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Effect of Involvement Culture on Performance of Selected 5-Star Chain Affiliated-Hotels in Kenya

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ABSTRACT

The paper sought to establish the effect of involvement culture on performance of selected 5-star Chain affiliated hotels in Kenya. The study employed descriptive research design. The study was undertaken in Nairobi Central Business District (CBD). The target population of this study comprised of employees and managers of four 5-star chain hotels. The researcher employed purposive sampling, stratified sampling and simple random sampling techniques. Questionnaires and interview schedule was used in data collection. Data was analyzed using descriptive statistics; frequencies and percentages while correlation analysis was used to assess the effect of involvement culture on performance. Involvement culture was found to have a positive but weak relationship with performance. The study indicated that, the organization should ensure that the employees have shared belief, values and expectation to ensure realization of performance. The researcher therefore recommends that, for organizations to achieve the desired performance all the employees in the organization should be involved to drive the performance agenda.

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Introduction

Organization's culture establishes the rules within which people act in addition to the ways and methods in which people communicate (Schneider, 2004). Through an understanding of group culture, employees know exactly what is required of them in any given situation (Deal & Kennedy, 2000). Besides, rigid procedures and control mechanisms become unnecessary when group culture is understood because it functions as internal control mechanism that coordinates employees' effort (Lee-Ross & Lashley, 2003).

Involvement refers to the level of participation by members in an organization's decision-making process as well as to the sense of responsibility and commitment thereby engendered (Denison, 2007). It entails building human capacity, ownership and responsibility. Involvement is very crucial since it leads to united vision, values and purpose. Employee involvement commonly referred to as participative management is the degree to which employees share information, knowledge, rewards, and power throughout the organization (Randolph, 2000). Due to the fact of the feeling of ownership, the organizational members develop a greater commitment to the organization and a growing capacity to work independently. In addition, a greater amount of input from the employees is seen as an increased decision-making and power of implementation (Mishra, 2005).

McShane & Von Glinow (2006) argues that when there is involvement, employees have some level of authority in making decisions that were not previously within their mandate. The two authors observed that, employee involvement extends beyond controlling resources for one's own job; it includes the power to influence decisions in the work unit and organization. Hence, the higher the level of involvement, the more power people tend to have over the

decision, process and outcomes. Employee participation has become an important part of organizational decision-making because it is an integral component of knowledge management (McShane & Von Glinow, 2006). This implies that organizational leaders are realizing that employee knowledge is a critical resource for competitive advantage and as such, they are encouraging employees to share this knowledge.

Different forms of employee involvement exist in organizations. For instance, formal participation which occurs in organizations that have established structures and formal expectations that support this form of participation and informal participation in which, casual or undocumented activities take place at management discretion. Employee involvement can also be voluntary or statutory. It is voluntary when employees participate without any force or law. It is statutory when government legislate its activities (e.g. Codetermination which varies from country to country). Likewise, employee participation can also be direct or indirect. In which, direct participation occurs when employees personally influence the decision process while indirect or representative participation occurs when employees are represented by peers (e.g. work council in the European Codetermination system) (McShane & Von Glinow, 2006).

Organizational cultures that are characterized as "highly involved" rely on informal, voluntary and implied control systems, rather than formal, explicit, bureaucratic control systems. Denison (2007) identified three indices of the involvement culture as empowerment, team orientation, and capacity development. From the foregoing, the working definition of employee involvement is the extent of employee participation in decision making and implementation in the organizations studied.

It refers to the employees' level of sense of ownership and responsibility to the organizations they work in. It includes the level of empowerment, team orientation and capacity building found in the organizations studied.

Statement of the problem

It is becoming more widely recognized in contemporary discussions of performance that managers and other organizational practitioners have to develop a strong and a common organizational culture if their organizations are to perform effectively. The investors in the hotel industry continue to face challenges of aligning employees with different diverse cultures towards a common set of goals, including consistent decisions due to the dynamic nature of the industry also on the changing customers' tastes and unpredictable business environment such as travel bans, economic recession and political environment. The investors in the hotel industry need to develop management structures that can optimize on the opportunities available in order to remain competitive. Limited research has been conducted on hotels focusing exclusively on the effect of involvement culture on performance in the hotel industry in Kenya.

Conceptual Framework

The paper explored the effect of involvement culture on performance of selected 5-star chain affiliated-hotels in Kenya. The independent variable was involvement culture which was measured in terms of employees' commitments, employees' loyalty, responsibility and ownership. The dependent variable was performance which was measured based on employees' satisfaction, customer satisfaction and employees turn over.

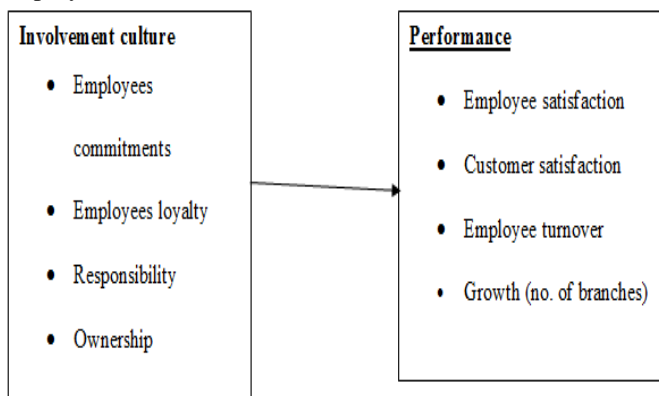


Figure 1. Conceptual framework illustrating the relationship between involvement culture and performance.

Methodology

Research Design

The study employed descriptive design. Whereby descriptive research design sought to collect data without manipulating the research variables or the respondents in an attempt to uncover the existing status of involvement culture in terms of in selected hotels and to find out its effects on performance (Patton, 2000). Descriptive studies generally take raw data and summarize it in a useable form.

Study Area

The study was undertaken in Nairobi Central Business District (CBD). Nairobi city is an aviation hub for East and Central Africa apart from being an administrative capital of Kenya. The city and its surrounding areas form Nairobi County. It has a population of approximately 3,183,295 (National census, 2009). Larger part of Nairobi's economy is driven by tourism activities. The city is endowed with luxurious hotels and top-rated tour companies.

It enjoys a fairly moderate climate and the choice of accommodation is classified ranging from 'one' (1) to 'five' (5) star luxury hotels. Cheruiyot *et al.*, (2012) noted that these classified hotels are trend settlers in tourism and hospitality industry.

Similar sentiments were echoed by, Lo, *et al.* (2010) posited that, the high classified hotels distinguish themselves by offering superior products and customized services to their customers. Tourism is Kenya's second largest foreign exchange earner. Tours of the Nairobi city itself can be arranged for guests. These tours of central Nairobi usually include visits to the Parliament Building, the City Market, and the National Museum; Trips to Nairobi National Park, the Giraffe Centre, and the Karen Blixen Museum. Generally, the city offers a well-developed infrastructure, excellent hotels, and fine food. It also hosts numerous international conferences, conventions, exhibitions and meetings. It has a very wide range of accommodation to suit budgets of different clientele, their tastes and preferences.

Hotel classification is also said to be the ranking of hotels, usually by using categorization such as stars (or diamonds), with one star denoting basic facilities and standards of comfort and five-star denoting luxury in facilities and services. The purpose is to inform intending guests in advance on what can be expected in order to reduce the gap between expected and experienced facilities and service delivery (World Tourism Organization, WTO, 2015). The possible criteria for the classification of hospitality establishments, which the World Tourism Organization, (WTO) (2009), takes into considerations are; the level of comfort, surface of the room space for instance; double rooms, single rooms and those with more beds, number of accommodation with many rooms, the presence of utilities; condition of furniture and sanitary-ware; presence and status of the food courts; buildings, access roads, land-view; provision of technical services including the presence of telephone connections and satellite, television sets, refrigerators, mini-bars, mini-safes; and finally the possibility of providing additional intangible services. The definition of this study area is as outlined as follows; The Five Star hotels identified as top of the realm of all hotel classes being termed as the luxury hotels. They feature a spa, gym, center, indoor/outdoor swimming pool and restaurant. Other features are; cafe, bar shops, parking, TV, internet, telephone, 24 hours' room service, conference hall and hair dresser's center.

Additionally, these hotels are rated according to their geographical location, which are the sea, mountains and towns. Furthermore, these five-star categories are determined according to the regarding the building construction, furnishing and professional language qualification of the staff (WTO, 2015). The study was conducted in Nairobi since most 5-star chain affiliated-hotels are found in this area.

Target Population

A population is the entire group of individuals, events or objects having common observable characteristics (Mugenda & Mugenda, 2009). The target population of this study comprised of employees and managers of four 5-star chain hotels in Nairobi CBD. From the available information, there are 12 hotels that met the above criteria in Nairobi area which comprised of; Inter-continental, Sarova Stanley, Hilton, Laico Regency, Panari, The Boma Nairobi, Villa Rosa Kempinski, Fairmount The Norfolk, Serena, Sankara Nairobi, The Tribe, Sovereign Suites and Hilton Hotel, as indicated in table 1.

Table 1. Target population.

| Hotel | Target population | | | | | |
|------------------|-------------------|--------------|-------------------|------------|---------------------|-------|
| | Front office | Housekeeping | Food and Beverage | Production | Sales and marketing | Total |
| Intercontinental | 12 | 30 | 30 | 30 | 14 | 116 |
| Sarova | 10 | 27 | 35 | 26 | 16 | 116 |
| Hilton | 12 | 30 | 30 | 20 | 16 | 108 |
| Laico regency | 13 | 30 | 27 | 25 | 15 | 110 |
| Total | | | | | | 450 |

Sampling Design

According to Mugenda (1999), the term sample design refers to the procedures or processes used to obtain the sample size for the study. The sample size on the other hand, is the number of cases involved in the study from which the researcher collects data.

Sample Size

The sample size was statistically obtained by calculating the sample size from the four purposively selected hotels in Nairobi CBD. A sample size of 216 hotel managers and employees were statistically obtained. Mugenda and Mugenda, (1999) formula for calculating the sample size was applied

$$Nf = n / (1+n)/N$$

Where:

Nf= the desired sample size (when the population is less than 10,000).

n= the desired sample size (when the population is more than 10,000).

N= the estimate of the population size.

Therefore, if the desired sample size is 450 when the population is less than 10,000, on a precision of 5% and a confidence level of 95% (Mugenda Mugenda, 1999), the sample size for this study was attained as follows;

$$Nf = \text{less than } 10,000 = 450 / (1+450)/450 \\ = 450$$

Sampling procedure

The researcher employed purposive sampling, stratified sampling and simple random sampling techniques. Central Business District (CBD) was purposely selected because it harbors the largest number of 5-star affiliated chain hotels. Simple random sampling was done to select four hotels (30%) of the population using lottery method. Mugenda and Mugenda (2003) recommend that a sample size of at least 10% of the target population is usually appropriate for social sciences. Stratified sampling gave departmental information on staff establishment of the selected hotels to be obtained together with their designations. Simple random sampling was also used to select specific employees while the managers were purposively selected according to those who have relevant information on the study.

To ensure fair distribution of the respondents, the same formula was used to determine the sample of the respondents to be selected in each department. Once established, simple random sampling was used to select the respondents.

Questionnaire Tool

The study employed the use of questionnaires as the tools for data collection because it allowed the researcher to cover a larger area within a short period of time, and also it allowed

confidentiality of information; hence the respondents gave accurate information on the subject matter. The questionnaire was also convenient to the respondents as they can fill the questionnaire at their own free and convenient time. Items in the questionnaires comprised of statements weighed on a five (5) point Likert scale as follows; SA- strongly agree, A- agree, U- undecided, D-disagree, and SD- strongly disagree, rated 5 to 1 respectively.

Interview Schedule

Interview schedule was also used to obtain information from the managers to supplement information from questionnaires. This method has advantages such as opportunity to clarify responses, striking rapport and instilling confidence. However, it has demerits such as influencing the responses and higher expenses on travel. According to Dawson, (2002), this tool is widely used in tourism research and allows researchers to reach known people in a short period of time. It involves talking to people at homes, hotels, offices, on streets, or in shopping malls. The researcher requested for appointments to interview at least key informants (management personnel in terms of; top managers, head of departments and supervisors from the selected departments) from the four selected hotels. The researcher was able to get audience with all of them and the exercise took a period of one month. The information sought was based on the research objective. For each respondent, the interview took a maximum of 15 minutes. Findings from these interviews were used as additional information to the survey data.

Data Analysis

After the data was collected, it was cleaned, coded into the computer and analyzed with the aid of Microsoft Excel package and Statistical Package for Social Sciences (SPSS) version 21.0. Descriptive and inferential statistics were used during the analysis. Descriptive statistics was used to describe and summarize the data to enable meaningful description of the distribution of the scores or measurements. Correlation was used to assess the relationship between involvement culture and performance. Data was presented using frequency tables.

Findings

Effect of involvement culture on performance

The objective of the study was to establish the effects of involvement culture on performance. The respondents were presented with Likert scale questions; SA- strongly agree, A- agree, U- undecided, D-disagree, and SD- strongly disagree, rated 5 to 1 respectively. They were requested to respond by selecting the option that best suits their opinion on the statements given.

Table 2. Sample Size Distribution.

| Hotel | Target population | | | | | |
|------------------|-------------------|--------------|---------------------------|------------|---------------------|------------|
| | Front office | Housekeeping | Food and Beverage Service | Production | Sales and marketing | Total |
| Intercontinental | 8 | 13 | 13 | 13 | 9 | 56 |
| Sarova | 8 | 11 | 15 | 12 | 10 | 56 |
| Hilton | 8 | 12 | 12 | 10 | 9 | 51 |
| Laico regency | 9 | 12 | 12 | 11 | 9 | 53 |
| Total | | | | | | 216 |

(Source: Hotel register, 2014)

Table 3. Involvement culture.

| Statement | Agree | | Undecided | | Disagree | |
|---|-------|------|-----------|------|----------|------|
| | F | % | F | % | F | % |
| Our organization empower its employee`s to achieve its overall performance | 166 | 83.9 | 13 | 6.6 | 19 | 9.6 |
| Our organization build its employee`s around teams | 158 | 79.8 | 23 | 11.6 | 17 | 8.5 |
| Our organization develop human capabilities at all levels | 163 | 82.3 | 23 | 11.6 | 12 | 6 |
| We are committed to our organization | 157 | 79.3 | 16 | 8.1 | 25 | 12.6 |
| We own piece of our organization in contributing to the decision-making to our success. | 158 | 81.3 | 19 | 9.6 | 18 | 9.1 |
| We work cooperatively towards a common goal | 178 | 89.9 | 6 | 3.0 | 14 | 7.2 |

Table 4. Correlation between involvement culture and performance.

| | | Performance |
|---------------------|---------------------|-------------|
| Performance | Pearson Correlation | 1 |
| | Sig. (2-tailed) | |
| Involvement culture | Pearson Correlation | .291** |
| | Sig. (2-tailed) | .000 |
| | N | 198 |

During analysis, the strongly agree and agree response were summed up as agree, while strongly disagree and disagree were presented as disagree. The findings indicated that majority of the organization empower their employees to achieve its overall performance, 166(83.9%) agreed and 19(9.6%) disagreed. Most respondents, 158(79.8%) agreed that the organization build its employee`s around teams, while 17(8.5%) disagreed.

The study established that organizations develop human capabilities at all levels, as indicated by 163(82.3%) of the respondents that agreed and 17(8.5%) disagree. Majority of the respondents 157(79.3%) agreed that they are committed to their organizations, while 18(9.1%) disagreed. It was also found that employees feel that they own piece of the organization in contributing to the decision-making to success, 158(81.3%) agreed and 18(9.1%) disagreed. Also, most respondents, 178 (89.9%) agreed that they work cooperatively towards a common goal, as shown in table 3.

Relationship between involvement culture and performance

Correlation analysis was done to establish the relationship between involvement culture and performance. The results indicated a positive significant ($r = 0.291$, $p = 000$) relationship between involvement culture.

Conclusions and Recommendations

Involvement culture was found to have a positive but weak relationship with performance. The study indicated that, the organization should ensure that the employees have shared belief, values and expectation to ensure realization of performance. The researcher therefore recommends that, for organizations to achieve the desired performance all the employees in the organization should be involved to drive the performance agenda.

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