

DOI: 10.5281/zenodo.12426113

ORGANIZATIONAL CULTURE IMPACT ON INNOVATION, ENTREPRENEURSHIP, AND COMPETITIVE EXCELLENCE IN DIGITAL ECONOMY

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Received: 01/12/2025
Accepted: 02/01/2026

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ABSTRACT

This paper has discussed how organization culture influences innovation and entrepreneurship in the digital economy and how it can help attain competitive advantage based on Egyptian Company of digital Technologies and Innovation as the case study. The data were gathered using a stratified random sample of 200 employees and administrators, based on a descriptive analytical design, in which the data were collected using questionnaires and interviews. The findings showed that the organization culture and innovation, digital transformation, digital entrepreneurship, and competitive advantage were high. Nonetheless, hypothesis testing showed that the correlation between organizational culture and the outcome of innovation or digital transformation has no statistically significant relation implying the involvement of other organizational variables. The study has concluded that there is the need to further align organizational culture with innovation and entrepreneurship practice, which focuses on investment in human capital and organizational flexibility to have sustainable competitive advantage.

KEYWORDS: Organizational culture, innovation, digital entrepreneurship, digital transformation, competitive advantage, digital economy.

1. INTRODUCTION

With the increasing use of modern technology, which has become the core of business, and as a result of environmental developments and in order to meet competition, demand, and new customers, organizations are moving towards digital transformation and investing in its capabilities, starting with the actual use of technology, whether through a simple email system (Herbert., 2017). an enterprise resource planning (ERP) system, or even more advanced technologies. (Naomi, 2020).

The alignment of this with the organization's operations and its maturation according to a digital vision and strategy that enables it to control its information and resources and to be flexible in dealing with its environment may face internal obstacles, perhaps the most important of which is organizational culture. (Yeow et al., 2018).

In order to adapt to the new conditions of the competitive game, the organization seeks to make changes, whether at the strategic, organizational, or technological level. It may face several challenges that hinder this change, most notably the organizational culture, which may resist or encourage evaluation. (Naomi, 2020).

1.1. Research Problem

The research problem represents the fundamental issue driving this study, as it focuses on the existing knowledge and application gap in the field of the impact of organizational culture on digital transformation within institutions., Despite the growing interest in digital transformation as one of the most important factors of competition and innovation in the modern business environment, the role that organizational culture plays in ensuring the success of this transformation has not received sufficient study, especially in light of the rapid development of digital technology and the changing patterns of work and markets.

Practical experience indicates that digital transformation is not merely about adopting new technologies; it also requires an organizational culture that fosters innovation and continuous learning, and is capable of activating entrepreneurship among employees. This enhances an organization's ability to achieve competitive advantage and sustain success. Hence, the need arises to study the relationship between organizational culture and digital transformation, and its impact on innovation and entrepreneurship, in order to understand how to leverage human and technological resources strategically to improve organizational performance and maximize its contribution to the contemporary digital economy.

1.2. Research questions

The research questions stem from the identified problem and aim to guide the study towards answering the main themes related to organizational culture, digital transformation, innovation, and entrepreneurship.

These questions include the following:

- 1) What role does organizational culture play in supporting innovation within digital organizations?
- 2) How does organizational culture affect the success of digital transformation in organizations?
- 3) What is the relationship between organizational culture and digital entrepreneurship in achieving competitive excellence?
- 4) To what extent do organizational culture practices contribute to enhancing the use of digital technologies in administrative and operational processes?

1.3. Research hypotheses

Organizational culture has a positive impact on the performance of digital organizations, including innovation, successful digital transformation, and digital entrepreneurship., Among the most prominent hypotheses related to the research problem:

- 1) There is a positive relationship between organizational culture and the level of innovation in digital organizations.
- 2) There is a positive relationship between organizational culture and the success of digital transformation in an organization.
- 3) There is a positive relationship between organizational culture and digital entrepreneurship, which enhances the competitiveness of the organization.

1.4. Research objectives

The research aims to clarify the relationship between organizational culture, digital transformation, innovation, and entrepreneurship, and to provide practical recommendations that enhance organizational performance.

The research objectives can be summarized as follows:

- 1) Clarifying the impact of organizational culture on the level of innovation within digital institutions.
- 2) A study of the impact of organizational culture on the success of digital transformation in organizations.
- 3) Exploring the relationship between organizational culture and digital entrepreneurship and its impact on competitive advantage.

- 4) Providing practical recommendations to management that help promote a culture of learning and collaboration, which contributes to improving the overall performance of digital institutions.

1.5. Importance of the research

Theoretical importance: This study gains its theoretical importance from its role in enriching scientific and academic knowledge related to organizational culture, digital transformation, innovation, and digital entrepreneurship, especially in light of the continuous transformations taking place in the modern business environment., The study provides a comprehensive conceptual framework for understanding how organizational culture influences an organization's ability to embrace innovation and foster digital entrepreneurship, thereby achieving competitive advantage. It also helps bridge the research gap on the relationship between organizational culture elements and success in digital transformation, and assists academics and researchers in developing more accurate models and assessment tools to measure the impact of organizational culture on institutional performance in the digital environment.

Practical importance: The practical importance of the study lies in providing an informational and procedural framework for senior management in digital institutions, enabling them to make strategic decisions based on accurate and reliable data., The study helps managers develop organizational policies that support innovation and continuous learning, and foster a collaborative culture among employees, thereby improving the efficiency of operational and administrative processes. It also enables organizations to understand the relationship between organizational culture, digital transformation, and digital entrepreneurship, thus allowing them to implement effective strategies for achieving sustainable competitive advantage, increasing their ability to meet the challenges of rapidly changing digital markets, and improving long-term financial and operational performance.

1.6. Research limitations

The research defines the scope of the study in terms of place, time, and subject as follows:

Spatial limitations: The study is limited to digital institutions operating in Egypt (Egyptian Company for Digital Technologies and Innovation).

Time limitations: study covers the period from [2025] to [2026] This reflects the latest practices and challenges in digital transformation.

Objective limitations: The study focuses on organizational culture, innovation, digital

entrepreneurship and their relationship to digital transformation and competitive advantage, without addressing the technical details of digital technology or the financial policies of institutions.

1.7. Procedural terms for research

1. Organizational culture: It is the programmed outcome or organized collective product of the human mind, and this outcome distinguishes one group of humans from other human groups., Culture is capable of diversifying, multiplying, and enriching its manifestations and expressions, just as it is also capable of being affected, influenced, and fragmented. Cultural identity is an entity that changes and evolves, not a fixed and final given, either shrinking or expanding, and it is concerned with the experiences and suffering of its people., And also through its negative and positive interaction with other cultural identities, with which it enters into some kind of divergence., On a global level, there is no single global culture, but rather multiple and diverse cultures, each working spontaneously or through the deliberate intervention of its people to preserve its own identity and characteristics.(Student, 2019).
2. Digital transformation: Digital transformation from a business perspective as a process transmission the institution to Use New business methods through Exploitation Optimal for modern technology and various other capabilities, which proves that the digital transformation process is linked to the efficiency to exploit Technology is for creating value, not just for show. Investment In it (Mustafa et al., 2023).
3. Innovation: Product Launch New services in the market or new means of producing them, and innovation is preceded by research that may lead to an invention that is later developed to serve the market. (Park, 2011).
4. Competitive advantage: The set of characteristics or attributes that a product or brand possesses, giving the organization an edge over its competitors, enabling it to meet customer demands in a way that distinguishes it from other organizations, in addition to maintaining and enhancing its market share through strategic methods, to ensure expansion and market dominance. (Awni, 2017).

2. LITERATURE REVIEW

2.1. Organizational culture: Introduction

Organizational culture is one of the fundamental pillars that define the identity of institutions and directly influences employee behavior and decision-

making processes within the organization., It represents the set of shared values, beliefs, and principles that guide individuals' behavior and determine how they interact with each other and the external environment. Organizational culture plays a pivotal role in fostering internal cohesion within the organization and creating a work environment that encourages innovation and creativity, thus enabling the efficient and effective achievement of the organization's strategic goals. (Lubis et al., 2020).

It also influences planning, organizing, and controlling processes, helps direct human and technological resources toward achieving tangible results, and shapes a distinctive corporate identity. The importance of organizational culture is particularly evident in modern, dynamic, and ever-changing business environments, as it enables organizations to adapt to challenges and achieve a sustainable competitive advantage by fostering values of innovation, continuous learning, and collaboration among employees., Organizational culture can be defined as an integrated system of shared values, standards, and expectations that govern the behavior of employees at Kuwait University, influence their thinking, and determine management style, policies, and practices towards achieving the vision, mission, and goals. The institution (Al-Anzi, 2025)

2.2. The importance of organizational culture:

2.2.1 First: The importance of organizational culture for the individual within the organization

- 1) Since the individual (worker) is an essential part of the organization, influencing and being influenced by it, he places and bears responsibility behaviorally habits that may have a positive or negative impact on him; thus, some important elements of organizational culture that can be reflected on the individual within the organization can be mentioned.
- 2) Providing employees with a sense of identity.
- 3) Culture shapes individual behavior according to its conditions and characteristics; similarly, any transgression against any aspect of the culture or any action that reflects it is met with rejection.
- 4) Organizational culture broadens individuals' horizons and understanding of events occurring in their work environment; in other words, it forms a frame of reference through which individuals interpret events and activities.
- 5) It facilitates work in organizations by following the behaviors and habits imposed on them by the organization's culture. (Rajab, 2019).

2.2.2. Second: The importance of organizational culture for the organization

The importance of organizational culture is evident in several areas, some of which are:

- 1) Queen is an independent figure within the organization, separate from other organizations.
- 2) Achieving a balance between different departments.
- 3) Defining behavioral standards for individuals when carrying out their work.
- 4) Identifying areas of common interest.
- 5) Organizational control over employee attitudes and behavior.
- 6) This is one of the organization's distinctive features compared to other organizations, and it is also a source of pride and honor for its employees.
- 7) Achieving a competitive advantage for the organization.
- 8) Organizational culture is a fundamental element that affects an organization's adaptability and its ability to keep pace with developments around it. The more flexible and forward-looking an organization's values are, the more capable and eager it becomes to benefit.
- 9) Organizational culture makes the task of management and managers easier, as they do not resort to strict procedures to confirm and enforce the required behavior within the organization.
- 10) The more successful the organizational culture, the more it fosters creativity and competitive excellence within the organization. (Rajab, 2019).

2.3. Innovation and Entrepreneurship: The importance of entrepreneurship and innovation:

Increased business activity plays a vital role in global economies, being a major driver of economic growth through the creation of effective local businesses that contribute to local development by providing job opportunities and increasing revenues.

Entrepreneurship is important in society for several reasons, the most important of which are:

- 1) Entrepreneurship contributes to creativity and change, especially technological change, which contributes to achieving economic growth;
- 2) It contributes to achieving a balance between supply and demand.
- 3) It contributes to transforming knowledge into new products and services;
- 4) Leadership is a strategy for growth and competitive advantage for business organizations;
- 5) Entrepreneurship has a positive impact on the economy and society.
- 6) Reducing the brain drain by providing suitable job opportunities for entrepreneurs

- 7) Contributing to community service, and encouraging manufacturing to meet the needs of the local market and for export. (Qubsi, 2023)

2.4. excellence:

2.4.1. Definition of competitive excellence:

It is a strategy based on developing the company's business model, driving its growth and development, and enabling the company to produce and provide services, goods, and benefits to customers that surpass those of its competitors in the market, thus generating more profits for the company and improving its reputation in the market. From the above, competitive advantage is defined as a company's ability to meet customer requirements and needs, which affects the company's stability in the market and gives it a competitive edge, increasing its market share and maximizing its profitability. (Hassan, 2017).

2.4.2. Methods of competitive excellence:

Methods of achieving competitive advantage possession Organizations need long-term competitive advantages to ensure their survival and continuing at least in the market, it is an unavoidable and inescapable option for achieving any competitive progress or market expansion; because these advantages have truly become the ideal tool in the face of an environment rife with competitive conflict, and where the pulse of profound transformations and radical fluctuations is accelerating, These challenges faced by educational institutions have forced them to seek ways to achieve a competitive advantage, including superior efficiency. An institution is simply a system for transforming inputs. Therefore, the simplest measure of efficiency is the amount of input required to produce a specific output. The higher the efficiency of an organization's processes, the fewer inputs are required to produce a specific output, and consequently, the lower the cost of the organization's production structure. (Asadi, 2020). High productivity leads to superior efficiency. Furthermore, a competitive strategy, a suitable organizational structure, control systems, information systems, and the policies followed by the organization all contribute to achieving high efficiency compared to competitors. When an educational institution achieves high levels of quality in providing its educational services, it increases the value of these services for its students and enables it to charge higher prices for its products, thus achieving a competitive advantage and ensuring its survival and continuing.

The service possesses observable characteristics that can be assessed by the student, such as the interpersonal skills required to deliver the service, the behavioral skills in listening, speaking, persuasion, and influence, and the design of a psychologically impactful physical environment (the surrounding

environment, such as the design of the building and halls, or the service itself and its equipment, including furniture, decor, lighting, ventilation, colors, and literature). (Qahtan, 2021).

2.5. The relationship between organizational culture, digital transformation, and digital entrepreneurship:

Organizational culture plays a crucial role in determining an organization's ability to innovate and pursue entrepreneurship, especially in today's rapidly changing and highly competitive digital economy. It is not merely a set of shared values, principles, and behaviors among employees, but rather the guiding framework that defines how individuals interact with each other and with the organization's internal and external environment, directly impacting the level of creativity and innovation within the organization. (Al-Ajri, 2022).

An organizational culture that supports innovation enhances institutions' ability to develop innovative digital products and services, and motivates employees to contribute new ideas and entrepreneurial initiatives capable of creating additional growth opportunities and improving organizational performance. It also encourages the adoption of flexible work models, stimulates continuous learning, and promotes collaboration between different teams, thus contributing to building a work environment that fosters creativity and entrepreneurship.

In light of rapid digital transformations and the challenges facing organizations in the global and local markets, an adaptable and flexible organizational culture becomes a strategic tool to enable organizations to respond quickly to changes, turn challenges into opportunities, and maximize the added value of available resources. Therefore, organizations that cultivate an organizational culture based on innovation, continuous learning, and collaboration are better positioned to achieve sustainable competitive advantage, maintain their leading market position, and achieve better financial and operational results, thus ensuring their continuity and ability to compete in the ever-changing digital economy. (Hafiz, 2020).

3. METHODOLOGY

The practical framework of the research represents the applied part that focuses on studying the actual reality of the subject under study, through analyzing data and information related to the company under study, and applying theoretical concepts to practical reality. This framework aims to clarify how organizational culture affects innovation and digital entrepreneurship, and the extent of its contribution to achieving competitive excellence in the organization, according to field data collected through appropriate research tools.

3.1. Study population:

The Egyptian Company for Digital Technologies and Innovation was selected as a study community, as it represents a model for digital institutions operating in Egypt, and is distinguished by its adoption of digital transformation methods and the development of innovation and entrepreneurship initiatives., The study focuses on the administrative and cultural policies and practices within the company, analyzing the role of organizational culture in enhancing employees' ability to innovate and launch new digital projects.

3.2. Study sample and data collection tools:

The study is based on a sample of employees and managers in the company. Their number is (200)

individuals They were selected using a stratified random method to ensure representation of all administrative levels and different specializations., Data collection tools include:

Survey: To measure the level of organizational culture, innovation, digital entrepreneurship, and competitive excellence.

Personal interviews: To gather qualitative data on digital transformation practices, innovation mechanisms, and the impact of organizational culture on institutional performance.

4. RESULTS AND DISCUSSION

4.1. The validity of the research instrument:

Table 1: Validity of the study instrument

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		947
Bartlett's Test of Sphericity	Approx. Chi-Square	3341.869
	df	300
	Sig.	000

Test results indicate The Kaiser-Meyer-Olkin (KMO) sample size fit yielded a high value of 0.947, indicating that the sample size is very suitable for factor analysis. Bartlett's test of sphericity also yielded an approximate chi-squared value of 3341.869 with 300 degrees of freedom and a significance level of

0.000, suggesting significant and substantial relationships between variables. Therefore, factor analysis can be used to explore the underlying structure of the data.

4.2. Reliability of the research instrument:

Table 2: Reliability of the study instrument

Alpha coefficient	Number of phrases	variable
776.	5	Organizational culture
875.	5	Innovation level
845.	5	Digital transformation
865.	5	Digital entrepreneurship
736.	5	Competitive advantage

The results of the reliability analysis using Cronbach's alpha coefficient showed that all variables in the study have a high degree of reliability, with the alpha coefficient for organizational culture reaching 0.776, innovation level 0.875, digital transformation 0.845, digital entrepreneurship 0.865, and competitive advantage

0.736. These values indicate that the statements comprising each variable are internally consistent and can be relied upon in the statistical analysis, as values higher than 0.7 are an indicator of good reliability of the research instrument.

4.3. Analysis of demographic data:

Table 3: Results of demographic data analysis

Percentage	repetition	Variables
age group		
7	14	Under 30 years old
12.5	25	30-40 years
25	50	41-50 years
55.5	111	More than 50 years
Sex		
34	68	male
66	132	feminine
Years of experience		
3.5	7	under 5 years
3.7	12	From 5 to less than 10 years old
17.7	57	From 10 to under 15 years old
38.5	124	15 years and older

The descriptive distribution of the sample revealed that the vast majority of participants were over 50 years old (55.5%), followed by the 41-50 age group (25%), while younger age groups were less represented. Regarding gender, females constituted 66% of the sample, compared to 34% males, indicating a higher percentage of women among the participants. As for years of work experience, the majority of participants (38.5%) had 15 years or more, followed by those with 10 to less than 15 years

of experience (17.7%), while those with less than 10 years of experience were the least represented. These results reflect the representative nature of the sample, which comprises senior professionals with extensive experience in the field under study.

4.4. Descriptive results:

4.4.1. First axis: Organizational culture

Table 4: Descriptive Results of Organizational culture

standard deviation	arithmetic mean	phrase
1.14347	3.595	The employees in the organization clearly understand the values, vision, and organizational goals.
0.88033	3.83	There is support from management for employees when taking new initiatives.
0.87259	3.82	The organization encourages cooperation and teamwork among employees.
0.94252	3.81	The organization's culture promotes continuous learning and skills development.
0.91173	3.77	Employees are encouraged to participate in corporate decision-making.

The descriptive analysis of the organizational culture data indicates that all five statements achieved high mean scores ranging from 3.83 to 3.595, reflecting employees' positive perceptions of the organization's environment and culture. The statement "Management supports employees when taking new initiatives" had the highest mean score (3.83), demonstrating employees' appreciation for management support in encouraging initiatives. The statement "Employees in the organization clearly understand the organization's values, vision, and

goals" had the lowest mean score (3.595) compared to the other statements, but it still represents a positive indicator. Standard deviations ranged from 0.872 to 1.143, indicating moderate variation in employee opinions regarding some components of the organizational culture. Overall, the results reflect an organization with a culture that supports collaboration, learning, and participation in decision-making.

4.4.2. Second axis: Level of innovation

Table 5: Descriptive results of Innovation level

standard deviation	arithmetic mean	phrase
0.86449	4.08	Employees are able to contribute new ideas to improve processes and services.
0.77725	4.17	The organization provides the necessary resources to test innovative ideas.
0.77289	4.175	There is encouragement to try new ways of working without fear of failure.
0.89778	3.945	Innovative ideas are applied and transformed into new products or services.
0.71648	4.185	The organization rewards innovation and creative achievements among employees.

The descriptive analysis of the organization's innovation level data indicates that all five statements achieved high mean scores ranging from 3.945 to 4.185, reflecting employees' perception that the organization encourages innovation and provides a suitable environment for generating new ideas. The statement "The organization rewards innovation and creative achievements among employees" achieved the highest mean (4.185) with the lowest standard deviation (0.716), demonstrating a high degree of agreement among employees regarding the perceived rewards

associated with innovation. The statement "Innovative ideas are implemented and transformed into new products or services" had a slightly lower mean (3.945) with a higher standard deviation (0.898), reflecting some variation in employees' assessments of the practical application of innovative ideas. Overall, the results indicate that the organization provides a supportive environment for innovation and encourages employees to experiment with and develop new ideas.

4.4.3. Third axis: Digital transformation

Table 6: Descriptive results for digital transformation

standard deviation	arithmetic mean	phrase
0.75495	4.23	The organization uses digital technologies to improve the quality of operations and services.
0.72459	4.26	Employees are trained in the use of modern digital tools.
0.78987	4.065	There are clear policies to support digitization and digital transformation within the organization.
0.80162	4.075	The organization relies on digital data to make decisions.
0.81758	3.93	Technical updates within an organization help increase efficiency and reduce errors.

The descriptive analysis of the organization's digital transformation data indicates that all five statements achieved high mean scores ranging from 3.93 to 4.26, reflecting employees' perception that the organization effectively leverages digital technologies to improve processes and services. The statement "Employees are trained to use modern digital tools" achieved the highest mean (4.26) with the lowest standard deviation (0.725), indicating strong employee agreement on the effectiveness of digital training. Conversely, the statement "Technological updates in the organization help

increase efficiency and reduce errors" had the lowest mean (3.93) with a standard deviation of 0.818, reflecting some variation in employee assessments of the impact of technological updates on efficiency. Overall, the results demonstrate that the organization is making tangible efforts to support digital transformation and train employees in the use of modern digital tools, and that it relies on digital data in its decision-making.

4.4.4. Fourth axis: Digital entrepreneurship in the organization

Table 7: Descriptive results of digital transformation

standard deviation	arithmetic mean	phrase
0.91173	3.77	Employees are encouraged to develop new digital projects within the organization.
0.86449	4.08	The organization provides support and resources for implementing digital entrepreneurial ideas.
0.77725	4.17	There is a spirit of innovation and entrepreneurship that encourages positive competition between teams.
0.77289	4.175	Leadership supports digital initiatives that add value to the organization.
0.89778	3.945	The organization seeks to expand the scope of digital services to reach new markets.

The descriptive analysis of the organization's digital entrepreneurship data indicates that all five statements achieved high mean scores ranging from 3.77 to 4.175, reflecting employees' perception that the organization encourages digital innovation and supports entrepreneurial initiatives. The statement "Leadership supports digital initiatives that add value to the organization" scored the highest mean (4.175) with the lowest standard deviation (0.773), indicating relative agreement among employees regarding leadership support for digital projects. Conversely, the statement "Employees are

encouraged to develop new digital projects within the organization" scored the lowest mean (3.77) with a standard deviation of 0.912, reflecting greater variability in employees' perceptions of encouragement for developing new digital projects. Overall, the results suggest that the organization provides a supportive environment for digital entrepreneurship through resources, leadership support, and a spirit of innovation and healthy competition among teams.

4.4.5. Fifth axis: Competitive excellence:

Table 8: Descriptive results for competitive advantage

standard deviation	arithmetic mean	phrase
0.93824	3.79	The organization stands out with services or products not available from its competitors.
0.90102	3.835	The quality of products and services helps the organization retain customers.
0.93205	3.775	Innovation and digital transformation enhance an organization's ability to compete in the market.
1.11607	3.525	The organization is able to adapt quickly to changes in the business environment.
1.09314	3.605	The organization achieves outstanding performance compared to its competitors in the same sector.

The descriptive analysis of the organization's competitive advantage data indicates that all five statements received relatively high mean scores ranging from 3.525 to 3.835, reflecting employees' perception that the organization is highly competitive in the market. The statement "The quality of products and services helps the organization retain customers" scored the highest mean (3.835) with a standard deviation of 0.901, indicating a relative agreement among employees on the importance of quality in enhancing competitive advantage. Conversely, the statement "The organization is able to adapt quickly to changes in the business environment" scored the lowest mean (3.525) with the highest standard deviation (1.116), reflecting greater variability in employees' assessments of the organization's resilience to environmental changes. Overall, the results suggest that the organization's competitive

advantage is linked to the quality of its services and products, innovation, and digital transformation, with room for improvement in the organization's ability to adapt quickly to market changes.

5. HYPOTHESIS TESTING:

5.1. Main hypothesis:

Organizational culture has a positive impact on the performance of digital organizations, including innovation, successful digital transformation, and digital entrepreneurship. The following sub-hypotheses branch out from it:

5.2. First sub-hypothesis:

There is a positive relationship between organizational culture and the level of innovation in digital organizations.

Table 9: Initial Sub-Hypothesis

Transaction testing			Analysis of variance		Key indicators		
Level of meaning	value	Impact factor	Level of meaning	value	Coefficient of determination R ²	Correlation coefficient	The model
<.001	4.933	4.174	.944	.005	.000	.011	The constant
.944>	-.017-	-.015-					Organizational culture
The dependent variable: Innovation level							

The results of testing the first sub-hypothesis showed no statistically significant relationship between organizational culture and the level of innovation in digital institutions, as the correlation coefficient was (The coefficient of determination (R = 0.011) and the coefficient of determination (R² = 0.000) indicate a very weak relationship between the two variables. Furthermore, the F-value (F = 0.005) at a significance level of (0.944) was not statistically

significant, and this was confirmed by the coefficient test (t = -0.017) and a significance level greater than (0.944). Therefore, the first sub-hypothesis is rejected.

5.3. Second sub-hypothesis:

There is a positive relationship between organizational culture and the success of digital transformation in an organization.

Table 10: Second sub-hypothesis

Transaction testing			Analysis of variance		Key indicators		
Level of meaning	value	Impact factor	Level of meaning	value	Coefficient of determination R ²	Correlation coefficient R	The model
<.001	4.375	4.017	.930	.008	.000	.013	The constant
.930	.079	.020					Organizational culture
The dependent variable: Digital transformation							

The results of testing the second sub-hypothesis showed no statistically significant relationship between organizational culture and the success of digital transformation in the organization, as the correlation coefficient was (The R = 0.013 value indicates a very weak relationship between the two variables. The coefficient of determination (R² = 0.000) also indicates that organizational culture does not explain the change in digital transformation. Furthermore, the F = 0.008 value at a significance level of 0.930 was not statistically significant. This

was confirmed by the coefficient test (t = 0.079) and a significance level of 0.930, meaning that organizational culture has no significant effect on digital transformation according to the data from the studied sample.

5. CONCLUSION

The research reached the conclusion that the organization depicts a high score of the organizational culture that is managerial support, teamwork, continuous learning, and involvement of

employees in the decision making process. Innovation, digital transformation, and digital entrepreneurship were also strongly observed, based on the availability of resources, leadership promotion, and sound application of the modern technologies and data in making decisions. The organization has been identified as having a competitive edge in terms of quality, innovation and digital capability though flexibility to environmental changes needs to be enhanced. Nevertheless, hypothesis testing revealed that there was no statistically significant correlation between organizational culture and innovation or success of digital transformation, so these two factors might be determined by other organizational and managerial factors. These variables may be affected by factors other than organizational culture.

6. RECOMMENDATIONS:

In light of the study's findings, the following recommendations can be made:

1. The need to reconsider and develop the components of organizational culture to make them more directly linked to supporting innovation and digital transformation within the organization.
2. Strengthening the link between organizational values and actual practices, so that organizational culture transforms from a theoretical framework into a practical mechanism to support change and innovation.
3. Focus on building a flexible organizational culture that encourages calculated risk-taking, experimentation, and not being afraid of failure, as these are requirements for innovation and digital transformation.
4. Continue investing in digital training and employee skills development to meet the demands of the digital economy and rapid technological advancements.
5. Support digital entrepreneurial initiatives through clear incentives and link them to evaluation and promotion systems within the organization.
6. Working to enhance the organization's ability to adapt quickly to changes in the business environment in a way that supports the sustainability of its competitive advantage.

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