethical guidelines and protocols. International best practices regarding research ethics as emphasized by Green (2019) were also considered in protecting the dignity and privacy of the participants.

3.6 Data Analysis

Partial Least Squares Structural Equation Modelling (PLS-SEM) was applied using SmartPLS version 4.1.0.7 (Ringle et al., 2015). Several methodological factors justified the use of PLS-SEM as an analytical tool: direct and moderation effects in the complex proposed model, relatively small sample size, and violations of normality assumptions in data distributions about present and future considerations (Hair et al., 2017). The estimation procedure adopted follows two distinct stages of measurement and structural model assessment consistent with best practices in PLS-SEM.

The measurement model was evaluated in the first stage to check the psychometric properties of the constructs. Reliability was checked by Cronbach's Alpha and Composite Reliability coefficients, and validity was checked by Average Variance Extracted (AVE) and other multiple criteria that include Fornell-Larcker discriminant validity criterion and Heterotrait-Monotrait (HTMT) ratio. The multifaceted validity assessment proved fine evidence that the measurement tools used captured the intended constructs adequately and also provided discriminant validity between constructs.

In the next step, structural model evaluation was carried out to test the suggested hypotheses. Path coefficients were calculated and their significance determined through a bootstrapping procedure with 5,000 subsamples. Explanatory power was measured by the coefficient of determination (R^2) while predictive relevance was assessed by Stone-Geisser's Q^2 criterion. The effect of Management Commitment as a moderator between Organizational Culture and Organizational Transparency in strengthening or weakening the relationship between culture and transparency outcomes, has been systematically analysed using an interaction term approach that allows for detailed examination of management commitment's role in enhancing or dampening cultural influences on transparency.

IV. FINDINGS & DISCUSSION

4.1 Measurement Model Assessment

Results of the measurement model are presented in Table 1 including reliability, convergent validity, and outer loadings. The measurement model was assessed through internal consistency reliability, convergent validity, and discriminant validity. Cronbach's Alpha (CA) and Composite Reliability (CR) values for all constructs were well above the recommended threshold value of 0.70 indicating strong internal consistency (Hair et al., 2019). The Average Variance Extracted (AVE) values were above the minimum threshold value of 0.50 thereby confirming convergent validity (Fornell & Larcker, 1981). From the table it can be seen that all outer loadings were above 0.60 and both inner and outer VIFs scores exceeded 0.5 indicating no multicollinearity issues and good model quality. Note: CA = Cronbach's Alpha, AVE = average variance extracted, CR = composite reliability, IVIF = Item Variance Inflation Factor, OVIF = Outer Variance Inflation Factor

Table 1

Reliability, Convergent Validity and Outer Loadings

Construct	Indicator	Outer Loading	IVIF	CA	CR	AVE	OVIF
OC	OC1	0.625	1.369	0.861	0.817	0.599	2.432
	OC2	0.642	1.341				
	OC3	0.680	1.296				
	OC4	0.770	1.853				
	OC5	0.733	1.497				
	OC6	0.766	1.296				
	OC7	0.783	2.023				
	OC8	0.792	1.735				
	OC9	0.720	1.369				
MC	MC1	0.648	1.174	0.870	0.837	0.778	2.481
	MC2	0.730	1.152				
	MC3	0.701	1.569				
	MC4	0.716	1.476				
	MC5	0.733	1.398				



	MC6	0.654	1.636				
	MC7	0.685	1.461				
	MC8	0.668	1.331				
	MC9	0.671	1.624				
	MC10	0.648	1.753				
	MC11	0.681	1.774				
	MC12	0.676	1.174				
OT	OT1	0.701	1.143	0.837	0.776	0.642	1.472
	OT2	0.671	1.488				
	OT3	0.728	1.763				
	OT4	0.711	2.121				
	OT5	0.628	2.016				
	OT6	0.610	2.070				
	OT7	0.640	2.571				
	OT8	0.641	2.275				
MC*OC	MC*OC	1.000	0.000	1.000	1.000	1.000	1.515

Table 2 displays the correlations between latent constructs for assessing the discriminant validity (Fornell–Larcker criterion). The results show that the square root of AVE (on the diagonal, in bold) is greater than the correlation coefficients between constructs in relevant rows and columns. OC reported a moderate positive correlation with MC ($r = 0.588$) and OT ($r = 0.473$), which could suggest that SMEs with strong cultural values also report transparency and management involvement at higher levels. Management Commitment to Organizational Transparency reported a moderate positive correlation ($r = 0.552$), which is quite significant to imply that transparent practices within SMEs are driven by management’s dedication. The interaction term, MC*OC, was positively correlated with all three main constructs; hence it is valid for further moderation analysis.

Table 2

Correlations between Latent Variables (Fornell-Larcker Criterion)

Latent Variables	OC	MC	OT	MC*OC
OC	0.774			
MC	0.588	0.822		
OT	0.473	0.552	0.801	
MC*OC	0.562	0.299	0.515	1.000

Table 3 provides the Heterotrait–Monotrait (HTMT) ratios as another test for discriminant validity. All HTMT values are below the advised cut-off value of 0.85 (Henseler et al., 2015), signifying that the constructs are empirically unique from one another. Organizational Culture (OC) displays acceptable discriminant validity with Organizational Transparency (OT) (HTMT = 0.575) and Management Commitment (MC) (HTMT = 0.842). The relationship between OT and MC (HTMT = 0.645) is also within acceptable limits.

Table 3

Heterotrait-Monotrait (HTMT) Ratio

	OC	OT	MC	MC*OC
OC				
OT	0.575			
MC	0.842	0.645		
MC*OC				

4.2 Structural Model Assessment

Table 4 displays the direct structural paths used in testing the hypotheses of this study. Organizational Culture (OC) had a highly significant positive effect on Organizational Transparency (OT) ($\beta = 0.421$, $t = 6.274$, $p < 0.001$). This means that SMEs with strong and supportive cultural values are likely to articulate transparent practices in their operations. Management Commitment (MC) also exhibited a highly significant positive effect on OT ($\beta = 0.372$, $t = 5.843$, $p < 0.001$). This implies that leadership engagement articulates openness and ethical disclosure within SMEs. The interaction term between OC and MC on OT was also found to be significant at $\beta = 0.143$, $t = 2.750$, $p < 0.001$. This means that when leaders demonstrate strong support for transparent practices, the impact of organisational culture on transparency becomes stronger, making the transparency that stems from the culture more effective.

**Table 4***Structural Path Analysis Results*

Hypothesis	Hypothesized Path	Path Coefficient	t-value	P-value	Decision
H1	OC → OT	0.421	6.274	< 0.001	Supported
H2	MC → OT	0.372	5.843	< 0.001	Supported
H3	OC × MC → OT	0.143	2.750	< 0.001	Supported

Table 5 presents results for R-squared, Adjusted R-squared, and Q² for the Organisational Transparency (OT) construct. The value of R-squared at 0.279 allows one to infer that about 27.9 percent variance in organizational transparency is explained by the model. The adjusted R-squared value comes out slightly lower at 0.275, hence confirming that explanatory power is retained when adjustment is made for the number of predictors included. In addition, since Q² was 0.286 which exceeds 0, it suggests that the model has adequate predictive relevance.

Table 5*R-squared, Adjusted R-squared and Q-squared*

Construct	R-squared	Adjusted R-squared	Q-squared
OT	0.279	0.275	0.286

4.3 Discussion

The first hypothesis which states that organizational culture positively influences organizational transparency was strongly supported by the empirical results. This therefore evidences the fact that organizational culture acts as a strong driver of transparency practices among Ghanaian SMEs. The finding supports the theoretical argument that firms with supportive cultural values—openness, ethical behaviour, accountability, and information sharing—are more likely to implement and sustain transparent organizational practices because such supportive cultures create strong internal demand for transparency. The findings therefore imply that in establishing transparency within organizations, SME leaders should first deliberately nurture and support cultural values and norms that allow openness, trust, and free flow of information at all levels of the organization. This consequently emphasizes the fact that transparency is not a compliance issue but rather an organizationally internalized value. The findings in our study corroborate the findings of Elkelish et al. (2025) who found that organizational culture significantly influences governance transparency, especially in leadership, operations, and reporting practices. The study also supports the findings of Staniulienė (2022) who indicate that organizational culture shapes the development of transparent practices, with values and beliefs being key drivers.

Results also provided very strong support for the second hypothesis which stated that management commitment significantly influences organisational transparency in Ghanaian SMEs. When top managers lead in the enforcement of ethical behaviour, provide resources for information sharing systems and act transparently, organisations achieve extremely high transparency outcomes. This finding implies the critical importance of the “tone at the top” idea in SMEs with centralised decision-making such that leadership attitudes disproportionately influence organisational practices. Management commitment is a fundamental prerequisite supporting transparency implementation; therefore without visible leadership engagement through resource allocation and behavioural modelling, transparency initiatives remain superficial or inconsistently applied. This therefore suggests that management commitment serves as an activation mechanism enabling transparency practices to take root and flourish within organisational systems. These results align with Jatmiko and Setiawan (2020), who reported that management commitment has a significant positive effect on financial reporting transparency. They further argue that internal management awareness and ethical leadership are essential for achieving transparency. The findings are also consistent with Setsena et al.'s (2021) conclusion that management commitment is framed as an essential governance mechanism that helps unlock resources and align behaviour toward strategic goals, which in turn can enhance organizational transparency in practice.

The third hypothesis was supported which states that management commitment moderates the relationship between organizational culture and transparency. The finding demonstrates a synergistic interaction where the positive effect of organizational culture on transparency is substantially amplified under high management commitment. This implies that optimum levels of transparency can be obtained when both, culture and commitment, work in unison or are mutually reinforcing; therefore, organizational culture alone may have a limited effect without corresponding leadership commitment. On the other hand, commitment bereft of any cultural foundation may also find it difficult to engender sustained transparency. The moderation effect has governance implications for Ghanaian SMEs because interventions would require simultaneous action on cultural transformation as well as leadership commitments at all levels. The outcomes reinforce the evidence from Kendall (2025), indicating that management commitment and organizational culture must work together for transparency; neither alone is sufficient. They further contend that commitment is a necessary moderator for culture-transparency change. These insights further mirror those of Parsons (2024), who



suggested that active (not symbolic) management commitment enables culture-driven transparency; lack of commitment leads to inconsistent or failed openness, even with supportive culture.

V. CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

This study assessed the effects that organizational culture and management commitment have on transparency of organizations among Ghanaian SMEs, and also empirically tested the moderating effect of management commitment for culture-transparency nexus. It applied PLS-SEM using data from SMEs in Greater Accra Region to establish that both organizational culture and management commitment significantly positively influence organizational transparency. Results revealed that management commitment does play a statistically significant moderating role between organizational culture and transparency. This affirms needs for fostering adaptive, participatory, and integrity-driven organizational cultures within SME environments. The major impact of management commitment also goes to show the critical role leadership plays in fostering transparency through setting standards, allocating resources, and embedding openness into business operations. While support for the expected moderation was not found, the independent effects of both predictors reiterate their basic roles in enhancing transparency in SME governance and stakeholder relations.

5.2 Recommendations

Managers must realize that fostering organizational culture on healthy principles of trust, shared values, and open communication significantly enhances transparency. Leadership behaviour should be ethical-informed and practice the sharing of information as an important activity involving all the stakeholders. These finding advocates targeted support policies directed toward enhancing leadership capacity and organizational development in SMEs. Training that inculcates lessons on creating good leadership grounded in ethics and building transparency mechanisms will enhance firm performance as well as accountability. Since culture, leadership, and transparency are strongly related, donor agencies must work on adding organizational development components to their SME support frameworks. Governance, internal control systems, and leadership orientations should be parts of capacity-building interventions.

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