

**ORGANIZATIONAL LEARNING AND EMPLOYEE PERFORMANCE IN  
CLASSIFIED HOSPITALITY FIRMS IN KENYA**

**PAUL THUMBI NJOROGI: BA (MOI), MBA (KU)**

**D86/CTY/38322/2016**

**A THESIS SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL  
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF DOCTOR OF  
PHILOSOPHY IN BUSINESS (HUMAN RESOURCE MANAGEMENT) OF  
KENYATTA UNIVERSITY**

**AUGUST, 2021**

## DECLARATION

This thesis is my original work and has not been presented for a degree in any other university.

Sign..... Date.....

Njoroge Paul Thumbi  
Department of Business Administration

We confirm that the work reported in this thesis was done by the candidate under our supervision as the University appointed supervisors.

Signature..... Date.....

Dr. Hannah Bula (PhD)  
Department of Business Administration,  
School of Business,  
Kenyatta University

Signature..... Date.....

Dr. Rosemarie Wanyoike (PhD)  
Department of Business Administration,  
School of Business,  
Kenyatta University

## **DEDICATION**

This work is dedicated to my wife Ceciliah Wanjiru, my daughter Nesley Wangari, and my sons Alvin Njoroge and Elvis Muruthi for their prayers, unwavering support and encouragement.

## **ACKNOWLEDGEMENTS**

I would like to thank Almighty God for His providence, mercy and grace that has seen me through this journey.

I am also immensely grateful to my Supervisors Dr. Hannah Bula and Dr. Rosemarie Wanyoike for their immeasurable academic advice and guidance during the various stages of this work. They have always been available to provide insights which have helped to shape this thesis. From them, I received invaluable mentorship on how to conduct research work and was introduced to various local and international forums that broadened my knowledge and exposure to academic discourses.

I appreciate my family for their unwavering support, steadfast prayers and encouragement. My wife, Cecilia, has been a steady pillar along the way. She kept nudging me to remain focused and stepped in to offer me the emotional support whenever I needed.

I also acknowledge with gratitude significant contribution of my PhD course work lecturers Dr. Stephen M. A. Muathe and Dr. Jedidah Muli for igniting my interest in research and scholarship.

## TABLE OF CONTENTS

<b>Declaration .....</b>	<b>ii</b>
<b>Dedication.....</b>	<b>iii</b>
<b>Acknowledgements .....</b>	<b>iv</b>
<b>Table of Contents.....</b>	<b>v</b>
<b>List of Tables.....</b>	<b>x</b>
<b>List of Figures .....</b>	<b>xiii</b>
<b>Abbreviations and Acronyms .....</b>	<b>xiv</b>
<b>Operational Definition of Terms .....</b>	<b>xv</b>
<b>Abstract .....</b>	<b>xix</b>
<b>CHAPTER ONE: INTRODUCTION.....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.1.1 Employee Performance .....	6
1.1.2 Organizational Learning.....	8
1.1.3 Work Engagement.....	11
1.1.4 Organizational Culture .....	12
1.1.5 Hospitality Firms in Kenya .....	14
1.2 Statement of the Problem.....	16
1.3 Objectives of the Study.....	19
1.3.1 General Objective of the Study .....	19
1.3.2 Specific Objectives.....	19
1.4 Research Hypotheses .....	19
1.5 Significance of the Study .....	20
1.5.1 Significance to Policy Makers.....	20
1.5.2 Significance to Managerial Practice.....	22
1.5.3 Significance to Theory .....	23
1.6 Scope of the Study .....	24
1.7 Limitations of the Study .....	25
1.8 Organization of the Study.....	26
<b>CHAPTER TWO: LITERATURE REVIEW .....</b>	<b>27</b>
2.1 Introduction.....	27
2.2 Theoretical Background.....	27

2.2.1 Theory of Organizational Learning.....	27
2.2.2 Ability, Motivation and Opportunity Theory.....	32
2.2.3 Task and Contextual Performance Model.....	35
2.2.4 Organizational Culture Theory.....	37
2.2.5 Kahn’s Engagement Theory.....	40
2.3 Empirical Review .....	45
2.3.1 Knowledge Acquisition and Employee Performance .....	45
2.3.2 Information Distribution and Employee Performance .....	47
2.3.3 Information Interpretation and Employee Performance.....	49
2.3.4 Organizational Memory and Employee Performance .....	51
2.3.5 Organizational Learning, Work Engagement and Employee Performance .....	53
2.3.6 Organizational Learning, Organizational Culture and Employee Performance .....	58
2.4 Summary of Research Gaps.....	61
2.5 Conceptual Framework.....	69
<b>CHAPTER THREE: RESEARCH METHODOLOGY.....</b>	<b>72</b>
3.1 Introduction.....	72
3.2 Research Philosophy.....	72
3.3 Research Design .....	73
3.4 Empirical Models.....	73
3.4.1 Multiple Regression Model.....	73
3.4.2 Mediation Model .....	74
3.4.3 Moderation Model.....	77
3.5 Target Population.....	81
3.6 Sampling Design and Procedure.....	81
3.7 Data Collection Instruments .....	83
3.8 Data Collection Procedure .....	84
3.9 Validity and Reliability of Research Instruments.....	85
3.9.1 Validity.....	85
3.9.2 Reliability.....	87
3.10 Data Analysis .....	88
3.11 Diagnostic Tests.....	89
3.11.1 Normality Tests .....	89

3.11.2 Linearity Test .....	90
3.11.3 Autocorrelation Test.....	90
3.11.4 Multicollinearity Test.....	91
3.12 Ethical Consideration.....	94
<b>CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION .....</b>	<b>95</b>
4.1 Introduction.....	95
4.2 Reliability of Research Instrument .....	95
4.3 Response Rate.....	96
4.4 Demographic Characteristics of Respondents .....	97
4.5 Descriptive Statistics.....	99
4.5.1 Descriptive Statistics for Knowledge Acquisition .....	99
4.5.2 Influence of Knowledge Acquisition on Employee Performance Indicators.....	100
4.5.3 Influence of Knowledge Acquisition on Work Engagement .....	102
4.5.4 Descriptive Statistics for Information Distribution.....	102
4.5.5 Influence of Information Distribution on Employee Performance Indicators .....	105
4.5.6 Influence of Information Distribution on Work Engagement.....	106
4.5.7 Descriptive Statistics for Information Interpretation .....	107
4.5.8 Influence of Information Interpretation on Employee Performance Indicators.....	109
4.5.9 Influence of Information Interpretation on Work Engagement .....	111
4.5.10 Descriptive Statistics for Organizational Memory.....	111
4.5.11 Influence of Organizational Memory on Employee Performance Indicators .....	113
4.5.12 Influence of Organizational Memory on Work Engagement.....	115
4.5.13 Descriptive Statistics for Work Engagement .....	116
4.5.14 Influence of Work Engagement Factors on Employee Performance Indicators...	117
4.5.15 Descriptive Statistics for Organizational Culture.....	120
4.5.16 Descriptive Statistics for Employee Performance.....	122
4.5.17 Organizational Learning influence on Employee Performance .....	124
4.5.18 Summary of Descriptive Statistics .....	126
4.6 Inferential Statistics .....	128
4.6.1 Diagnostic Tests .....	128
4.6.2 Correlation between Organizational Learning and Employees' Performance.....	131
4.6.3 Correlation between Organizational Learning and Work Engagement .....	133

4.6.4 Correlation between Work Engagement and Employee Performance.....	134
4.6.5 Regression Analysis .....	135
4.6.6 Mediation Analysis .....	139
4.6.7 Moderation Analysis .....	145
4.6.8 Summary of the Test of Hypotheses .....	149
4.6.9 Summary of Inferential Statistics.....	151
4.7 Content Analysis.....	151
4.7.1 Managing Knowledge Acquisition for Improved Employee Performance.....	152
4.7.2 Managing Information Distribution for Improved Employee Performance .....	153
4.7.3 Managing Information Interpretation for Improved Employee Performance.....	154
4.7.4 Managing Organizational Memory for Improved Employee Performance .....	155
4.7.5 Managing Work Engagement for Improved Employee Performance.....	156
4.7.6 Ways in Which Organizational Culture Affects Organizational Learning and Employee Performance .....	157
4.7.7 Ways of Improving Employee Performance in the Organization .....	158
<b>CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>160</b>
5.1 Introduction.....	160
5.2 Summary of the Findings.....	160
5.2.1 Effect of Knowledge Acquisition on Employee Performance .....	161
5.2.2 Effect of Information Distribution on Employee Performance.....	162
5.2.3 Effect of Information Interpretation on Employee Performance .....	164
5.2.4 Effect of Organizational Memory on Employee Performance.....	165
5.2.5 Mediation Effect of Work Engagement on the Relationship between Organizational Learning and Employee Performance .....	167
5.2.6 Moderation Effect of Organizational Culture on the Relationship between Organizational Learning and Employee Performance .....	169
5.2.7 Employee Performance .....	170
5.3 Conclusions.....	173
5.4 Recommendations.....	178
5.4.1 Recommendation to Policy Makers .....	178
5.4.2 Recommendations for Practice.....	180
5.5 Contribution of the Study to Knowledge.....	184



5.6 Suggestions for Further Research .....	186
<b>REFERENCES .....</b>	<b>189</b>
<b>APPENDICES .....</b>	<b>208</b>
Appendix I: Supplementary Statistical Analyses.....	208
Appendix II: Approval of Research Proposal.....	213
Appendix III: Research Authorization .....	214
Appendix IV: Research License .....	215
Appendix V: Letter of Introduction .....	216
Appendix VI: Questionnaire .....	217
Appendix VII: List of Classified Hospitality Firms in Kenya.....	226

## LIST OF TABLES

<b>Table 2.1:</b> Summary of Theoretical Review.....	43
<b>Table 2.2:</b> Summary of Empirical Review and Research Gaps .....	65
<b>Table 3.1:</b> Decision Making Criteria for Mediation .....	77
<b>Table 3.2:</b> Decision Making Criteria for Moderation .....	78
<b>Table 3.3:</b> Measurement of the Study Variables.....	79
<b>Table 3.4:</b> Distribution of Target Population.....	82
<b>Table 3.5:</b> Sampling Frame and Sample Distribution.....	83
<b>Table 3.6:</b> Reliability of Questionnaire Items.....	88
<b>Table 3.7:</b> Hypothesis Testing.....	93
<b>Table 4.1:</b> Reliability Test Results.....	97
<b>Table 4.2:</b> Distribution of Response Rate.....	98
<b>Table 4.3:</b> Demographic Characteristics of Respondents.....	99
<b>Table 4.4:</b> Knowledge Acquisition.....	100
<b>Table 4.5:</b> Influence of Knowledge Acquisition on Employee Performance.....	102
<b>Table 4.6:</b> Influence of Knowledge Acquisition on Work Engagement.....	103
<b>Table 4.7:</b> Information Distribution.....	104
<b>Table 4.8:</b> Influence of Information Distribution on Employee Performance.....	106
<b>Table 4.9:</b> Influence of Information Distribution on Work Engagement.....	108
<b>Table 4.10:</b> Information Interpretation.....	109
<b>Table 4.11:</b> Influence of Information Interpretation on Employee Performance.....	111
<b>Table 4.12:</b> Influence of Information Interpretation on Work Engagement.....	112
<b>Table 4.13:</b> Organizational Memory.....	113
<b>Table 4.14:</b> Influence of Organizational Memory on Employee Performance.....	115
<b>Table 4.15:</b> Influence of Organizational Memory on Work Engagement.....	116
<b>Table 4.16:</b> Work Engagement and Employee Performance.....	117
<b>Table 4.17:</b> Influence of Physical Engagement on Employee Performance .....	118
<b>Table 4.18:</b> Influence of Emotional Engagement on Employee Performance.....	119
<b>Table 4.19:</b> Influence of Cognitive Engagement on Employee Performance.....	120
<b>Table 4.20:</b> Organizational Culture.....	122
<b>Table 4.21:</b> Employee Performance.....	124

<b>Table 4.22:</b> Organizational Learning Influence on Employee Performance.....	126
<b>Table 4.23:</b> Shapiro-Wilk Test for Normality.....	129
<b>Table 4.24:</b> Results of Durbin-Watson Statistic.....	130
<b>Table 4.25:</b> Results of Collinearity Statistics.....	131
<b>Table 4.26:</b> Correlation between Organizational Learning and Employee Performance.....	132
<b>Table 4.27:</b> Correlations between Organizational Learning and Work Engagement.....	134
<b>Table 4.28:</b> Correlation between Work Engagement and Employee Performance.....	135
<b>Table 4.29:</b> Model Summary.....	136
<b>Table 4.30:</b> ANOVA.....	136
<b>Table 4.31:</b> Regression Coefficients for Independent Variables.....	137
<b>Table 4.32:</b> Model Summary for Mediation.....	140
<b>Table 4.33:</b> ANOVA for Organizational Learning and Employee Performance.....	140
<b>Table 4.34:</b> Coefficients for Organizational Learning and Employee Performance.....	141
<b>Table 4.35:</b> Model Summary for Organizational Learning and Work Engagement.....	142
<b>Table 4.36:</b> ANOVA for Organizational Learning and Work Engagement.....	142
<b>Table 4.37:</b> Coefficients for Organizational Learning and Work Engagement.....	143
<b>Table 4.38:</b> Model Summary for Mediation.....	144
<b>Table 4.39:</b> ANOVA for Mediation.....	144
<b>Table 4.40:</b> Coefficients for Mediation.....	144
<b>Table 4.41:</b> Model Summary for Moderation.....	146
<b>Table 4.42:</b> ANOVA for Moderation.....	147
<b>Table 4.43:</b> Coefficients for Organizational Learning and Employee Performance.....	147
<b>Table 4.44:</b> Coefficients of Moderation Analysis.....	148
<b>Table 4.45:</b> Model Summary for Change Statistics.....	149
<b>Table 4.46:</b> Summary of Hypotheses Test.....	151
<b>Table A.1:</b> Reliability Output for Knowledge Acquisition.....	209
<b>Table A.2:</b> Reliability Output for Information Distribution.....	209
<b>Table A.3:</b> Reliability Output for Information Interpretation.....	209
<b>Table A.4:</b> Reliability Output for Organizational Memory.....	210
<b>Table A.5:</b> Reliability Output for Work Engagement.....	210
<b>Table A.6:</b> Reliability Output for Organizational Culture.....	210

<b>Table A.7:</b> Reliability Output for Employee Performance.....	210
<b>Table A.8:</b> Test of Normality for Independent Variables.....	211
<b>Table A.9:</b> Collinearity Output.....	211
<b>Table A.10:</b> Correlation Matrix.....	211
<b>Table A.11:</b> Model Summary.....	212
<b>Table A.12:</b> ANOVA (F-Test).....	212
<b>Table A.13:</b> Regression Coefficients for Independent Variables and Dependent Variables....	212
<b>Table A.14:</b> Coefficients for Mediation.....	212
<b>Table A.15:</b> Coefficients of Moderation.....	213

## LIST OF FIGURES

<b>Figure 2.1:</b> Conceptual Framework .....	70
<b>Figure 3.1:</b> Schematic Mediation Model .....	75
<b>Figure 4.1:</b> Mediation Model .....	145

## **ABBREVIATIONS AND ACRONYMS**

<b>AMO</b>	:	Ability Motivation and Opportunity
<b>HRM</b>	:	Human Resource Management
<b>CVF</b>	:	Competing Value Framework
<b>GDP</b>	:	Gross Domestic Product
<b>GOK</b>	:	Government of Kenya
<b>KAHC</b>	:	Kenya Association of Hotel Keepers and Caterers
<b>KNBS</b>	:	Kenya National Bureau of Statistics
<b>NACOSTI</b>	:	National Commission for Science, Technology and Innovation
<b>NTB</b>	:	National Tourism Board
<b>SMEs</b>	:	Small Micro Enterprises
<b>SPSS</b>	:	Statistical Package for Social Science
<b>TRA</b>	:	Tourism Regulatory Authority
<b>USA</b>	:	United States of America
<b>UWES</b>	:	Utrecht Work Engagement Scale

## OPERATIONAL DEFINITION OF TERMS

- Citizenship Behaviour** : Employee's voluntary commitment to the organization reflected by assisting colleagues, following regulations, and participating in the affairs of the organization
- Classified Hospitality Firms** : Establishments that are classified by Tourism Regulatory Authority as five star, four star, three star, two star and one star and include hotels, restaurants, camps and lodges.
- Cognitive Engagement** : Describes the employee's job focus, absorption and vigilance in performance of tasks
- Contextual Performance** : Describes the non-task related work behaviors that contribute to the organization's social climate.
- Efficiency** : Employee's ability to perform roles effectively and competently without mistakes and solve problems arising in execution of their tasks
- Emotional Engagement** : Involves the employee's attachment, dedication, enthusiasm and pride in one's work performance
- Employee Performance** : Employee's output from job and non-job related activities reflected in service delivery, efficiency, team work and citizenship behaviour demonstrated in the commitment to realization of organizational objectives.
- Explicit Knowledge** : Information found in organization's routines, guidelines and practices and is easily transferable and accessible within the organizational domain.

- Hospitality Firms** : These are establishments in the tourism industry that provide catering, accommodation and conferencing facilities and are registered with Kenya Association of Hotel Keepers and Caterers
- Information Distribution** : Process through which information is spread across the organization and is indicated by communication, social networks, cross-training and inter-departmental meetings.
- Information Interpretation** : Process of achieving shared understanding and perspectives of organizational information which is achieved through shared perspectives, interpretative frames, unlearning and interpretation promptness
- Innovation and Risk Taking** : Involve the extent to which the firm values and supports generation and implementation of new ideas
- Job Proficiency** : Refers to ability, experience and knowledge required for an employee to perform a given task effectively.
- Knowledge Acquisition** : Domains through which individuals, groups and the organization acquire knowledge which include congenital learning, experiential learning, searching and grafting.
- Organizational Culture** : Comprise values and norms that are shared and shape organizations processes, systems and behaviour
- Organizational Learning** : Process of through which knowledge is acquired, distributed, interpreted and stored in the organization.



- Organizational Memory** : Means by which past and present knowledge reflects on activities performed in the organization such as procedures, skills databases, specialists, and development programs
- Organizational Performance** : Output of an organization's operations indicated by both financial and non-financial elements including revenue, profitability, customer satisfaction and competitiveness
- Outcome Orientation** : Entail the extent to which an firm's values are focused on results and goal attainment
- People Orientation** : Refers to the degree to which an organization is focused on values of fairness, support and observance of individual rights
- Physical Engagement** : Refers to the extent to which a worker exerts energy, resilience and vigour in performance of tasks
- Service Delivery** : Employee's task of providing services to customer as required by the organization in terms of quality, timeliness and adherence to standards
- Tacit Knowledge** : Knowledge embedded in individual employees in form of beliefs, ideas, perceptions and experience which is manifested through individual employee's actions and is non-transferable but can only be shared through experience.

- Task Execution** : Involves technical and specialized activities carried out by an employee in performance of the specific job aimed at realizing results as per the set standards in terms of quality and quantity.
- Task Performance** : Describes the effectiveness with which individual employees carry out specialized and technical activities related to their specific job requirements defined in terms of role execution, job proficiency and team work.
- Team work** : Entails employee's devotion to collaborating with co-workers in execution of team or group assignments and achievement of team goals.
- Work Engagement** : Employee's personal investment of physical resources entailing energy, resilience and vigor, emotional resources involving dedication to work, and cognitive resources involving job focus, absorption and vigilance in performance of their tasks and role.

## ABSTRACT

Employee performance is critical to effectiveness, competitiveness and sustainability of classified hospitality firms. Organizational learning is key in developing organization's human capital capabilities to respond to volatile business environment. This study sought to establish the linkage between organizational learning and employee performance in classified hospitality firms in Kenya. The study examined the influence of knowledge acquisition, information distribution, information interpretation and organizational memory on employee performance. Work engagement and organizational culture mediated and moderated the relationship respectively. The theories that underpinned the study were organizational learning theory, ability, motivation and opportunity theory, Kahn engagement theory and organizational culture theory. Positivist research philosophy and descriptive and explanatory research design were adopted. From a target population of 75 firms comprising five star, four star and three star rated firms, 225 respondents were selected comprising managers in charge of human resources, food and beverage and accommodation and conferencing sections from each firm. A self-administered questionnaire was used for data collection. A pilot study was conducted and the questionnaire was revised. The data collection tool had a high internal consistency with Cronbach's alpha of  $> 0.7$ . Data was analyzed and interpreted using descriptive statistics that included mean and standard deviation and inferential statistics that included multiple regression analysis and correlation analysis. The tests were conducted at 95% level of confidence. Before subjecting data to analysis, diagnostic tests were conducted. The findings of this study reveal that organizational learning significantly predicts employee performance. Organizational learning variables, knowledge acquisition, information distribution, information interpretation and organizational memory, had a statistically significant positive correlation with employee performance. The correlation between work engagement and employee performance revealed a statistically significant positive correlation. Mediation analysis indicated that work engagement has partial mediation influence on the relationship between organizational learning and employee performance and the moderation analysis found that organizational culture has moderator effect on the relationship between organizational learning and employee performance. It is evident from the findings of the study that effective implementation of organizational learning practices and adoption and promotion of organizational contexts characterized by work engagement and values of innovation and risk taking, employee orientation and outcome orientation enhance employee outcomes in service delivery, efficiency and citizenship behaviour. The study recommends that firms should create an enabling environment for knowledge acquisition, new ideas generation and implementation, information and knowledge distribution, effective system of knowledge and skills inventory, retention of specialists and updated development programs. Formal mechanisms for knowledge sharing and cross functional projects should be implemented. Firms should ensure that employees have a shared framework of information interpretation and synthesis. A climate of collaboration and trust should be cultivated to ensure employees freely express themselves, network and share ideas. In order to create a climate of engagement, firms should focus on motivational aspects of jobs such as job autonomy and participatory decision making. To build a high performance culture, firms should seek a balance of values of innovation and risk taking, outcome orientation and people orientation rather than an extreme orientation to one cultural dimension.



## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the Study

Employee performance has been a central theme in human resource literature for decades (Appelbaum, Bailey, Berg, & Kalleberg, 2000; Borman & Motowidlo, 1993; Boxall, Guthrie & Paauwe, 2016; Guest, 2002; Nishi, Lepak & Schneider, 2008; Takeuchi & Takeuchi, 2013). This is attributed to the understanding that employee performance is the mainstay of organizational performance (Ketkar & Puri, 2017; Peccei & van de Voorde, 2019). It is argued that overemphasize on analysis of firm level performance at the expense of employee level performance is a misnomer since the drivers of performance are hinged on employee attitudes, abilities, skills, motivation and opportunity to contribute to organizational affairs (Boselie, 2010; Boxall & Macky, 2009). The strategic role of employees in the firm is today acknowledged as foremost lever for competitiveness, growth and sustainability (Barney, 2001; Becker & Huselid, 2006; Ketkar & Puri, 2017). Therefore, organizations need to pay closer attention to employee performance.

Organizations which are predominantly service-oriented are today leveraging on employee performance for effectiveness and efficiency in service delivery. For organizations to maximize performance of employees, they must implement strategies, practices and cultures that match employee's needs for performance and behavior change (Becker & Huselid, 2006). Organizational learning provides the capability necessary for responding to changes and disruptions in the through effective systems of acquiring knowledge, distributing information, interpreting information and storage of information. Organizational learning transcends firm level and individual level dynamics of a firm (Gomes & Wojahn, 2016). At the individual level, the focus is on the effect of organizational learning practices on task and contextual elements of

employee performance (Lin & Lee, 2017; Tsai & Chen, 2010). Employee performance and its antecedents are impacted by organizational contexts that entail work engagement and organizational culture (Isa, Ugheoke & Noor, 2016).

Organizations rely heavily on human interactions to achieve optimal performance in terms of efficiency and service delivery. This situation places a high demand for qualified and experienced personnel to guarantee the high performance expected in an uncertain business environment. Therefore, success of hospitality firms is largely hinged on employee performance (Isa, *et al.*, 2016). Empirical studies reveal that firm performance is realized only to the extent the abilities, skills and opportunities of the employees goes (Mackay & Boxall, 2006). It is acknowledged in literature that learning is critical in developing employees' ability to perform tasks and motivation to perform continue performing their roles and make contribution in the affairs of the organization (Appelbaum, *et al.*, 2000). Organizational learning facilitates behavioural change, increases efficiency and effectiveness of the workforce and facilitates the achievement of organizational goals and objectives (Rose, Kumar & Pak, 2009). An organization equipped with a learning culture has the requisite capacity to influence employee behavioural outcomes through appropriation of current knowledge and transfer, exchange and sharing of new knowledge (Lin & Lee, 2017).

The significance of employees' performance to organizational effectiveness is premised on the understanding that employees provide the most valuable resource for competitiveness (Zhang & Li, 2009). This competitive leverage is derived from employees' skills, competencies, talents, experience and behaviour which are inimitable in nature as advanced by the resource based view (Barnley, 1991). The inimitability nature of human resources and the central role of employees' behaviour and performance to organizational performance provides a strong basis to invest in

the development of employees through learning endeavours (Gomes & Wojahn, 2016). It is also argued that organizational learning process plays a significant role in aligning employees to organizational goals, vision and mission and thus improving their citizenship behaviour. Further, extant literature links organizational learning processes to employee abilities and skills, attitudes and perceptions towards work and general behavioural outcomes in relation to corporate affairs (Zhang & Li, 2009).

Focus on employee performance becomes critical particularly when the organization is facing external threats such as competition or it has been recording declining performance (Dhammika, 2013). It is reckoned that with efficient and effective management of employee's performance the fortunes of a firm may be changed since the employees have a prior and vantage view of opportunities and threats for organizational products, services, and customers and hence critical in process, product or market change (Wallace, Butts, Johnson, Stevens & Smith, 2013). An organization that has implemented organizational learning practices, knowledge acquisition, sharing and distribution of information, information interpretation and organizational memory, has more opportunity to cultivate innovative behaviour and high performance at employee level (Lin & Lee, 2017). The characteristics of learning-oriented organizations include extensive employee learning and development programs, acquisition of new knowledge and information distribution (Tsai & Chen, 2010)

Organizational learning scholars argue that knowledge, like human resources, is a significant resource in organizational differentiation, competitiveness and innovativeness because of the rarity and inimitable nature of knowledge (Rhee, Park, & Lee, 2010). Lee and Huang (2012) aver that a firm's learning capacity transcends every sphere of organization system, culture and structure. Extant literature place the employee at the heart of organizational learning and

performance as firms are reliant on employee's creativity, innovativeness, knowledge and skills sharing (Jong & Hartog, 2007). Supporting this view, Janssen, Jansen, Bosch and Volberda (2006) posit that employees play significant role in idea generation, dissemination and implementation.

Empirical studies on organizational learning and employee performance are prominent in the developed world, particularly in United States of America (USA), Europe and Asia (Ajayi, Odusanya, & Morton, 2017). Empirical studies focusing on employee performance are replete in Europe and Asia based on the argument that resource intensity in these regions provide conducive environment for employee productivity and high performance (Cingoz & Akdogan, 2013). However, there is marginal empirical literature on the concepts of organizational learning and employee performance in the developing economic contexts. Despite this assertion, a few voices have delved into this area and key among these scholars is Ajayi, *et al.* (2017) study that examined the linkage between the organisational context, employee engagement and market innovation. The contextual nature of organizational learning makes it pertinent to study it in different industry and economic environments.

Hospitality firms are part of the tourism industry which has a global social and economic impact. The hospitality operate in a highly volatile and competitive environment which demands improved performance at both organizational and employee levels (Zahari, 2004). To maintain this delicate balance of sustaining present and future viability, employee's performance plays a critical role that can be achieved through a learning culture that fosters sharing of current and new knowledge among employees (Lin & Lee, 2017). This learning is aimed at acquisition and application of requisite knowledge, skills, competencies and capabilities for new products development and improvement of organizational processes. Therefore, the survival of



hospitality firms is hinged on employee performance driven by continuous learning (Wallace, *et al.*, 2013).

To achieve optimum performance in hospitality sector, employees play a critical role. The main barriers to achieving optimal employee performance is attributed to unsupportive organizational climates, lack of learning culture, and poor management of employee welfare (Bilgihan & Nejad, 2015). To address the customer needs for quality products and service delivery, hospitality firms have to improve performance at employee level (Li & Zheng, 2014). This paradigm is achieved by leveraging on knowledge and organizational learning through a learning climate characterized by sharing of current and new knowledge among employees. Firms should develop personal creativity, enhance sharing of knowledge and effectively acquire relevant knowledge on new trends and best practices in the industry (Zaitseva, 2013). Organizational learning significance in hospitality firms is emphasized by Gomes and Wojahn (2016) view that organization's ability to optimize knowledge resources and learn continuously will predicate effectiveness. Ketkar and Puri (2017) assert that such level of capability is best executed at employee level, therefore, drawing a linkage between organizational learning and employee's performance.

Hogan and Coote (2014) assert that an organization is a social and physical construction which is shaped by its culture. Empirical evidence reveals that organizational culture significantly affects organization's behaviour and performance (Hogan & Coote, 2014), employee performance (Emeka & Philemon, 2012) and organizational learning (Zheng, Yang, & McLean, 2010). Bandura (2006) postulates that learning comprises social dimensions whose elements and measures are influenced by the context. However, cultures vary from one organization to another and from one social context to another (Afaneh, Khaireddin, Sanjuq & Qaddoumi,

2014). Therefore, organizational culture was studied as a moderator of the relationship between organizational learning and employee performance (Erkutlu, 2011).

### **1.1.1 Employee Performance**

Employee performance can be broadly described as an employee output from task performance and behaviour linked to achievement of organizational goals (Campbell, 1990). The scientific management perspective view of employee performance was largely concerned with quantity output of the worker. With advent of human relations school of thought, the view of employee performance was enhanced to include both quantity and quality dimensions. Therefore, employee performance was measured in terms of efficiency (rate of output), efficacy (goal accomplishment) and quality (standards of performance) (Dhammika, 2013).

Extant literature reveals that, employee performance has been measured at various standpoints and using different measures (Luo, Shi, Li, & Miao, 2008; Pradhan & Jena, 2017). The construction of the dimensions of employee performance is informed by the need to manage employee performance optimally and from the understanding that this performance is multidimensional. Although the concept of employee performance has been extensively investigated, measurement of individual employee performance remains contentious and of great concern both empirically and in practice in face of evolving organization and business dynamics (Dhammika, 2013; Pradhan & Jena, 2017).

However, various scholars have adopted various methods to conceptualize and operationalize the construct of employee performance. Constructs such as turnover intentions, commitment, motivation, engagement and job satisfaction have been included in the wider concept of employee performance. Some studies have adopted a unidimensional view of employee performance by focusing exclusively on job performance while others have adopted a multi-

dimensional approach that incorporates job-specific aspects and non-job specific aspects of performance. This state of literature brings empirical vagueness and compounds the challenge of conceptualizing employee performance (Luo, Shi, Li, & Miao, 2008).

The view of employee performance as a combination of both task and contextual performance is emboldened by Motowidlo, Borman and Schmit (1997) assertion that employee performance is behaviourally multidimensional. This view ensue from the understanding that performance is a behavioural construct that can be evaluated and comprise both task and contextual elements. According to Borman and Motowidlo (1993), task performance comprise behaviours linked to the job processes while contextual performance relates to the behavior linked to social, cultural and psychological aspects of the organization.

The dimensions of task performance primarily refers to employee's proficiency, communication, discipline, team work, and leadership while the contextual performance dimensions comprise voluntary activities, cooperating with colleagues, assisting team mates, following rules and regulations and participating in corporate activities. From the foregoing, it is evident that the dimensions of contextual performance are closely related to citizenship behaviour elements of altruism, courtesy, sportsmanship, conscientiousness and civic virtue. The specific dimensions of citizenship behaviour relevant to this study are altruism which involves activities of helping and assisting colleagues, conscientiousness which entails adhering to the laid down rules, regulations and procedures, and civic virtue which involves employee's contribution to the affairs of the organization (Organ, 1997; Podsakoff, *et al.*, 2000).

In this study, employee performance was conceptualized as a multidimensional construct. The indicators of employee performance, therefore, included service delivery, efficiency, teamwork, citizenship behavior. These measures have been adopted in empirical literature (Dhammika,

2013). Service delivery refers to employee's task of providing services to customer as required by the organization in terms of quality, timeliness and adherence to standards. On the other hand, efficiency is the employee's ability to perform roles effectively and competently without mistakes and solve problems arising in execution of their tasks. Teamwork entails employee's devotion to collaborating with co-workers in execution of team activities and achievement of team goals and leading team assignments (Borman & Motowidlo, 1993). Lastly, citizenship behaviour involve voluntary commitment to the organization reflected by helping and assisting colleagues, accepting and adhering to the rules, regulations and procedures of the organization, and participating and making contribution in the affairs of the organization (Organ, 1997).

### **1.1.2 Organizational Learning**

The emphasis of the past studies on organizational learning has oscillated on the centrality of knowledge acquisition, sharing and utilization for organizational efficiency (Easterby-Smith & Lyles, 2011). However, recent studies have shifted focus towards long term sustainability of the organization through employee performance (Lee & Huang, 2012). This shift is driven by the understanding that organizational survival, future viability and competitiveness are hinged on fostering a high performance culture that is driven by effective organizational learning practices (Li, Zhang, Liu & Li, 2010).

The concept of organizational learning has received varied descriptions and definitions over the years. Some scholars describe organizational learning as changes linked to environmental adaptation and realignment (Cyert & March, 1963), adaptation and transformation resulting from environmental changes (Argyris & Schon, 1978), blending of ideas and knowledge (Cohen & Levinthal, 1990), knowledge acquisition and utilization (Huber, 1991), exploration and exploitation of knowledge resources (March, 1991), acquisition, sharing and utilization of

knowledge (Nevis, *et al*, 1995), change process in individuals, group and organization in terms of shared and applied knowledge (Vera & Crossan, 2003), process of change in cognition and behaviour of individuals in the organization (Bandura, 2005). For this study, organization learning was operationalized as the process of acquiring knowledge, distributing information, interpreting information and storage of knowledge.

The concept of organization learning has been studied using different approaches. There are scholars who have studied the concept of organizational learning as a process, for instance, Huber's (1991) model of organizational learning comprises knowledge acquisition, information distribution, information interpretation and organizational memory. The model advanced by Crossan, *et al.* (1999) comprises knowledge intuition, interpretation and integration. Argote (2011), on the other hand, view the process as knowledge creation, knowledge retention, knowledge transfer and institutionalizing. Other scholars view, organizational learning as a subset of organizational culture comprising commitment to learning, communication, open mind, knowledge sharing, shared vision, connection with the environment, leader support and reward system (Calantone, Cavusgil & Zhao, 2002).

Further, organizational learning has also been studied as an organizational capability variable with scholars adopting different indicators for operationalization. For instance, Gomez (2005) construction of organizational learning comprised dimensions such as managerial commitment, systems perspective, experimentation, knowledge transfer and integration while Chiva, *et al.* (2007) components constituted experimentation, risk taking, external environment interaction, dialogue, and participative decision making. On his part, Hsiu-Fen Lin (2008) studied management commitment, systems orientation, knowledge acquisition and distribution. Gelard and Mirsalehi's (2010) model studied open environment, experimentation, risk taking, external

environment interaction, knowledge distribution, participative decision making, continuous training and system thinking.

Despite the divergent approaches adopted in conceptualizing the key indicators of organizational learning, there has been consensus that organizational learning is implemented at individual, group and organizational levels (Argote, 2011). Integrating organizational learning process and implementation, it is evident that the initial stages of learning takes place at individual level, the middle stages at individual and group level and the last stages at both group and organizational level (Sanchez, *et al.*, 2010). For instance, adopting Huber (1991) organizational learning model, knowledge acquisition occurs at individual level, information distribution occurs at both individual and group levels, information interpretation occurs at the group and organizational levels, and organizational memory is an organizational level activity.

According to Huber (1991), organizational learning is linked to four integrated constructs, also referred to as processes, that is, knowledge acquisition which refers to the process by which knowledge is acquired; information distribution, the process by which information acquired from different sources is distributed, shared and exchanged leading to new knowledge; information interpretation, which refers to the process by which information that has been acquired and distributed is interpreted for common and uniform understanding; and organizational memory, which refers to the means by which knowledge is stored for application and utilization in future. Organization acquires knowledge through five processes, which are also considered to be the sub-constructs or sub-processes of knowledge acquisition: congenital learning, experiential learning, grafting and searching.

Information distribution is considered a determinant of the occurrence and breadth of organizational learning. Information interpretation process is critical in giving information

meaning and is influenced by shared meaning, uniformity of framing of the information, communication channel, information load and the amount of unlearning necessary before new interpretation could be generated. Storage and retrieval of knowledge and information is critical for organizational learning. Information and knowledge may be stored in form of routines and procedures, tacit knowledge, skills inventory, knowledge databases, and development programs (Argote, 2011; Scott, 2011).

For the purpose of this study, organizational learning model advanced by Huber (1991) was adapted with knowledge acquisition, information distribution, information interpretation, and organizational memory used as indicators of organizational learning. Knowledge acquisition refers to domains through which individuals, groups and the organization acquire knowledge which include congenital learning, experiential learning, searching and grafting. Information distribution is the process through which information is spread across the organization and is indicated by communication, social networks, cross-training and inter-departmental meetings. Information interpretation entails the process of achieving shared understanding and perspectives of organizational information which is achieved through shared perspectives, interpretative frames, unlearning and interpretation promptness. Organizational memory describes the means by which past and present knowledge reflects on activities performed in the organization such as procedures, skills databases, specialists, and development programs.

### **1.1.3 Work Engagement**

Work engagement, conceptualized as personal investment of individual physical, emotional and cognitive resources to role performance (Christian, Garza & Slaughter, 2011). Rich, LePine, and Crawford (2010) posit that physical resources relate to energy and vigour, emotional resources relates to dedication and attachment, and cognitive resources relate to job focus and

absorption. Engagement theory proposes that the psychological experience that drive work related behaviour are influenced by individual and organizational factors (Kahn (1990). The construct of work engagement is understood to explain employee behaviour and performance (Newman & Harrison, 2008). Empirical literature suggests that work engagement entails motivational effect that lead to higher levels of job performance. Studies reveal that work engagement leads to employee's behaviours and outcomes that are consistent with organizational social and psychological contexts (Christian, *et al.*, 2011).

For the purpose of this study, therefore, work engagement was applied in mediating the linkage between organizational learning and employee performance. The measures of work engagement espoused by Macey and Schneider (2008) and validated by Rich *et al.* (2010) and Christian, *et al.* (2011) were adapted. This choice is informed by the framework's specification of engagement as a mediator among its antecedents such as learning and outcomes such as job performance. Therefore, the indicators of work engagement for this study were willingness to dedicate physical, emotional and cognitive resources to the job (task and contextual) performance. The physical construct entailed energy, resilience and vigour, emotional involved the attachment or dedication to one's work performance, and cognitive involved job focus, absorption and vigilance (Christian, *et al.*, 2011).

#### **1.1.4 Organizational Culture**

The concept of organizational culture has gained prominence in modern management and organization research and practice. Extant literature reveals that organizational culture has a pervading influence on organizational processes, systems and employee behaviour (Emeka & Philemon, 2012). Organizational values and beliefs influence employees' attitudes and behaviour which ultimately impacts on their performance (Afaneh, *et al.*, 2014. Despite the



consensus that organizations are shaped by their culture, varied definitions have emerged in extant literature. For instance, Robbins (2003) describes organizational culture as a singular system of shared meaning that distinguishes organizations. Schein (1996) defines organizational culture as a set of shared assumptions, values and norms that determine individual and group behaviour in an organization. Daft (2006) views organizational culture as comprising assumptions, beliefs, values, norms and standards espoused and shared by organization's members, which determines the acceptable behaviour, and which serves as the human environment where employees undertake their duties.

Extant literature reveals different dimensions and typologies of studying organization culture. Schein (1992) categorizes organizational culture into artifacts, espoused values and the basic underlying assumptions. Schein (2010) refined his earlier model by dividing culture into three constructs, that is, external survival, internal integration issues, and the deeper underlying assumptions. Hofstede (1997) identifies the elements of organizational culture to include symbols, heroes, rituals and values and the five dimensions of organizational culture which influence the behaviour in the organization as power distance, masculinity versus femininity, individualism versus collectivism, uncertainty avoidance, and long term orientation. The competing value framework (CVF) propounded by Quinn and Robert (2011) classifies organizational culture into clan, adhocracy, market, and hierarchy dimensions.

Robbins (2003) advances several factors that determine the unique culture of every organization. These factors include innovation, risk taking, leadership, integration, management support, control, identity, reward system, compromise with conflicts, and communication patterns. These characteristics are identified as measures of a firm's culture. Robbins and Judge (2013) provide a holistic view of organizational culture in a framework that identifies seven characteristics that

determine the dimensions of organizational culture. These characteristics include innovation and risk taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness, and stability.

This study adopted the dimensions of innovation and risk taking, outcome orientation, and people orientation to conceptualize organizational culture. In this case, innovation and risk taking involved the extent to which the firm values and supports generation and implementation of new ideas, outcome orientation entailed the extent to which the organization focuses on results and goal attainment, and people orientation which focused on values of fairness, support and observance of individual rights.

#### **1.1.5 Hospitality Firms in Kenya**

Hospitality firms in Kenya, like in the rest of developing countries, are characterized by low performance at employee level which lead to declining performance at firm level (Kenya National Bureau of Statistics, 2018). A report by Tourism Regulatory Authority (TRA) (2017) indicates that the hospitality sector in Kenya is losing its market share and competitiveness in the region. On average the sector experienced a declining growth rate between 2013 and 2017. The sector registered an average growth of 10% against a projected growth of 15% in 2017 (KNBS, 2018). This rate of growth is slower than of the Kenya's counterparts in East African region Rwanda, Ethiopia and Tanzania. The sector contributes 3.7 per cent to the GDP which is below the Medium Term Plan (MTP) II (2013 to 2017) of Vision 2030 annual targets.

The general tourism industry grew by an average of 20.3 per cent between 2016 and 2017 (KNBS, 2018). This improved performance was attributed to enhanced regional security and aggressive domestic and international marketing of Kenya's tourism products. However, the hospitality sector continues to report shrinking growth rate of 10 per cent. The indicators of the

sectors performance include hotel and lodges occupancy and hotel conferencing facilities. The two indicators registered declining fortunes in 2017, with international conferencing registering a decline of 36.8 per cent in 2017, and occupancy rate declined in some regions such as South Coast, Nairobi, Nyanza Basin, and Western at average rates of 2 per cent. However, growth was witnessed in Nairobi High Class, Coast Beaches and North Coast with an average increase of 11 per cent (KNBS, 2018). The Kenya Utalii College is the government entity set up to provide training to hospitality workforce in the country. The College offers in-service and professional courses. For the period between 2013 and 2017, the graduates who took both in-house and professional courses declined by 4.7 per cent from 3,001 in 2013 to 2,861 in 2017 (KNBS, 2018). This shows a stagnation in the uptake of the programs which ultimately impacts employee performance.

Classified hospitality firms constitute 8.2 per cent of the sector population. Of the 198 firms classified by the TRA, 19 are five star, 58 four star, 58 three star, 60 two star and 3 one star. The criteria for classification is based on available facilities, hygiene and sanitation standards, safety and security levels, and human resources which considers management, staff welfare, and workforce quality. This criteria signifies the importance of human resources to the success of the hospitality sector (TRA, 2019). The firms are distributed among tourism regions namely Greater Nairobi (58 firms), Coast (41 firms), South Rift (42 firms), Western (15 firms), Eastern (6 firms), Central and Mt. Kenya (11 firms), North Rift (11 firms), and Northern (14 firms).

This background provided the impetus to study the linkage between organizational learning and employee performance in classified hospitality firms in Kenya. The nature of the study was defined in such a way that organizational learning was studied as the independent variable and employee performance was studied as the dependent variable. Organizational culture was

studied as the moderator and work engagement as the mediator of the linkage between organizational learning and employees' performance.

## **1.2 Statement of the Problem**

Classified hospitality firms in Kenya have been confronted with enormous market competition by other players in the East African region (KNBS, 2018). The sector's competitiveness is hinged on employee performance as they are instrumental in enhancing customer experience through effective service delivery (Bilgihan & Nejad, 2015). The threat to the competitiveness of the hospitality sector in Kenya is attributed to low productivity and performance at employee level. According to the National Tourism Blueprint (NTB) 2030, the human resource management practices in the sector are characterized by lack of proper strategies to enhance employee performance which has ultimately led to the declining performance of the hospitality sector, which currently stands below 70 per cent of the projected performance level.

As part of service industry, hospitality firms are labour-intensive and rely heavily on human interactions for service delivery. To achieve high performance in service delivery, there is a high demand for qualified and experienced employees to deliver quality service. Therefore, the success of hospitality firms is hinged employee performance indicated by quality of service and proficiency in work (Isa, Ugheoke & Noor, 2016). Empirical studies show that employee performance plays a significant role in the success of service-oriented firms (Anwar & Niode, 2017; Bilgihan & Nejad, 2015; Dzhandzhugazova, *et al.*, 2016; Mei, Peng, & Yang, 2012; Moghimi, *et al.*, 2016; Wallace, *et al.*, 2013). In hospitality firms, employee's role is critical because they create and deliver the hospitality products and services (Lacap, 2014). Therefore, attention should be paid to ways in which the organization can enhance the performance of employees in terms of service delivery, efficiency, teamwork and citizenship behaviour.

However, hospitality firms in Kenya have focused on performance at organizational level and ignored it at employee level (NTB, 2017).

Achievement of higher employee performance is linked to organizational learning (Anwar & Niode, 2017). However, empirical literature on organizational learning has largely focused on organizational level performance and ignored employee performance (Perez & Pastor, 2013). This state of literature has necessitated the need to pay attention on empirical studies that link organizational learning and employee performance. This is emphasized by the significance of employee performance to organizational effectiveness (Ketkar & Puri, 2017).

There has been a multiplicity of conceptualizations adopted by various scholars in the study of the concepts of organizational learning and employee performance and their linkage. Empirically, there are variation in the conceptualization of organizational learning with some studies viewing it as capability (Chiva, *et al.*, 2007; Gelard & Mirsalehi, 2010; Lin, 2008), process (Argote, 2011; Sánchez, *et al.*, 2010) and culture (Hua & Chan, 2013). Sampe (2012) calls for more empirical work to clarify the construction of organizational learning. Similarly, the concept of employees' performance has been studied variously with some scholars adopting a unidimensional approach, which implies studying it as task performance, while others adopt the multidimensional approach incorporating both task and contextual elements of job performance (Dhammika, 2013).

Despite the consensus that organizational culture shapes organization stature, there is limited empirical studies that focus on the moderator role of organizational culture on organizational learning and employee performance. This echoes the argument that that the moderating factors influencing the organizational learning and employee's performance have not been exhausted

(Lian, Yang & Ma, 2013). Similarly, Gomes and Wojahn (2016) have called for future research to adopt different conceptual models in order to broaden and deepen the state of literature.

Studies on organizational learning and employee performance are prevalent in Asia and Europe, contexts which limits the generalization of the findings to the developing world since organizational learning and employee performance are influenced by the contexts the firm operates in (Ajayi, *et al.*, 2016). Caniëls and Veld (2016) calls for research that takes into account the contextual effects of industry diversity. Therefore, there is need to empirical studies on the relationship between organizational learning and employee performance in the developing world, especially sub-Saharan Africa. In response to this call, this study focused on the classified hospitality firms in Kenya.

To address these research gaps, this study examined organizational learning as a process comprising knowledge acquisition, information distribution, information interpretation and organizational memory. Employee performance was studied using a multidimensional approach that incorporates both task and contextual dimensions of employee performance in order to capture key elements of non-job related behaviors which are fundamental in job performance. These elements are service delivery, efficiency, teamwork and citizenship behaviour. In order to study the relationship between organizational learning and employee performance, the mediation effect of work engagement (indicated by physical, emotional and cognitive engagement) was examined as well as the moderating effect of organizational culture (indicated by innovation and risk taking, outcome orientation and people orientation) was also assessed. Therefore, the purpose of the study was to investigate the effect of organizational learning on employee performance in classified hospitality firms in Kenya.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objective of the Study**

The general objective of this study was to investigate the effect of organizational learning on employee performance in classified hospitality firms in Kenya.

#### **1.3.2 Specific Objectives**

The specific objectives of this study were:

- i) To establish the effect of knowledge acquisition on employee performance in classified hospitality firms in Kenya
- ii) To determine the effect of information distribution on employee performance in classified hospitality firms in Kenya
- iii) To assess the effect of information interpretation on employee performance in classified hospitality firms in Kenya
- iv) To establish the effect of organizational memory on employee performance in classified hospitality firms in Kenya
- v) To assess the mediating influence of work engagement on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya
- vi) To determine the moderating effect of organizational culture on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya.

### **1.4 Research Hypotheses**

The research hypotheses for this study were stated in the null hypothesis as follows:

H<sub>01</sub>: Knowledge acquisition has no significant effect on employee performance in classified hospitality firms in Kenya

H<sub>02</sub>: Information distribution has no significant effect on employee performance in classified hospitality firms in Kenya

H<sub>03</sub>: Information interpretation has no significant effect on employee performance in classified hospitality firms in Kenya

H<sub>04</sub>: Organizational memory has no significant effect on employee performance in classified hospitality firms in Kenya

H<sub>05</sub>: Work engagement has no significant mediating influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya

H<sub>06</sub>: Organizational culture has no significant moderating effect on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya.

### **1.5 Significance of the Study**

This study makes contribution to policy formulation in the management of organizational learning resources and human resource management in both public and private sectors of Kenya's economy. It also makes recommendations that would assist those tasked with managing human resources in their organizations to implement strategies that would enhance the performance of employees. Finally, the study makes empirical contribution to organizational learning human resource management literature.

#### **1.5.1 Significance to Policy Makers**

The study has revealed that organizational learning and employee performance are contextual and are influenced by both micro and macro factors. In order to optimize the impact of



organizational learning, there is an overwhelming need to formulate and implement policies that support knowledge acquisition, distribution, utilization and storage at firm and industry level. Policies that would regulate idea generation, experimentation, incubation and implementation should be formulated. This would safeguard proprietary rights to and ownership of new ideas. Employees who come up with novel ideas should be recognized and associated with eventual implementation of the ideas in the organization. Acquisition of knowledge through grafting and imitating what competition is doing could be governed by industry policies that would regulate how firms copy technology used by rivals. In addition, at industry level, policies should be formulated to govern storage of knowledge in different media, especially with the pervading effect of social media on information dissemination, security and storage.

It is evident that organizational learning influences employee performance within contexts that support employee behavioural outcomes and cultural dimensions that create a climate of high performance. Therefore, it is critical for firms to develop policies that define the context of the organization in terms of organizational values, norms and practices. Policies that govern and guide the culture orientation of the firm should be developed and implemented. Such policies should emphasize the values of innovation and risk taking, employee centricity and outcome orientation in a balanced perspective. The policies would provide a framework to cultivate a culture that places value for people in the organization, business perspective, effective processes and systems, and performance. The eventual policies would include policy on employee innovation and creativity, reward for high achievers, collaboration and team projects, employees' welfare and support, job autonomy, and work engagement.

### **1.5.2 Significance to Managerial Practice**

The findings of the study are significant to practice. It recommends that firms should seek new knowledge that integrates with existing knowledge and has strategic influence on employee performance dimensions of service delivery and efficiency. To achieve this level of alignment, organizations should conduct knowledge needs assessment to help in determine the quality of existing knowledge, future knowledge needs, knowledge gaps, new knowledge sources, and resource or investment requirements. In particular, knowledge acquisition should aim at improving processes, refining and updating existing knowledge, solving problems and enhancing employees learning capability and behaviour change.

Firms should build climates of collaboration and trust to ensure employees freely express themselves, network and interact and share ideas in teams or social groups. In addition, formal mechanisms for knowledge sharing and cross functional projects should be implemented. Employees should be allowed to have more control over their jobs as workers are more likely to put more effort, dedicate more time and remain focused in activities for which they have some level of control and accountability. In addition, firms should implement effective systems that addresses employees' grievances and ensure there are adequate employee welfare support programs in the organization.

It is important that the employees are provided with a broader view of issues to be able to contextualize information and make better decisions. Firms should provide employees with global and industrial view of their operations. This will help them understand the scope of their strategic input in the organization. To enhance shared meaning and uniformity in understanding, information about the organization, business environment should be examined, updated and discussed. In order to remain competitive and drive performance, firms should be open to look

for expertise from sources outside the organization when capacity does not exist internally, compare their level of knowledge with the competitors in order to stay ahead and where prudent, introduce technology that is also used by competitors.

### **1.5.3 Significance to Theory**

The current study focused on organizational learning as independent variable and employee performance as the dependent variable. The conceptual model adopted for this study was based on validated measures. Organizational learning was studied as a process of knowledge acquisition, distribution, interpretation and memory (storage), with each component being an independent variable. This approach provided a comprehensive study of organization learning as it made it possible to investigate the level of adoption of organizational learning in classified hospitality firms. For employee performance, a multidimensional approach was adopted in which the constructs of the latent variable were drawn from both task and contextual elements of performance. This provided a holistic view of employees' performance as the measures of contextual performance included behavioural components, that is, citizenship behaviour. This approach enabled employee performance to be investigated as both an output and outcome.

This study provides empirical evidence of the moderating effect of organizational culture on the relationship between organizational learning and employee performance using Baron and Judge (2013) model of organizational culture. The organizational culture dimensions considered for this study were innovation and risk taking, outcome orientation and people orientation. This brought to light the possibility of firms adopting multiple dimensional approaches to organizational culture, and the challenge of striking a balance in order to optimally influence performance. A future research could consider the other four dimensions, that is, attention to detail, team orientation, aggressiveness and stability, in order to have a broader assessment of

organizational culture and establish combination of dimensions that have greater influence on performance.

The findings of this study have established that some employee performance dimensions are behavioural and are best studied using a longitudinal method for data collection rather than cross sectional survey method. Some employees' behavioural outcomes such as innovative behaviour, creativity and citizenship behaviour need to be monitored over a period of time in order observe behaviour change, infer the behaviour pattern and draw conclusions. Therefore, it is recommended that a future research should consider using a longitudinal method to investigate employees' performance.

### **1.6 Scope of the Study**

This study focused on determining the effect of organizational learning on employee performance in classified hospitality firms in Kenya. The study was conducted for a period of sixteen months from the date of approval of the research proposal by the Graduate School, Kenyatta University in July, 2019. The variables studied are organizational learning (independent variable), employee performance (dependent variable), work engagement (mediation variable) and organizational culture (moderating variable). The theories that underpin this study are organizational learning theory and ability motivation opportunity theory. These grounding theories are supported by task and contextual performance model, Kahn engagement theory and Robbins and Judge's model of organization culture. Positivism research philosophy, descriptive and explanatory research designs were adopted for the study.

The target population comprised 75 firms classified as five star (15 firms), four star (35 firms), and three star (25 firms). The two star and one star firms were not considered for this study because of their low rating in functional areas critical for this study. One of the main area of

consideration in rating is human resources function in which a firm is assessed on management standard, staff welfare, and workforce quality. The selected firms are located in Greater Nairobi region comprising Nairobi, Kajiado and Machakos counties, and South Rift Region comprising Nakuru and Narok Counties. These locations constitute the largest proportion of five star firms (15 out of 19) and four star firms (35 out of 58). The firms are also located in close proximity along the major towns which eases data collection. The respondents targeted in this study were human resources managers, food and beverage managers, and accommodation and conferencing managers from the targeted population. These managers were considered for this study because they have the relevant information regarding the study variables since they were in direct line of implementation of organization's policies, strategies and processes.

### **1.7 Limitations of the Study**

As with majority of empirical studies, the design of the current study is subject to limitations. This study adopted a cross sectional survey method to collect data on employee performance. Some employee performance indicators are behavioural in nature and are, therefore, susceptible to change with stimuli and with passage of time. To accurately capture the behaviour change, establish a pattern and predict behaviour, may require a longitudinal approach to data collection. Of the four indicators adopted in this study, one of them, citizenship behaviour, has some of its measures fall under the category of behavioural employees' outcomes that would be best studied over a period of time in order to draw conclusions. However, the other three, service delivery, efficiency and teamwork, can adequately be captured by a cross sectional survey method.

In order to address the limitation, the items used to measure citizenship behaviour were to a large extent snapshot elements that could be captured using a cross sectional design. These items include assisting co-workers, following rules and regulations, and contributing to the affairs of

the organization. This ensured that the findings on the aspect of citizenship behaviour were valid and reliable. In addition, the limitations in this study could be addressed in future research in which a longitudinal survey method could be considered to address citizenship behaviour and probably include more items to measure citizenship behaviour.

### **1.8 Organization of the Study**

The structure of this thesis is such that it is divided into five chapters. It begins with chapter one which provides the background of the study, describes the study variables, statement of the problem, general and specific objectives of the study and research hypotheses. The chapter also presents the significance, scope and limitations of the study. In chapter two, theoretical and empirical review of literature is presented. Theories underpinning the study are articulated and relevant empirical studies for each hypotheses are presented. This chapter also provides the conceptual framework that describes the relationship between the study variables, that is, organizational learning, employee performance, work engagement and organizational culture. Finally, the summary of research gaps and operationalization of study variables are given.

Chapter three provides a description and justification of the research philosophy, research design, empirical models and operationalization and measurement of variables. The chapter also provides description of the target population, sampling methods, data collection approach, research validity and reliability, data analysis methods, and ethical consideration. In chapter four, the findings of the study are presented. The results and discussions from data collected and analyzed are presented descriptively using tables and narration. Chapter five provides the summary of the research findings, conclusions drawn from the findings, and recommendations of the study and suggestions for future research.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter presents a description and review of the relevant theories that underpin the study. The chapter also presents review of empirical studies, summary of research gaps and the conceptual framework showing the relationship between variables under study.

### **2.2 Theoretical Background**

This study was anchored on theories of organizational learning, ability, motivation and opportunity framework, task and contextual performance model, organizational culture theory, and Kahn's engagement theory.

#### **2.2.1 Theory of Organizational Learning**

The evolutionary growth of organizational learning which dates back to the 1970s (Argyris & Schön, 1978) gained much traction from the 1990s through the seminal works of Senge (1990), March (1991) and Huber (1991). The perspectives of organizational learning advanced by various scholars are distinct in their operationalization of the concept and description of the constructs of organizational learning. For instance, Argyris and Schön (1996) views organizational learning as a cognitivist action in which focus is placed on mental models of learning. Other scholars describe organizational learning as blending of ideas and knowledge (Cohen & Levinthal, 1990), knowledge acquisition and utilization (Huber, 1991), exploration and exploitation of knowledge resources (March, 1991), acquisition, sharing and utilization of knowledge (Nevis, *et al*, 1995), change process in individuals, group and organization in terms of shared and applied knowledge (Vera & Crossan, 2003), and process of knowledge creation, retention and transfer (Argote, 2011).

The models of organizational learning are equally diverse. Daft and Weick (1995) view learning as a three-phased model of data collection, data analysis and interpretation and taking action. Senge (1996) model of organizational learning proposes that learning takes place at individual, group and organizational levels. The model advances five constructs of organizational learning comprising personal mastery, mental models, shared visions, team-learning, and systems thinking. On the other hand, Nonaka and Takeuchi (1995) advance that organizational learning involves transfer of tacit knowledge into tacit knowledge, tacit knowledge into explicit knowledge, explicit knowledge into tacit knowledge, and explicit knowledge to explicit knowledge. Organizational conditions ideal for organizational learning include organizational innovative processes, job autonomy, flexibility, creativity and effective communication.

March (1991) viewed organizational learning as comprising two dichotomous concepts, that is, exploratory learning and exploitative learning. Exploratory learning entails elements of search, variation, experimentation, and discovery; and exploitative learning includes elements of refinement, efficiency, selection, and implementation. This dichotomy demands an organizational adjustment (alignment and adaptation) in terms of structure, strategy and context to pursue them simultaneously. Katila and Ahuja (2002) advancing this model, assert that exploratory learning activities entail the application of new knowledge while exploitative learning activities involve reusing the existing knowledge. This viewpoint suggests that exploratory learning and exploitative learning are fundamentally different in terms of knowledge acquisition and utilization whereby exploratory learning is geared towards activities that are not reliant on existing knowledge but on new knowledge that may only exist externally.

Huber (1991) viewed organizational learning as a process comprising acquisition of knowledge, distribution and interpretation of information, and organizational memory. Sanchez, *et al.*



(2010) adopting this model, emphasized that the process approach incorporates the fundamental aspects of organizational learning. In this study, the construct knowledge acquisition was indicated by congenital learning, experiential learning, searching and grafting. The second construct information distribution was indicated by interdepartmental meetings, communication channels, cross-training, and social networks. The third construct information interpretation was measured in terms of shared vision, interpretation frameworks, promptness, and unlearning processes. Finally, organizational memory was measured in terms of specialists, development programs, skills database, and operational procedures.

Nevis, DiBella, and Goulds' (1995) model advances three stages in the learning process that include knowledge acquisition, sharing and utilization. The model proposes seven learning orientations that describe the methods and personal characteristics which determine the learning process. These orientations are knowledge source which describes whether knowledge is acquired internally or externally, product-process focus which focuses on organization's products and processes of production and product development, documentation mode which focuses on knowledge stock repository at individual and organizational levels, dissemination mode which comprise knowledge sharing methods including formal and informal methods, learning focus which entails the objective of learning either incremental or transformative, value-chain focus constitutes decisions on whether to invest in designing and developing or marketing and delivering, and skill development of employees. This model is significant as it describes the constructs of organizational learning.

From this theoretical standpoints on organizational learning, varied conceptualization of the organizational learning has emerged. Gomez (2005) indicators of organizational learning included managerial support, systems-based, experimentation and transfer of knowledge and

integration of knowledge. Chival, *et al.* (2007), on the other hand, considered experimentation, risk taking, interaction with external environment, dialogue, and participative decision making as the key indicators of organizational learning. Advancing Gomez (2005) framework, Hsiu-Fen Lin (2008) identified managerial commitment, systems orientation, knowledge acquisition and knowledge dissemination as the critical constructs of organizational learning. Gelard and Mirsalehi (2010) expanded the scope to include open environment, experimentation, risk taking, external environment interaction, knowledge sharing and distribution, inclusive decision making, continuous training, and system orientation. Assessing these indicators advanced by Gomez (2005), Chiva, *et al.* (2007), Hsiu-Fen Lin (2008), and Gelard and Mirsalehi (2010), it is clear that organizational learning was studied as an organizational capability focusing on both internal and external capacity to appropriate knowledge for organizational development.

Other scholars advanced the view of organizational learning as a cultural dimension. Hua and Chan (2013) postulated an organizational learning framework that comprised seven variables as indicators of organizational learning: creating learning opportunity, communication, collaboration and team work, knowledge sharing, collective vision, connection with the environment, leader support and reward system. Calantone, Cavusgil and Zhao (2002), on the other hand, summarized the variables into four categories, that is, commitment to learning, shared vision, open mind, and knowledge sharing within the organization. This standpoint, although advances cultural capacity of the organization to institutionalize learning, is closely linked to studies that have advanced organizational learning as a process. The proponents of organizational learning as a process draw inspiration from the work of Huber (1991). The framework has four dimensions that include knowledge acquisition, information distribution, information interpretation and organizational memory. This framework has been validated by

Sánchez, *et al.* (2010). Crossan, *et al.* (1999) indicators comprised intuiting, interpreting, integrating and institutionalizing while Argote (2011) had knowledge creation, knowledge retention and transfer of knowledge.

Drawing the link among the four constructs of organizational learning proposed by Huber (1991), Chen *et al.* (2012) posit that organizational learning begins with acquisition of knowledge or information which is distributed and transferred across the organization. The shared information is interpreted and analyzed using standard frameworks and becomes internalized memory and further becomes source of knowledge. This makes Huber (1991) model of organizational learning more comprehensive. The constructs of organizational learning used in this study were knowledge acquisition, information distribution, information interpretation and organizational memory as used by Sánchez, *et al.* (2010).

Extant literature reveals that knowledge acquisition is critical to employee performance. It is acknowledged that knowledge acquisition occurs at different levels of analysis, that is, at individual, group and organizational levels (Argote & Spektor, 2018). For an organization to acquire relevant knowledge that impacts employee behaviour, it should have institutionalized capabilities that include environment assessment, experimentation, risk taking, knowledge sharing and distribution, training culture and systems orientation (Gelard & Mirsalehi, 2010). The distribution of information and knowledge occurs in a shared social context of interlinked units through a network of shared resources. (Fletcher & Prashantham, 2011). The distribution mechanisms acknowledged in literature are technology, personal movement, communication networks, training and social networks (Argote & Spektor, 2018).

Information interpretation is a conscious dimension of the organizational learning process through which individuals and groups develop cognitive maps (Crossan, *et al.*, 1999).

Knowledge interpretation is construed to individuals achieving a shared understanding of shared information. Empirical studies reveal aspects of interpretation to include shared vision and mission, systems and procedures for knowledge selection alternatives to obsolete knowledge and decision making. Organizational learning scholars contend that the knowledge acquired should be stored at the individual, group and organizational levels for future viability of the organization (Sanchez, *et al.*, 2010). The link between organizational memory and employee performance is best understood by considering the indicators of organizational memory which include work norms and values, database of skills, tacit knowledge, routines, organizational systems and procedures, and rules and regulations cutting across the three levels of analysis, individual, group and organizational (Argote & Spektor, 2018; Sanchez, *et al.*, 2010; Scott 2011).

In this study, the four domains of organizational learning were conceptualized such that knowledge acquisition refers to domains through which individuals, groups and the organization acquire knowledge which include congenital learning, experiential learning, searching and grafting. Information distribution is the process through which information is spread across the organization and is indicated by communication, social networks, cross-training and inter-departmental meetings. Information interpretation entails the process of achieving shared understanding and perspectives of organizational information which is achieved through shared perspectives, interpretative frames, unlearning and interpretation promptness. Organizational memory describes the means by which past and present knowledge reflects on activities performed (Chen *et al.*, 2012; Sánchez, *et al.*, 2010).

### **2.2.2 Ability, Motivation and Opportunity Theory**

Ability, Motivation and opportunity (AMO) framework (Appelbaum, *et al.*, 2000) has been acknowledged in human resource management literature as fundamental in explaining employee

performance (Boselie, 2010; Boxall & Macky, 2009; Boxall, Purcell & Wright, 2009; Wright & Nishii, 2007). AMO is an acronym for the elements that promote employee performance: individual ability to perform (A), motivation to perform (M), and opportunity to perform (O). This underpins the theory's argument that employees need to have the necessary skills, appropriate motivation and the opportunity to practice in order to perform effectively (Boxall & Macky, 2009; Marin-Garcia & Tomas, 2016).

The theory proposes that employees play a critical role in organizational performance and effectiveness (Kehoe & Wright, 2013) and that firm's performance is founded on employee outcomes determined by their attitudes, motivation and opportunity to perform their roles effectively and make contribution to the organizational goals (Zhang, *et al.* 2014). Therefore, it is imperative for organizations to implement practices, systems and strategies that are pivotal in enhancing the performance of individual employees. Various strategies, interventions and practices have been reckoned to have significant influence on employee outcomes and performance, key among them is organizational learning (Jong & Hartog, 2007).

The proponents of the ability, motivation opportunity theory postulate that practices such learning is instrumental in developing employees' ability to perform, improving employees' motivation to perform and creating opportunities for employees to make contributions (Appelbaum, *et al.*, 2000). The theory postulates that organizations should cultivate a culture and climate that fosters employee performance. Such a climate is characterized by effective human resource strategies on compensation, recruitment, performance management, training and development, employee welfare, and employee involvement and engagement. More importantly, the climate should aim at enhancing employee's ability, motivation and opportunity to perform (Macky & Boxall, 2007).

It is argued that employee's ability to perform a task determines the extent of performance of the task, and motivation of the employees impacts the extent to which the employee commitment to performance role given their ability, and that opportunity to perform provides the chance for the employee to perform their role as expected (Katou & Budhwar, 2010; Macky & Boxall, 2007). At the core of this theory is autonomy, engagement, empowerment, motivation, learning and development and support. An effective organization learning process or system provides aspects of empowerment, development, learning and development and support (Zhou & Wu, 2010).

The argument that employee's contribution to organizational goals is directly linked to their ability, motivation and opportunity to perform, explain the relationship between organizational learning and employee performance through acquiring of new knowledge, knowledge distribution and sharing, and organizational memory sub-constructs such as development programs, use specialists, skills database and use of operational procedures (Kang & Snell; 2009; Njoroge, *et. al.* 2020). Enhancing employee's abilities, motivation, and opportunities maximizes their creativity, knowledge sharing, and utilization of existing and new knowledge for improved performance (Perez & Pastor, 2013). Therefore, this theory was critical in explaining employee performance variable and interaction with other variables.

The AMO perspective holds that learning is an employee ability enhancing intervention that is influences actual behaviour. It is also argued that organizational learning aligns employee goals with organizational goals and values while increasing discretionary efforts (Kehoe & Wright, 2013). It is also argued that learning facilitates behavioural change, increases efficiency and effectiveness of the workforce and facilitates the achievement of organizational goals and objectives (Rose, Kumar & Pak, 2009). An organization equipped with a learning culture is best

placed to enhance employee behaviour as current knowledge and new knowledge is distributed and shared (Lin & Lee, 2017). Therefore, AMO framework is one of the key theories that forms the spine of the theoretical framework of the study on link between organizational learning and employee performance.

### **2.2.3 Task and Contextual Performance Model**

Task and contextual performance model by Borman and Motowidlo (1993) has been embraced by scholars although the dimensions of employee's performance described by Campbell (1990) including job proficiency, communication, discretionally effort, discipline, team work, and leadership continue to elicit interest. The model advances that task performance involve employee's effectiveness and efficiency in performing technical activities related to their roles while contextual performance refers to execution of activities that relate to organization's social, cultural and psychological context. The dimensions of contextual performance constitute employee's citizenship behaviour such as enthusiasm, extra effort, volunteering, assisting and cooperating with coworkers, adhering to rules and procedures and participating in corporate affairs (Borman & Motowidlo, 1993).

In extant literature, task and contextual model has been contrasted with role based model of performance proposed by Welbourne, Johnson and Erez (1998) which proposes five performance indicators relating to job, career, team, organization and innovators roles. However, task and contextual model has received closer attention as it broadens the construction of the variable of employees' performance by appreciating that employees' performance is a contextual phenomenon. Consequently, Motowidlo and Scotter (1994) advance that the task performance considers the critical behaviours expected of the job holder while the contextual performance refers to the employees behaviours that are aligned with organizational culture.

This model has gained traction in research with the conceptualization of employee performance gaining numerous empirical support, albeit with additional constructs such as job dedication, which entail self-discipline and following organizational rules and regulations, and interpersonal facilitation, involving cooperating and helping co-workers (Luo, *et al.* 2008; Pradhan & Jena, 2017). Dhammika (2013) tested the validity of the task and contextual model of performance. The results validated the following measures of employee performance: task execution, job proficiency, efficiency, assisting coworkers, cooperation, and team work.

A close examination of extant literature of employee performance and organizational citizenship behaviour (OCB), reveal that contextual performance closely relates to organizational citizenship behaviour which comprises elements of altruism, courtesy, sportsmanship, conscientiousness and civic virtue (Motowidlo & Scotter, 1994; Podsakoff, *et al.*, 2000; Pradhan & Jena, 2017). Citizenship behaviour which broadly involves employee's voluntary commitment to the organization reflected by helping and assisting colleagues, accepting and adhering to the rules, regulations and procedures of the organization, and contributing to the affairs of the organization. Citizenship behaviour has been measured as employee's propensity to help others, assist supervisor, and participate in corporate activities (Organ, 1997; Smith *et al.* (1983). Similar approach is advanced by Podsakoff, *et al.* (2000) with measures focusing on whether the employee adheres to organization's rules and regulations, volunteers in corporate activities, cares about the welfare of others, and is willing to assist coworkers. Of particular interest to this study was altruism, conscientiousness and civic virtue (Organ, 1997; Podsakoff, *et al.*, 2000).

This study adopted task and contextual model to measure employee performance. The indicators of employee performance, therefore, included service delivery, efficiency, team work, and



citizenship behaviour. Service delivery refers to employee's task of providing services to customer as required by the organization in terms of quality, timeliness and adherence to standards. On the other hand, efficiency is the employee's ability to perform roles effectively and competently without mistakes and solve problems arising in execution of their tasks. Teamwork entails employee's devotion to collaborating with co-workers in execution of team activities and achievement of team goals and leading team assignments (Borman & Motowidlo, 1993). Lastly, citizenship behaviour involve voluntary commitment to the organization reflected by helping and assisting colleagues, accepting and adhering to the rules, regulations and procedures of the organization, and showing concern and interest in the affairs of the organization (Organ, 1997).

#### **2.2.4 Organizational Culture Theory**

The concept of organizational culture emerged in the 1970s and has gained prominence in modern management and organization research and practice. A universal definition of organizational culture has proven elusive as several conceptualizations have been proposed in extant literature (Lewis, 2002). For instance, Robbins (2003) postulates organizational culture as a system of shared meaning held by members of an organizations. Schein (1995) defines organizational culture as the basic tacit assumptions about how the world is and ought to be that a group of people share and that determines their perceptions, thoughts and feelings and behaviour. Daft (2006) describes organizational culture as a set of assumptions, beliefs, values , norms and standards espoused by members of the organization and shared by them, which determines the acceptable behaviour, and which serves as the human environment where employee undertakes its duties.

Organizational culture has over the years received varied descriptions with scholars proposing different dimensions and typologies of studying organization culture. Therefore, there is no consensus on how culture should be conceptualized and operationalized. This state of literature is emphasized by the argument that there multiple theoretical frameworks that have been adopted by firms, which rules out the possibility of one typology applicable to all organizations. Therefore, an ideal culture is one that serves a firms objectives, context and influences positive outcomes. The point of consensus is that culture as a composition of norms, values, beliefs, and attitudes has a significant effect on organizational behaviour (Isa, Ugheoke & Noor, 2016).

Schein's (1992) model conceptualizes organizational culture as the shared values demonstrated through norms and patterns of behaviour. Schein's model postulates that organizational culture is not a single construct but comprise several layers of culture. The model categorizes organizational culture into three levels comprising artifacts which comprise the visual organizational structures and process which are hard to understand or decipher yet they are easily discerned; espoused values constituting strategies and goals; and the basic assumptions comprising beliefs, perceptions, thoughts and feelings, all of which are difficult to discern. Schein (2010) divides culture into three constructs, that is, external survival issues, internal integration issues and deeper underlying assumptions

According to Hofstede (1997), the organizational culture elements include symbols, heroes, rituals and values and the five dimensions of organizational culture which influence the behaviour in the organization as power distance, masculinity versus femininity, individualism versus collectivism, uncertainty avoidance, and long term orientation. The model indicates that an organization's value system influences decision making, search for knowledge and interpretation of information. On the other hand, norms are social expectations which are based

on the underlying values and represent the guidelines on behaviour expectations, with clear sanctions and correction (Hogan & Coote, 2014).

On the hand, the competing value framework (CVF) propounded by Cameron and Quinn (1999) categorizes organizational culture in four dimensions: clan culture, which is broadly linked to strategy that focuses on flexibility, internal focus, integration and discretion and is characterized by knowledge sharing; adhocracy culture, which is strategically aligned to external focus and differentiation, with a leaning towards dynamism and entrepreneurship and its characteristic values are innovation, risk taking and autonomy; market culture, which is rooted in competitiveness and results orientation with a lot of emphasis on productivity and achievement; and hierarchical culture, which is associated with stability, coordination and control which are characteristic of bureaucratic organizations. The emphasis is placed on processes, formalized systems, policies and procedures, structures and rules and regulations.

Robbins (2003) advances several factors that determine the unique culture of every organization. These factors include innovation, risk taking, leadership, integration, management support, control, identity, reward system, compromise with conflicts, and communication patterns. These characteristics are identified as measures of a firm's culture. Robbins and Judge (2013) provide a holistic view of organizational culture in a framework that identifies seven characteristics that fundamentally describes organizational culture. These characteristics include innovation and risk taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness, and stability.

Innovation and risk taking refers to the extent to which members are expected to be innovative and take reasonable risks; attention to detail involves the extent to which members are expected to precise, analytical and attentive to details; outcome orientation entails the extent to which the

management is more interested in performance results rather than processes; people orientation involves the extent to which management focus on the interests and welfare of members in achievement of organizational; team orientation refers to the extent to which work is designed to focus on teams rather than individuals; aggressiveness entails the extent to which organization demonstrate aggressiveness and competitiveness in pursuit of goals; and stability refers to the extent to which organization focus on maintaining its current status rather pursuit of growth (Robbins & Judge, 2013).

It is argued that each of these dimensions exists in a continuum from low to high and provide an effective framework to appraise the culture of an organization (Robbins & Judge, 2013). The dimensions of innovation and risk taking, outcome orientation and people orientation were adopted to conceptualize organizational culture. Innovation and risk taking involved the extent to which the firm values and supports generation and implementation of new ideas, outcome orientation entailed the extent to which the organization focuses on results and goal attainment, and people orientation focused on employee's fairness, support and rights.

### **2.2.5 Kahn's Engagement Theory**

The engagement theory proposes that work engagement entails the simultaneous employment of individual's physical, emotional and cognitive resources in assigned role (Kahn, 1990). This engagement is reflected in individual workers investment of energy and vigour, dedication and attachment and focus and absorption in their work. However, this involvement should be simultaneous rather than fragmented (Kahn, 1992). This conceptualization suggests a linkage between engagement and job performance (Schaufeli, *et al.*, 2002; Macey & Schneider, 2008; Rich, *et al.*, 2010).

Kahn engagement theory advances three constructs of work engagement: physical engagement, emotional engagement and cognitive engagement (Kahn, 1990). Physical engagement underlie the idea physical participation in a task characterized by exertion of effort or energy to complete an activity. This is best illustrated by a worker who shows energy and intensity in performance of task. On the other hand, emotional engagement references to worker's emotions and feelings towards his or her work. Emotionally engaged workers would normally exhibit attachment, enthusiasm, pride and excitement in executing their tasks. Cognitive engagement is based on the idea of achieving effectiveness in performance by using logic and putting one's thoughts and attention on the job at hand. Cognitively engaged workers would demonstrate a higher level of focus, attention, positive thoughts and absorption in their work (Kuok & Taormina, 2017; Rich, *et al*, 2010).

It is argued that work engagement influence employee's performance because the more an individuals is puts more energy, is focused and dedicated the more and better the outcomes of their labour (Hillman, Nicholson, & Shropshire, 2008). Employees who are absorbed and dedicated exhibit more enthusiasm, are more alert and attentive, and enjoy their work which leads to enhanced performance (Kuok & Taormina, 2017). Work engagement provides a mechanism that explains the relationship between individual characteristics and organizational factors related to job performance and behaviour. Empirical studies draw a mediation influence between work engagement and organizational and employee performance (Christian, *et al*. 2011).

The measures of work engagement as espoused and advanced by Rich *et al*. (2010) and Christian, *et al*. (2011) were adapted for this study. This choice is informed by the framework's specification of engagement as a mediator among its antecedents such as learning and outcomes

such as job performance. Therefore, the indicators of work engagement for this study were willingness to dedicate physical, emotional and cognitive resources to the job (task and contextual) performance. The physical construct entailed energy, resilience and vigour, emotional involved the attachment or dedication to one's work performance, and cognitive involved job focus, absorption and vigilance (Christian, *et al.*, 2011; Kuok & Taormina, 2017).

**Table 2.1: Summary of Theoretical Review**

<b>Theory</b>	<b>Proponents</b>	<b>Argument</b>	<b>Contribution</b>
Organizational Learning	Senge (1990); Huber (1991)	<ul style="list-style-type: none"> <li>• Organizational learning impacts organizational performance</li> <li>• Organizational learning is studied as a process, organizational sub-culture, and as an organizational capability</li> <li>• Organizational learning utilizes knowledge resources</li> <li>• Learning takes place at individual, group, and organizational levels</li> </ul>	<ul style="list-style-type: none"> <li>• Explains the constructs of organizational learning: knowledge acquisition, information distribution, information interpretation, and organizational memory</li> <li>• Explains tacit and explicit knowledge</li> <li>• Links organizational learning to performance at employee, unit and organizational level</li> <li>• Describes the climate (or determinants) of learning at micro and macro level such as organizational culture, human resource practices and environmental factors</li> </ul>
Ability, Motivation and Opportunity Theory	Appelbaum <i>et al.</i> , 2000	<ul style="list-style-type: none"> <li>• Employee's abilities, motivation and opportunity determine their behavioural and performance outcomes.</li> <li>• Organization's culture and climate characterized by engagement, participation, reward system, learning and team work impacts employee performance</li> </ul>	<ul style="list-style-type: none"> <li>• Promotes an organizational climate characterized by learning and work/ employee engagement</li> <li>• Explains the antecedents of employee performance such learning and human resources practices, policies and processes</li> <li>• Links organizational learning to employee performance</li> </ul>
Task and Contextual Performance Model	Borman and Motowidlo (1993)	<ul style="list-style-type: none"> <li>• Employee performance is best understood holistically by incorporating task and contextual elements</li> <li>• Task elements contribute to technical aspects of a job while contextual elements relate to the social, cultural and psychological aspects of the organization.</li> <li>• Contextual performance closely relates to organizational citizenship behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Explains the task and contextual indicators of employee performance: task execution, job proficiency, team work and citizenship behaviour</li> <li>• Describes the organizational contexts for employee performance characterized by job engagement.</li> </ul>

<b>Theory</b>	<b>Proponents</b>	<b>Argument</b>	<b>Contribution</b>
Organizational Culture Theory	Schein (1992); Robbins and Judge (2013)	<ul style="list-style-type: none"> <li>• Organizational culture encompasses the social context that influences organization's processes, systems and outcomes</li> <li>• Organizational culture influences performance of the individual, group and organization</li> </ul>	<ul style="list-style-type: none"> <li>• Explains the indicators of organizational culture relevant to this study</li> <li>• Explains the moderator role of organizational culture on the link between organizational learning and employee performance</li> </ul>
Kahn's Engagement Theory	Kahn, 1990	<ul style="list-style-type: none"> <li>• Engagement is understood at physical, emotional and cognitive levels</li> <li>• Engaged employees are more focused on their roles</li> <li>• Engagement influences employee performance</li> </ul>	<ul style="list-style-type: none"> <li>• Explains the constructs or indicators of job engagement: physical, cognitive, and emotional resources</li> <li>• Explains the relationship between work engagement, organizational learning and employee performance</li> </ul>

Source: Researcher (2019)



## **2.3 Empirical Review**

This section provides a review of empirical studies related to organizational learning and employee's performance and provides the fundamental basis to understand the construction of the variables and establish their linkages.

### **2.3.1 Knowledge Acquisition and Employee Performance**

Several studies have been conducted to link knowledge acquisition and its consequents. For instance, Akpotu and Lebari (2014) examined the linkage between knowledge acquisition and employee performance in tertiary educational institutions in Nigeria. The study adopted survey design in which representative sample was selected using random sampling method and data analyzed using regression model specification. The results showed that knowledge acquisition has significant effect on employee performance. However, the use of simple random sampling method in this study ignored the unique characteristics in the target population. The sample was thus not representative and limited the generalization of findings.

A study by Ouma and Kombo (2016) focused on establishing whether organizational learning had effect on organizational performance. The context of the study was food manufacturing firms in Nairobi County, Kenya. The study adopted correlational survey design. A sample of 71 firms was selected using disproportionate stratified random sampling. A questionnaire was used for data collection and descriptive statistics and multiple regression analysis used for data analysis. The study revealed that knowledge acquisition had a negative correlation with performance and therefore concluding that knowledge acquisition has no relationship with organizational performance. The study only focused on financial and market aspects of performance. This limits the generalization of findings on other aspects of organizational performance such as employee outcomes.

Richards and Duxbury (2014) investigated the determinants of knowledge acquisition in public-sector organizations. A sample of 179 respondents was selected using stratified random sampling and data was analyzed multi-level regression. The findings revealed that knowledge acquisition is influenced by contextual factors. The management play a critical role in searching for knowledge from external sources and integrating this knowledge into the organization. However, the focus on knowledge-intensive public sector organization limited the level of generalization in private and other public sector organizations. In addition association between the variables was not conducted hence the findings were inconclusive.

Bratianu (2015) empirical study on factors affecting knowledge acquisition sought to examine the factors affecting knowledge acquisition at both individual and organizational level. The results established that knowledge acquisition is influenced by absorptive capacity, organizational structure and organizational culture. The study established a significant relationship between knowledge acquisition and organizational goals and shared vision was established. Further the results showed that work engagement elements of emotional and cognitive engagement facilitates acquisition of knowledge. However, the study adopted the cultural measures of organizational learning that included shared vision, mental models and trust. The current study adopted the process approach of constructing organizational learning.

Lai (2017) tested a research model that examined the determinants of knowledge acquisition. The study was conducted among employees in public sector in Taiwan. A sample of 342 adult workers were randomly selected. Data was analyzed using a structural equation modeling. The findings established a relationship between information interpretation and knowledge acquisition. Further, the findings indicated that information acquisition and interpretation were crucial to employees learning and performance. However, this study was focused on the public

sector organizations and did not examine the impact of knowledge acquisition on the performance of employees. The sample collected of civil servants in Taiwan may not be representative of workers in other countries. In addition, the study used a direct relationship between the independent variables and dependent variables whilst some organizational factors could influence this linkage. The current study focused on hospitality firms and sought to determine the effect of knowledge acquisition on employee's performance. Sample size were selected using stratified random sampling method

Nguyen and Pham (2020) established that knowledge acquisition has a statistically significant influence on firm performance. For enhanced performance, the study recommended that firms need to develop processes to acquire knowledge from different sources. Scott (2011) posit that organizational learning occurs through individuals, among groups and in organization. At individual level, knowledge is acquired and stored in the mind and work related behaviors and is demonstrated in terms of tacit knowledge, skills, expertise, competence and experience. At the group level, knowledge is acquired through social networks, both formal and informal, and is demonstrated in group performance of tasks. At organizational level, knowledge is acquired and stored through strategies, processes, systems, structures and culture. The construct of knowledge acquisition has been operationalized variedly in empirical literature. This study adapted congenital learning, experiential learning, searching and grafting as the indicators of knowledge acquisition (Huber, 1991; Sánchez, *et al.* 2010).

### **2.3.2 Information Distribution and Employee Performance**

Empirical studies reveal that the knowledge distribution is fundamental to organizational learning. Researchers have found evidence that employee interactions and social networks are effective mechanisms for information distribution and knowledge sharing (Campbell, Saxton &

Banerjee, 2014; Mawdsley & Somaya, 2016; Rink, Kane, Ellemers, & Van Der Vegt, 2013) This is explained by the notion that employees bring task knowledge, experience and ideas to social interactions whether formal or informal (Bonner & Bolinger, 2013). This situation, in addition to group training influences performance of employees (Argote, Aven & Kush, 2015; Salas, Tannenbaum, Kraiger & Smith-Jentsch, 2012). These findings agree with study by Ouma and Kombo (2016) that established that information distribution had positive correlation with organizational performance.

Argote and Spekter (2011) established that organizational learning was critical to performance. The study affirms that information distribution involve knowledge organization, knowledge capturing and distribution of knowledge among groups and organizational units. Learning takes place at individual and group levels where an employee learns from own experience and from colleagues through knowledge sharing. Tacit knowledge, although difficult to transfer is critical in enhancing an organization's competitiveness given its inimitability. For effective process of information distribution, technology plays an important part. Organizations should have appropriate technology to disseminate information and knowledge. In addition information is also distributed through standard templates, work routines and formal and informal social networks.

Fletcher and Prashanthan (2011) examined knowledge assimilation process of rapidly internationalizing SMEs. The study adopted a qualitative enquiry using four selected cases and focus groups. The results indicated that information distribution was fundamental to organizational learning. It was established that effective distribution occurred in a shared context characterized by social network. Managerial support is important facilitation of information distribution across organizational units. However, the study focused on internationalizing firms

thus limiting the generalization of the findings to other firms. The current study utilized both quantitative and qualitative data to facilitate inferential analysis of data for hypothesis testing and generalization of the results.

A study by Scott (2011) argues that information distribution is associated high productivity, efficiency, creativity and innovative behaviour. Therefore organizations should encourage and create systems for knowledge sharing and information distribution. The structural and infrastructural resources should be provided. Such arrangement include using open offices, open channels of communication, and reliable information networks.

Ekore (2014) investigated the effect of organizational factors on knowledge transfer in multinational firms in Nigeria. A sample of 125 respondents from two multinationals were randomly selected for the study. The collected data was analyzed and interpreted using multiple regression analysis. This study sought to establish whether that organizational factors including culture, strategy, information technology, training and organizational performance significantly influence transfer and distribution of knowledge and information. The findings showed that apart from training the rest of organizational components do not have significant influence. However, the study focused on multinational firms in the beverage subsector of Nigerian manufacturing industry which limits the generalization of the findings to other sectors and industry in Kenyan context. The current study focused on local firms in the hospitality sector in Kenya.

### **2.3.3 Information Interpretation and Employee Performance**

Information interpretation is a conscious dimension of the organizational learning process through which individuals develop cognitive maps. Knowledge interpretation is construed to individuals sharing and incorporating tacit knowledge and achieving a shared understanding and

decision making. Empirical studies reveal aspects of interpretation to include shared vision and mission, sharing knowledge and experience, internal rotation programs, teamwork, systems and procedures for knowledge selection alternatives to obsolete knowledge and decision making (Sola & Ayobami, 2013).

Sanchez, *et al.* (2010) studied organisational learning and value performance in market intensive firms. The study examined the organizational learning effect on performance and the moderating effect of market turbulence in learning-value creation. A survey of 181 Spanish manufacturing companies was done and data analyzed using structural equation modelling. The findings revealed that information interpretation has a significant influence on organizational outcomes. Further, employees resort to shared frames of existing systems of knowledge to interpret current information. To get a shared meaning of information, former or old employees provide significant source of interpretation frame or model. This shared meaning may be communicated through the general communication lines and systems in the organization. Information overload, entails the significance and urgency of handling and interpreting information by different work groups and units to guarantee effective meanings, interpretation and usage. The unlearning processes must be undertaken for organizations to effectively and correctly interpret information. The unlearning process entails questioning and challenging the existing body of shared knowledge.

Sola and Ayobami (2013) examined the strategic impact of organizational learning on the perceived performance of selected banks in Oyo State of Nigeria. A survey design was adopted in which a sample of 100 participants was selected from selected banks in Oyo State using stratified random sampling method. Hypothesis was tested using multiple analysis of variance, correlation and multiple regression analysis. The results revealed that knowledge interpretation

is a predictor of performance. Further, the findings established a significant positive relationship between information interpretation, human orientation strategy and organizational outcomes. However, the focus on four banks in one city limited the generalization of the findings to the entire banking sector and other industries such as hospitality firms which was the context of the current study.

Torabi, Kyani and Alakinia (2016) investigated the effect of information interpretation on human resource performance in banking sector in Tehran. The study adopted survey design with a sample size of 21 participants. One sample t-tests and Chi-square statistics were used to test hypotheses. The findings revealed a correlation between knowledge and information interpretation and human resource performance. In particular, the results showed that effect of information interpretation mainly influences employee ability to perform their tasks. However, data was collected in a subjective manner through questionnaire using random sampling method. In addition, the study targeted a narrow scope of one Tehran City which limited the generalization of the results in the entire country.

#### **2.3.4 Organizational Memory and Employee Performance**

Organizational memory, which describes the means by which past and present knowledge impacts or reflects on activities of employees and which bear effect on both individual, group and organizational performance, is the fourth pillar in the organizational learning process (Sanchez, *et al.*, 2010). Several studies contend that knowledge acquired should be stored at the individual, group and organizational levels.

Dunham (2011) examined the link between organizational memory and employee empowerment. The study sampled 134 employees drawn from six companies in New Zealand and data was analyzed using hierarchical regression analysis method. The results reveal a

significant relationship between organizational memory and employee empowerment and organizational based self-esteem. Organizational memory had great impact on employee outcomes. However, causal implications could not be made as the study was correlational research. However, causal implications cannot be made between organizational memory and empowerment as study was correlational research and used hierarchical regression analysis. In this current study, descriptive and explanatory designs were adopted.

Fletcher and Prashanthan (2011) examined knowledge assimilation process of rapidly internationalizing SMEs. The study adopted a qualitative enquiry using four selected cases and focus groups. The findings reveal that tacit knowledge should be retained albeit less formally. The study recommends the cultivation of organizational culture that support knowledge retention as failure to retain knowledge may threaten growth and competitiveness in highly globalized and knowledge intensive environment. Argote and Spektor (2011) assert that knowledge is forgotten, it decays and depreciates. To preserve this knowledge the researchers argue that knowledge should be retained in repositories that include routines, tools and transactional memory systems or tacit knowledge. Embedded and retained knowledge in organizational structures, tools and process buffers the organization from negative employee outcomes. In addition, organization's competitiveness in learning is understood from the extent to which stored knowledge or organizational memory is applied, leveraged and spread across the spectrum.

Muskat and Deery (2017) investigated knowledge transfer and organizational memory. The study used qualitative interview data. The respondents were sampled using snowball sampling strategy and empirical data analyzed using inductive approach. The results showed that as long as organizational memory is underutilized, knowledge retention and assimilation process are



compromised. This argument echoes Hua and Chan (2013) assertion that organization memory is the bedrock of employee performance to the extent to which positive contexts are appropriated. However, inferential statistics and hypothesis testing were not be conducted as there was no quantitative data collected. This compromised the study findings and conclusions drawn.

An empirical study conducted by Scott (2011) posit that knowledge is stored in the mind in form of technical know-how, mental models, schemas, expertise, craft or skills and experience or application at individual level. At the group level, knowledge is accumulated and stored in cognitive modes such group or team norms, mindsets, schemas, standards, practice, routines, guidelines and protocols. On the other hand, at organizational level, knowledge is stored and embedded in organizational features such as strategies, systems, processes, structures, databases, norms, codes and values. Sanchez, *et al.* (2010) identify the indicators of organizational memory to include work norms and values, database of skills, tacit knowledge, routines, organizational systems and procedures, and rules and regulations cutting across the three levels of analysis.

### **2.3.5 Organizational Learning, Work Engagement and Employee Performance**

Lin and Lee (2017) examined the mediation role of work engagement on organizational learning and employee innovative behaviour in Taiwan. Organizational learning indicators were commitment to learning, shared vision, open mind and knowledge sharing. Work engagement measures were vigour, absorption and dedication. The study used paired samples of executives and subordinates, 54 managers and 511 employees, from 21 high-tech firms in Southern Taiwan. The study used hierarchical linear modelling to evaluate the research model. The construct validity of scales of measure of study variables was tested using confirmatory factor analysis

(CFA). The results showed that work engagement had mediating influence on the link between organizational learning and employee's innovative behaviour. Further, organizational learning process impacted employee's vigour, dedication and absorption. However, the study focused on technology-based firms in Taiwan Science Park which limits generalization of findings in other contexts.

Malik (2017) examined the influence of organizational learning on work engagement in IT firms in India. The variables used for learning include continuous learning, inquiry and dialogue while for work engagement included vigour, dedication and absorption. A sample of 250 managerial level employees' was selected. The measurement scale of learning and work engagement was analyzed using confirmatory factor analysis. Research hypotheses were tested using hierarchical multiple regression. The results revealed that organizational learning impacted employee's vigour, dedication and absorption in the roles. However, organizational learning in this study was indicated by continuous learning, embedded system, dialogue and inquiry while the current study uses knowledge acquisition, distribution and interpretation and organizational memory as indicators of learning.

Hussain and Ishak (2017) conducted a study on organizational learning and employee engagement. Dimensions of training mentoring and coaching were used as indicators of organizational learning while energy, involvement and efficacy were considered as measures of employee engagement. A survey of 100 respondents from commercial banks in Malaysia was conducted. Measures of organizational learning and work engagement were tested using confirmatory factor analysis. Pearson correlation was used to determine the strength and direction of the linear relationship between the variables. The findings revealed that organizational learning positively influenced and correlated with employee engagement.

However, although the indicators of employee engagement were identified, the concept was analyzed as a composite which made it impossible to establish the effect of specific indicators of organizational learning on specific engagement items. This makes the findings of the study inconclusive.

A study investigating the mediator role of work engagement on the relationship between learning organization and employee innovative behaviour by Park, Song, Yoon and (2014) is among the few studies that have used work engagement as a mediator. The used a questionnaire to collect data. Statistical model was tested using structural equation modelling and data analyzed using hierarchical multiple regression method. The results revealed that work engagement has a full mediation effect on the relationship between learning organization and employee innovative behaviour and further established a statistically significant positive correlation between work engagement and learning organization and employee innovative behaviour.

Rich, *et al.* (2010) investigated the antecedents and effects of job engagement on job performance. The study sampled 245 respondents in USA and analyzed data using inferential statistics, correlation analysis, structural modeling and factor analysis. The results indicated that engagement influence job performance dimensions of task performance and organizational citizenship behavior. In addition, the findings revealed that an engaged employee exhibit improved performance outcomes since they performed tasks with more enthusiasm, vigour, dedication and focus.

Christian, *et al.* (2011) sought to examine work engagement and its relationship with task and contextual elements of employee performance. The study adopted meta-analytic path modelling to determine the relationship between the variables. The study established that work engagement

was positively correlated with task and contextual performance. This linkage is ascertained by engaged workers propensity to be persistent, intense, vigilant and focused in task performance while simultaneously investing energy and behaving in sync with the organizational values and goals. The study, further, revealed that engaged employee are cognitively alert, attentive and focused in their behaviour and are emotionally connected to their overall job performance. However, in this study work engagement was used as an independent variable, in the current study, work engagement was used as a mediator of organizational learning and employees' performance.

A study by Anitha (2014) sought to establish the factors affecting employee engagement and employee performance. The study adopted causal study method in which a sample of 700 middle and lower managers from SMEs in India was selected using simple random sampling. Data was analyzed using regression and structural equation modelling. The results indicated that engagement had a positive influence on employee's performance and had a mediation role between its antecedents and effects. The study, further, drew association between work engagement and employee's job satisfaction and citizenship behaviour, intentions to quit, burnout level and employee performance. However, the context of the study was small scale organizations which limits the generalizations of the findings to large organizations. The current study addressed this gap by studying hospitality firms across the size divide.

Ajayi, *et al.*, 2017 examined the relationship between the organizational context and employee engagement in Nigeria. Using Cross sectional design, a sample of 200 SMEs was selected for the study. The findings show that employee engagement increases their performance and consequently enhances organizational potential for growth and survival. However, the study did not categorize the firms or industry in sampling methodology. This generalization of firms

ignores the contextual and industry specific elements that may influence learning and employee performance. To address this contextual gap, the current study focused on hospitality firms in Kenya.

Banihani and Syed (2017) conducted a study on gendered work engagement in telecommunication companies in Jordan. The study sampled thirty six employees from three firms. As an entirely qualitative research, the study used content analysis. The study revealed that contextual aspects of work environment influenced performance. Work engagement is associated with motivational influence on employee's performance as it creates a climate of trust, enthusiasm and warmth. Further, the results showed that work engagement characterized by vigour, dedication and absorption which has positive effects on employee's performance. However, as purely qualitative research, quantitative methods of data analysis were not utilized to test hypothesis and draw generalizable conclusions.

Kim and Park (2017) investigated the relationships between work engagement and employee's behavior. A sample size of 400 participants was selected using stratified random sampling method. The respondents were drawn from public-sector organizations in Korea. Data was analyzed using structural equation modeling. The findings showed that work engagement impacted employee's performance. In addition work engagement influenced knowledge sharing, procedural justice and employee's innovative behaviour. However, the study focused on public sector organizations and measured employee's behaviour in terms of innovative behaviours while the current study focused on hospitality firms in private sector and measure employee's behaviour in terms of task and contextual performance.

The construct of work engagement has empirically been measured using the Utrecht Work Engagement Scale (UWES) (Schaufeli, Salanova, Gonzalez-Roma & Bakker, 2002). However,

as Rich, *et al.* (2010) argue the scale does not incorporate the three dimensions (physical, emotional and cognitive) underlying the Kahn's (1990) engagement theory. Therefore, this study adapted Macey and Schneider (2008) measures of work engagement as advanced by Rich, *et al.* (2010) and Christian, *et al.* (2011). The physical construct entails energy, resilience and vigour, emotional involves the attachment or dedication to one's work performance, and cognitive comprise job focus, absorption and vigilance.

### **2.3.6 Organizational Learning, Organizational Culture and Employee Performance**

Several studies have been conducted in the last decade to investigate the effect of organizational culture on organizational learning and employee performance. Isa, Ugheoko and Noor (2016) examined the role of organizational culture on employee performance in the public sector organizations in Oman. Data was collected from 250 employees using a questionnaire based on measures used by Wallach model. Data was analyzed using regression and correlational analysis. Organizational culture was measured using competing value framework (CVF) which classifies organizational culture into clan, adhocracy, market, and hierarchy dimensions (Quinn & Robert 2011). The results revealed that supportive and innovative cultural values had positive effect on employee performance. The findings emphasized that an ideal culture is one that serves a firms objectives, context and influences positive outcomes at employee level.

Nazir and Zamir (2015) examined the influence of organization culture on employees' performance in Islamabad. A sample of sixty employees was selected from diverse organizations. Descriptive statistics and inferential statistics including t-tests and Pearson correlation were used to test hypotheses. The findings indicate that organizational culture affects the contextual environment of employee performance. The study shows that organizational culture manifests in form of subcultures constituting different sets of norms,

values and beliefs which are determined by job necessities and organizational goals. The study further revealed that values and norms affect realization of organizational goals and performance as they influence behaviour expectations of employees.

Afaneh, *et al.* (2014) examined the effect of organizational culture on organizational commitment in Jordanian Private Universities. A questionnaire was developed and distributed to a sample of 182 respondents comprising middle-level managers. Inferential statistics including t-tests and regression analysis were used to analyze and test hypothesis. The findings show a statistically significant impact of collective cultural dimensions on organizational commitment and employee behaviour. One of the main limitation of this study was that the focus was on middle management whose findings could not be generalized across other levels of management. In addition, the study used Hofstede model of organizational culture while the current study adapted Robbins and Judge (2013) model of organizational culture.

Emeka and Philemon (2012) conducted a study on the effect of organizational culture on performance of employees in selected manufacturing firms in Nigeria. A cross-sectional survey design was used where the sample was selected using multi-stage technique. Analysis of data was done using both descriptive and inferential statistics; in particular, measures of central tendency and Chi-Square. The study established a positive relationship between organizational culture and employee performance and organizational productivity. In particular, values and norms define performance expectations and measurement.

Erkutlu (2011) examined the moderating effect of organizational culture on the relationship between citizenship behaviour and justice perceptions in Turkey. Data was collected from 618 respondents randomly selected from ten universities in Turkey. Using a multilevel research design, multiple hierarchical regressions results revealed that organizational culture dimensions

of team orientation and respect for people had moderating effect on the linkage between citizenship behaviour and justice perceptions. The study further showed that these promote citizenship behaviour among employees. However, non-random sampling methods may have affected the variation in the culture dimensions.

In a study seeking to establish the correlation between organizational culture, learning and performance, Hussein, Omar, Noordin and Ishak (2016) used both descriptive and inferential statistics to analyse data collected from academics in public institutions of higher education in Malaysia. The results revealed that dimensions of learning organization culture such as continuous learning, connection to environment and strategic leadership were critical. Further it was established that organizational culture was correlated with performance both at firm and employee levels. Collaboration, team work, inquiry and dialogue were significant to effectiveness. Similar findings were established by Hasan and Nikmah (2019) in which organizational culture was found to have a significant positive effect on organizational learning and employee performance.

Alsabbagh and Khalil (2017) sought to establish the impact of organizational culture on organizational learning. Using sample of 383 respondents drawn from public and private universities in Damascus City, a cross sectional design was adopted for data collection using a questionnaire. The results indicated that cultural dimensions leaning towards openness, risk-taking, continuous change orientation and flexibility have higher positive effect on organizational learning activities such as knowledge acquisition and information distribution. In addition, hierarchical cultural orientation that encourages stability over change had a negative effect on organizational learning.



Empirical findings reveal that a firm's context, in terms of organizational culture, has an effect on organizational learning activities and performance of employees (Afaneh, *et al.*, 2014; Emeka & Philemon, 2012; Erkutlu, 2011; Hussein, Omar, Noordin & Ishak, 2016). Organizational learning should be supported with firm-level context that is characterized by job and role autonomy, trust, collaboration, shared codes and values, managerial support, and communication flow so as to build an organizational context that is conducive for learning and creates room for knowledge assimilation (Ajayi, *et al.*, 2017; Caniels & Veld, 2016; Patel, *et al.*, 2013). Organizational culture pervades all firm levels and its contextual impact is critical in fostering effectiveness of the learning process and employee behavioural outcomes. Therefore, it is evident from empirical literature that organizational culture has effect on organizational learning and employee performance.

#### **2.4 Summary of Research Gaps**

Description and conceptualization of organization learning has been studied from distinct domains. Some scholars have studied the concept as a process, capability and culture. The varied approaches record distinct influence on performance both at organizational and individual level which implies there is a lack of a comprehensive model for studying organizational learning. In order to address these gaps, this study adapted Huber (1991) constructs of organizational learning that include knowledge acquisition, information distribution, information interpretation and organizational memory. This model of organizational learning has been validated in past studies (Sanchez, *et al.*, 2010).

Empirical literature on the relationship between organizational learning and performance have largely focused on firm level performance (Argote & Spekter, 2011; Ekore, 2014; Nguyen & Pham, 2020; Njoroge & Muathe, 2018; Ouma & Kombo, 2016; Sanchez, *et al.*, 2010; Sola &

Ayobami, 2013) and ignored employee-level performance, save for a few studies that have established that knowledge acquisition has significant effect on employee performance (Akpotu & Lebari, 2014; Lai, 2017). This emphasizes the need for more studies to establish the effect of organizational learning on employee performance. Although most empirical studies have found a positive association between organizational learning and organizational outcomes, it would be erroneous to generalize these findings to employee performance dimensions of service delivery efficiency, team work and citizenship behaviour. This state of literature justified the need for the current study.

Differences exist on the measures of employee performance with some scholars adopting unidimensional approach (Anitha, 2014; Rich, *et al.*, 2010). However, there are limited studies that have used a multidimensional approach to employee performance such as Christian, *et al.* (2011) in which task and contextual aspects of employee performance were adapted. In the current study, employee performance was studied from the multidimensional approach in line with Borman & Motowidlo (1993) model with service delivery, efficiency, teamwork and citizenship behaviour as the constructs.

Empirical evidence has validated the relationship between work engagement and positive performance outcomes at both organizational and employee level. Work engagement has been associated with motivational influence on employee's performance as it creates a climate of trust, enthusiasm and warmth. Engagement streamlines employee's attitude, perceptions and a positive emotional connection towards work and the organization which culminates into employee's investment of physical, emotional and cognitive efforts in job performance. Studies have drawn association between work engagement and employee performance (Anitha, 2014;

Christian, *et al.*, 2011; Hussain & Ishak, 2017; Lin & Lee, 2017; Malik, 2017; Park, *et al.*, 2014; Rich, *et al.* 2010).

Past studies reveal inconsistency in the operationalization of the construct of work engagement (Christian, *et al.*, 2011). To a large extent the construct has been measured using the Utrecht Work Engagement Scale (UWES) (Schaufeli, Salanova, Gonzalez-Roma & Bakker, 2002). However, as Rich, *et al.* (2010) argue the scale does not incorporate the three dimensions (physical, emotional and cognitive) underlying the Kahn's (1990) engagement theory. Therefore, for the purpose of this study, Rich, *et al.* (2010) measures were adapted where physical engagement was operationalized as work intensity, emotional engagement as affective state and cognitive engagement as both attention and absorption.

Although studies on organizational culture were in agreement that it impacts organizational learning and employee performance, there is no consensus on how culture should be conceptualized. Some studies adopted Hofstede (1997) model (Afaneh, *et al.* 2014) while others such as Isa, *et al.* (2016) used the competing value framework by Quinn and Robert (2011). This state of literature emphasizes the argument that there are multiple theoretical frameworks that have been adopted by firms which rules out the possibility of one typology applicable to all organizations. Further, there are few studies that have concentrated on investigating the moderating effect of organizational culture on the link between organizational learning and employee performance. Since an ideal culture is one that serves a firms objectives, context and influences positive outcomes, this study adopted Robbins and Judge (2013) model of analyzing organizational culture of the firms because it is more comprehensive. In addition, organizational culture was studied as a moderator of the relationship between organizational learning and employee performance in classified hospitality firms in Kenya.

**Table 2.2 Summary of Empirical Review**

<b>Author</b>	<b>Research Title/ Objectives</b>	<b>Research Methodology</b>	<b>Research Findings</b>	<b>Research Gaps</b>	<b>Focus of Current Study</b>
Hussain and Ishak (2017)	Organizational learning and employee engagement in commercial banks in Malaysia	Survey of 100 respondents from commercial banks in Malaysia. Factor analysis conducted and Pearson correlation	organizational learning positively influences employee engagement	Engagement was analyzed as a composite which made it impossible to determine the influence of specific indicators of organizational learning variables on specific engagement items	Each indicator of employee engagement will be analyzed to establish the effect of organizational learning variables on specific engagement items
Muskat and Deery (2017)	Investigated knowledge transfer and organizational memory and their consequents	Qualitative interview data was used in which the respondents were sampled using snowball sampling strategy and empirical data analyzed using inductive approach	Positive contexts stimulates the influence of organizational memory on employee performance	Inferential statistics and hypothesis testing could not be conducted as there was no quantitative data collected.	Quantitative data will be collected and analyzed using both descriptive and inferential statistics
Lai (2017)	Factors influencing knowledge acquisition among employees	Using a sample size of 342 participants, respondents comprising civil servants in Taiwan government were surveyed. Data was analyzed using Structural Equation Modeling	Information evaluation and extraction predicted worker's knowledge acquisition. Information literacy and training impacted employees learning experience	The study assumes a direct relationship between study variables whilst some organizational factors could influence this linkage	Organizational factors are used as intervening variables of the linkage between organizational learning variables and employee's performance

<b>Author</b>	<b>Research Title/ Objectives</b>	<b>Research Methodology</b>	<b>Research Findings</b>	<b>Research Gaps</b>	<b>Focus of Current Study</b>
Kim and Park (2017)	Relationships between work engagement and employee's behavior	A sample size of 400 was selected using stratified random sampling method. Respondents comprised employees from Korean organizations. Data analysis was conducted using structural equation modeling	Work engagement influences knowledge sharing, and innovative work behaviors. Work engagement mediates the relationship between organizational factors and employee outcomes	The study did not categorize the sectors that were studied. This limits the contextual understanding of the impact of work engagement from industry perspective.	Contextual aspects are considered as the study focuses on hospitality firms in Kenya
Lin and Lee (2017)	Mediation role of work engagement on organizational learning and employee innovative behaviour	Used paired samples of executives and subordinates, 54 managers and 511 employees, from 21 firms in Taiwan Science Park. The study used hierarchical linear modelling to evaluate the research model.	Work engagement fully mediated the relationship between organizational learning and employee's innovative behaviour	The study focused on technology-based firms in Taiwan Science Park which limits generalization of findings in other contexts. The study uses different cultural dimensions of organizational learning	The current study focused on hospitality firms in Kenya. The constructs of organizational learning were knowledge acquisition, information distribution, information interpretation and organizational memory
Ouma and Kombo (2016)	organizational learning effect on organizational performance	A correlational survey design was adopted for the study. A sample of 71 firms was selected using disproportionate stratified random sampling. A questionnaire was used for data collection and descriptive statistics and multiple regression analysis used for data analysis	Negative correlation between knowledge acquisition, organizational memory and organizational performance while information distribution and information had positive relationship and influenced performance	The study only focused on financial and market aspects of performance. This limits the generalization of findings on other aspects of organizational performance such as employee outcomes	The current study focused on employee performance dimensions of service delivery, efficiency, team work and citizenship behaviour

<b>Author</b>	<b>Research Title/ Objectives</b>	<b>Research Methodology</b>	<b>Research Findings</b>	<b>Research Gaps</b>	<b>Focus of Current Study</b>
Nazir and Zamir (2015)	Influence of organization culture on employees' performance in Islamabad	A sample of sixty employees was selected from diverse organizations. Data was analyzed using descriptive statistics and t-tests and Pearson correlation to test hypothesis	Organizational culture affects the contextual environment of employee performance Values and norms influence behaviour expectations of employees	It is not possible to attribute the findings to specific industries as the category or sectors of the firms selected were not identified. The study used Scheins's measures of organizational culture	The current study focuses on hospitality firms. The study adopts Robbins and Judge measures of organizational culture
Akpotu and Lebari (2014)	Knowledge acquisition and employee's performance in tertiary educational institutions in Nigeria	Adopted survey design in which a sample was selected using random sampling method and data analyzed using regression model specification	Knowledge acquisition has significant effect on employee's performance	The study used simple random sampling method thus ignoring the unique characteristics in the target population.	The study used stratified random sampling technique to select a representative sample.
Ekore (2014)	The impact of organizational factors on knowledge transfer in multi-national firms in Nigeria	A sample size of 125 employees from the production unit of Cadbury Nigeria Plc and Nestle Foods Plc. The data was analyzed using multiple regression model	Training predicts knowledge transfer. Organizational culture, strategy, information technology have no significant influence on information distribution and knowledge transfer	The study focused on multinational enterprises. In addition, the findings are unique to the beverage subsector of Nigerian manufacturing industry and are not generalizable to other sectors	The study focuses on classified hospitality firms in Kenya.

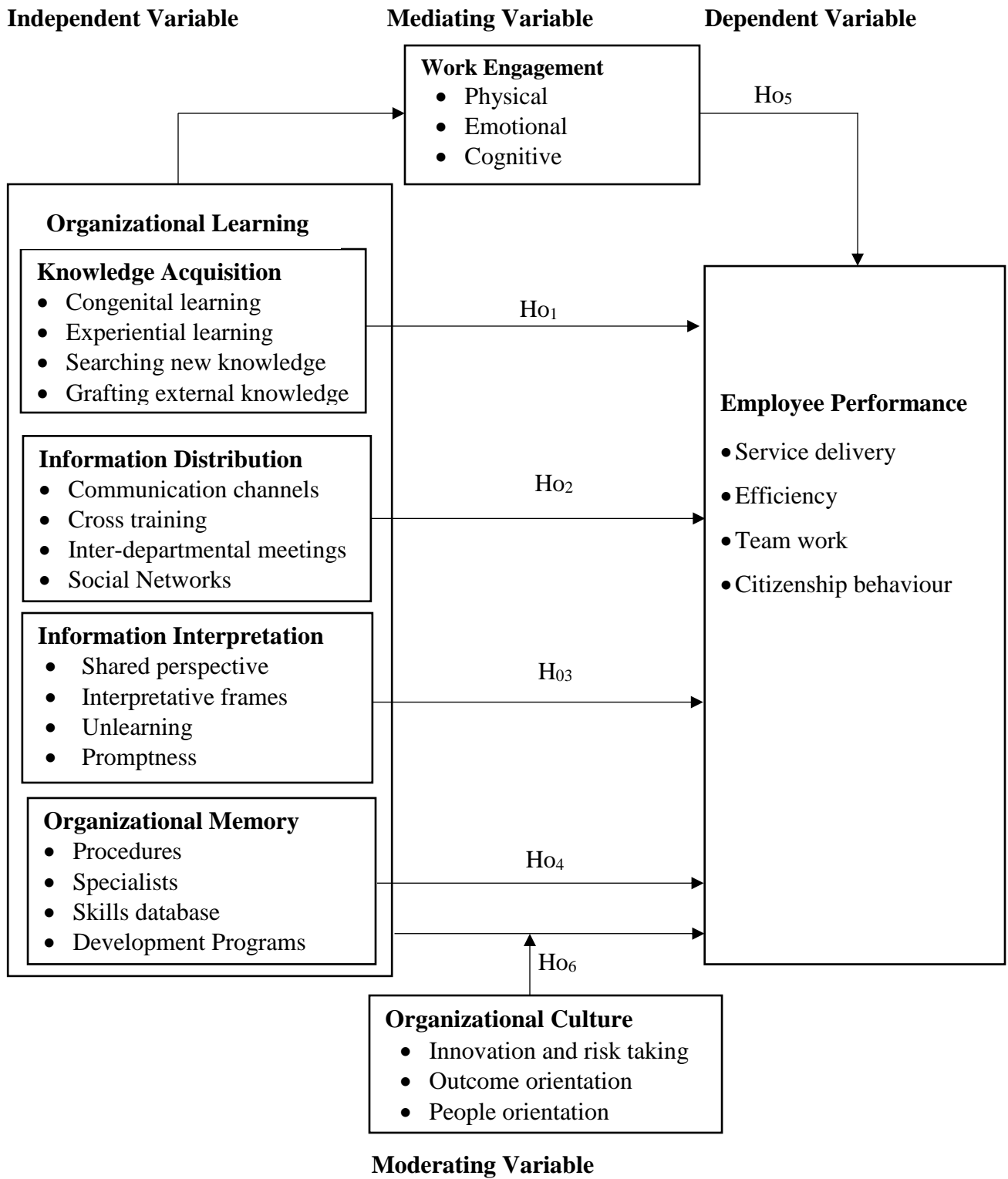
<b>Author</b>	<b>Research Title/ Objectives</b>	<b>Research Methodology</b>	<b>Research Findings</b>	<b>Research Gaps</b>	<b>Focus of Current Study</b>
Richards and Duxbury (2014)	Determinants of knowledge acquisition in public-sector organizations	A sample of 179 respondents was selected using stratified random sampling and data was analyzed multi-level regression	Contextual factors influence acquisition of knowledge with management playing a critical role	The study focused on knowledge-intensive public sector which limits the level of generalization in private and other public sector organizations. Knowledge acquisition was studied as a dependent variable	Knowledge acquisition is studied as an indicator of organizational learning. The context of the study is hospitality firms in Kenya
Anitha (2014)	Factors affecting employee engagement and employee performance in SMEs in India	Adopted causal study method. A simple random sample of 700 middle and lower managers from small scale organizations in India was selected. Data analyzed using regression and structural equation modelling	Work engagement has mediating influence on employee performance. There is positive correlation between work engagement and employee behavioural outcomes such as citizenship behaviour	The study adopted causal study methods. The context of the study was small scale organizations which limits the generalizations of the findings to large organizations.	The current study adopted descriptive research design and cross-sectional survey design.
Emeka and Philemon (2012)	Effect of organizational culture on employee's performance in selected manufacturing firms in Nigeria	Survey research method using stratified random sampling and the respondents through simple random sampling technique. Data was analyzed measures of central tendency and Chi-Square	Positive relationship between organizational culture and employee performance and organizational productivity	The study adopted Schein's measures of organizational culture. The study did not conduct a composite index of the variables to draw the conclusions because specific indicators had varying impact on employee performance	The current study adopts Robbins and Judge measures of organizational culture. A composite index will be established to determine overall effect of organizational culture on the link between study variables

<b>Author</b>	<b>Research Title/ Objectives</b>	<b>Research Methodology</b>	<b>Research Findings</b>	<b>Research Gaps</b>	<b>Focus of Current Study</b>
Christian, <i>et al.</i> (2011)	Investigated the relationship between work engagement and employee performance.	The study adapted Macey and Schneider (2008) engagement model and used meta-analytic path modelling to test the mediation role of engagement	Work engagement is positively associated with task and contextual performance. Engaged workers are focus effort to task execution, are cognitively alert, attentive and focused in their behaviour and are emotionally connected to their overall job performance	The study adopted Macey and Schneider (2008) measures of work engagement.	The study will adapt Rich, <i>et al.</i> (2010) measures of work engagement (energy, dedication and absorption). Work engagement will be studied as a mediator of the link between organizational learning and employee's performance
Dunham (2011)	Sought to establish the relationship between organizational memory and empowerment.	Sampled 134 employees drawn from six companies in New Zealand and data was analyzed using hierarchical regression analysis	Organizational memory had great impact on employee outcomes	The study adopted correlational research therefore, causal implications between variables could not be established	Descriptive and explanatory research designs are adopted to investigate the relationship between study variables.
Rich, <i>et al.</i> (2010)	Investigated the antecedents and effects of job engagement on task performance and organizational citizenship behaviour	Sampled 245 firefighters and their supervisors in USA and analyzed data using inferential statistics, correlation analysis, structural modeling and factor analysis	Work engagement influences employee performance dimensions of task and citizenship behavior.	The study did not use a moderator of the relationship between the study variables.	organizational culture will be used as a moderator of the relationship between organizational learning, work engagement and employee performance

Source: Researcher (2019)



## 2.5 Conceptual Framework



**Figure 2.1: Conceptual Framework**

Source: Researcher (2019)

The independent variable, organizational learning was operationalized in accordance with extant literature. The constructs and indicators have been validated in past studies. The constructs of organizational learning, have been adapted from the seminal work of Huber (1991) as advanced by Sanchez, *et al.* (2010). The explanatory variables are knowledge acquisition, information distribution, information interpretation and organizational memory. The first independent variable, knowledge acquisition, was indicated by congenital learning, experiential learning, searching new knowledge and grafting external knowledge. The second independent variable, information distribution, was indicated by communication, cross training, inter-departmental meetings and social networks. The third independent variable, information interpretation was measured using shared perspective, interpretative frames, unlearning and promptness of interpretation as indicators. Finally, the fourth independent variable, organizational memory, was indicated by procedures, specialists, skills database and development programs.

Employee performance was the dependent variable in this study. Employee performance was operationalized based on the indicators advanced in the task and contextual model (Borman & Motowidlo, 1993). The indicators of employee performance used in this study were service delivery, efficiency, teamwork, citizenship behavior. Work engagement, the mediating variable, was operationalized using measures of work engagement as espoused and advanced by Rich *et al.* (2010) and Christian, *et al.* (2011) which include physical resources (vigour), emotional resources (dedication) and cognitive resources (absorption). The physical construct entails energy, resilience and vigour, emotional involve the attachment or dedication to individual's role, and cognitive involve job focus, absorption and vigilance.

Organizational culture, the moderating variable, was operationalized using Robbins and Judge (2013) dimensions of innovation and risk taking, outcome orientation and people orientation to

conceptualize organizational culture. Innovation and risk taking will involve the extent to which the firm values and supports generation and implementation of new ideas, outcome orientation will entail the extent to which the organization focuses on results and goal attainment, and people orientation which focuses on management value of fairness, supportiveness and respect for individual rights.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter discusses the methodology which was used to conduct research. It describes the research philosophy and design, the target population, and sampling design and procedure. It also describes the data collection instruments and procedures, reliability and validity of research instrument, data analysis methods and presentation, and ethical issues considered in the study.

### **3.2 Research Philosophy**

This study adopted a positivist research philosophy to investigate the relationship between organizational learning and employee performance in classified hospitality firms in Kenya. Positivists approach is premised on the assumption that social research comprise objective facts that can be measured quantitatively and causality is subject to statistical evaluation (Neuman, 2007). Adoption of positivism in this research was based on the scientific methods used for generation of knowledge both inductively and deductively utilizing both quantitative and qualitative data analysis methods (Bajpai, 2011). The choice was also supported by Creswell (2009) recommendation that positivist research philosophy is appropriate for explaining relationships between variables with cause and effect attribute.

In addition, positivism is recommended for highly structured data collection instruments utilizing large samples such as a questionnaire, which was the tool for data collection in this study (Saunders, Lewis, & Thornhill, 2012). According to Easterby-Smith, Thorpe and Jackson (2008), positivism is ideal for research that progresses from problem statement, setting of objectives and hypothesis formulation and testing, operationalization and measurement of study variables, and generalization of findings are made through statistical probability. This study followed that structure, therefore, affirming the suitability of positivist approach.

### **3.3 Research Design**

The study adopted descriptive research design which was cross-sectional in nature and augmented with explanatory research design. Descriptive research designs are usually structured and designed to measure the characteristics identified in the research objectives and hypotheses (Kothari, 2004; Bajpai, 2011). The design is more reliable and suitable in determining the relationships between variables and used to produce models of these relationships without inferring causality (Saunders, *et al.*, 2012). The design is ideal for describing, recording, analyzing, and reporting phenomena of research variables under study (Bajpai, 2011).

Descriptive research design enabled the researcher to describe and define the key attributes of the research variables and determine their relationships. Explanatory research design is useful in testing hypothesis and establishing causal relationships between study variables (Saunders, *et al.*, 2012). The design was useful in testing causality between variables. Cross-sectional survey method was used as data was collected and the relationship between variables measured at a specified time.

### **3.4 Empirical Models**

In this study, the empirical model for relationship between organizational learning and employee performance was mediated by work engagement and moderated by organizational culture. Therefore, the relationships between the study variables were determined using multiple regression model, mediation model and moderating model.

#### **3.4.1 Multiple Regression Model**

The general objective of this study was determined using the regression model 3.1. In the model employee performance was predicted through the regression of the predictor variables as shown in the regression model 3.1.

$$Y_1 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \dots\dots\dots 3.1$$

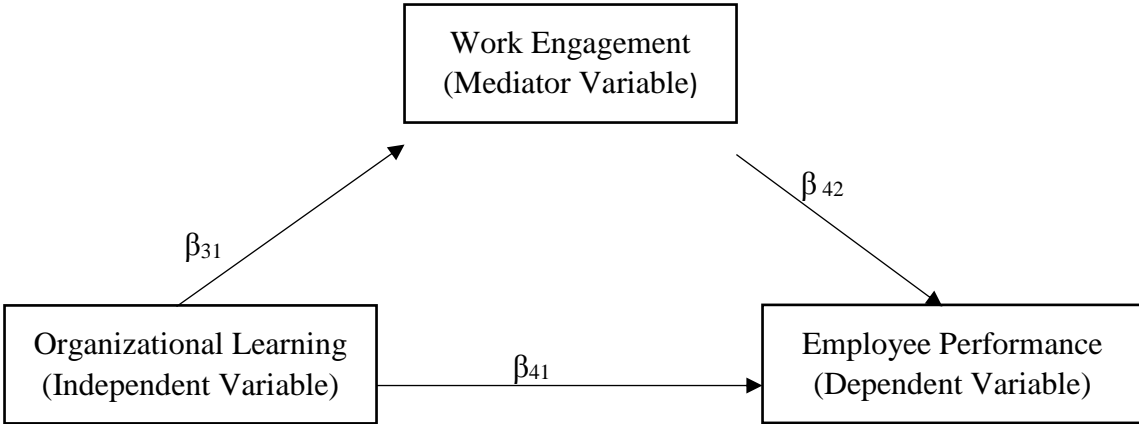
Where:

- Y = Employee Performance
- X<sub>1</sub> = Knowledge Acquisition
- X<sub>2</sub> = Information Distribution
- X<sub>3</sub> = Information Interpretation
- X<sub>4</sub> = Organizational Memory
- ε = Error term
- β<sub>0</sub> = Intercept
- β<sub>1</sub>- β<sub>4</sub> = Slope coefficients representing the influence of the associated independent variable on the dependent variable

**3.4.2 Mediation Model**

The study adopted Baron and Kenny’s (1986) three steps for mediation as described in Figure

3.1



**Figure 3.1: Schematic Mediation Model**

Source: Researcher (2019)

The first step was to regress employee performance on organizational learning to confirm whether organizational learning is a predictor of employee performance. The total effect was represented by β<sub>21</sub> as the unstandardized slope of the regression of employee performance on organizational learning as shown in model 3.2.

Organizational learning → Employee Performance

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \dots\dots\dots 3.2$$

Where:

- Y = Employee Performance
- X<sub>1</sub> = Organizational Learning
- ε = Error term
- β<sub>0</sub> = Intercept
- β<sub>1</sub> = Slope coefficient representing the influence of the organizational learning on employee's performance

The purpose of testing the relationship between organizational learning and employees' performance in model 3.2 prior to mediation was to determine whether there was an effect to mediate.

The second step involved regressing work engagement (mediator variable) on organizational learning to confirm that organizational learning was a predictor of work engagement as shown in model 3.3

Organizational learning → Work engagement

$$M_e = \beta_0 + \beta_1 X_1 + \epsilon \dots\dots\dots 3.3$$

Where:

- M<sub>e</sub> = Work engagement
- X<sub>1</sub> = Organizational learning
- ε = Error term
- β<sub>0</sub> = Intercept
- β<sub>1</sub> = Slope coefficient representing the influence of the organizational learning on work engagement

If work engagement was not associated with organizational learning that is β<sub>1</sub> in model 3.3, is not statistically significant, then it had no mediation effect on the relationship.

In the third step, employee performance was regressed on both work engagement and organizational learning to confirm whether work engagement was a significant predictor of employee performance and the previously significant organizational learning in model 3.2 was now greatly reduced, if not then work engagement,  $\beta_2$  in model 3.4, was not significant. It is noteworthy that  $\beta_2$  in model 3.4 was significant as long as  $\beta_1$  in model 3.4 was smaller in absolute value than  $\beta_1$  in model 3.2 in step one. This step was described in model 3.4

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 M_e + \varepsilon \dots\dots\dots 3.4$$

Where:

- Y = Employee Performance
- X = Organizational Learning
- $M_e$  = Work Engagement
- $\varepsilon$  = Error term
- $\beta_0$  = Intercept
- $\beta_1, \beta_2$  = Slope coefficients representing the influence of the associated independent variable on the dependent variable

**Table 3.1: Decision Making Criteria for Mediation**

Models		Conclusion
Model 3.2: $Y = \beta_0 + \beta_1 X_1 + \varepsilon$	$\beta_1, P > 0.05$	No relationship between organizational learning and employee performance to mediate
	$\beta_1, P \leq 0.05$	There is a relationship between organizational learning and employee performance to mediate
Model 3.3: $M_e = \beta_0 + \beta_1 X_1 + \varepsilon$	$\beta_1, P \leq 0.05$	There is partial mediation
Model 3.4: $Y = \beta_0 + \beta_1 X_1 + \beta_2 M_e + \varepsilon$	$\beta_1$ and $\beta_2, P \leq 0.05$	There is partial mediation
	$\beta_1, P > 0.05$ $\beta_2, P \leq 0.05$ $\beta_1$ (model 3.4) < $\beta_1$ (model 3.2)	There is full mediation

Source: Baron and Kenny (1986)



### 3.4.3 Moderation Model

The moderation effect of organizational culture (moderator variable) on the relationship between organizational learning (independent variable) and employee performance (dependent variable) was tested using Baron and Kenny (1986) model as applied by Whisman and McClelland's (2005). The moderation effect was tested by determining whether the coefficient of the interaction term was statistically different from zero. The equation models used are 3.5 and 3.6 as shown below:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \dots\dots\dots 3.5$$

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 M_o + \beta_3 X_1 * M_o + \epsilon \dots\dots\dots 3.6$$

Where:

- Y = Employee Performance
- X<sub>1</sub> = Organizational Learning
- M<sub>o</sub> = Organizational Culture
- ε = Error term/ Residual
- β<sub>0</sub> = Intercept
- β<sub>1</sub> = Coefficient relating effect of organizational learning to employee performance when organizational culture, X<sub>2</sub>= 0
- β<sub>2</sub> = Coefficient relating effect of organizational culture to employee performance when organizational learning, X<sub>1</sub>= 0
- β<sub>3</sub> = Regression coefficient for interaction term that provides an estimate of the moderator effect

**Table 3.2: Decision Making Criteria for Moderation**

Model 3.5	Model 3.6	Total effect	Conclusion
β <sub>1</sub> , P>0.05			There is no overall effect to moderate
β <sub>1</sub> , P ≤ 0.05	β <sub>2</sub> , P > 0.05		Organizational culture is a predictor variable
β <sub>1</sub> , P ≤ 0.05	β <sub>2</sub> , P ≤ 0.05	β <sub>3</sub>	Organizational culture has moderating effect

Source: Whisman and McClelland's (2005)

**Table 3.3 Measurement of the Study Variables**

<b>Category</b>	<b>Variable</b>	<b>Indicators</b>	<b>Measurements</b>	<b>Measurement Level</b>	<b>Questionnaire Item</b>
Independent	Knowledge acquisition	Congenital learning	Knowledge of the firm Organizational change Internal experience	Ordinal	Section B Qs. I-III
		Experiential learning	Learning from mistakes Experimentation Research and development	Ordinal	Section B Qs. IV-VI
		Searching	New knowledge New ideas New solutions	Ordinal	Section B Qs. VII-IX
		Grafting	External sources Comparison Imitation	Ordinal	Section B Qs. 1X-XII
Independent	Information distribution	Communication	Communication reach Vital information Communication system	Ordinal	Section C Qs. I-III
		Cross training	Training structure Group training Proposals	Ordinal	Section C Qs. IV-VI
		Inter-departmental meetings	Cross-functional meetings Discussions Knowledge sharing	Ordinal	Section C Qs. VII-IX
		Social networks	Joint projects Informal networks Trust and collaboration	Ordinal	Section C Qs. X-XII
Independent	Information interpretation	Shared perspectives	Shared vision Business environment Uniformity	Ordinal	Section D Qs. I-III

		Interpretive frames	Prioritization Alternative decisions Frameworks/templates	Ordinal	Section D Qs. IV-VI
		Interpretation promptness	Concise reports Information overload Capacity for interpretation	Ordinal	Section D Qs. VII-IX
		Unlearning	Obsolete information Change management Discard/ replace information	Ordinal	Section D Qs. X-XII
Independent	Organizational memory	Procedures	Operational procedures Purpose of procedures Induction on operational procedures	Ordinal	Section E Qs. I-III
		Specialists	Internal expertise Staff turnover Pipeline of specialists	Ordinal	Section E Qs. IV-VI
		Skills database	Skills inventory Knowledge database Access to databases	Ordinal	Section E Qs. VII-IX
		Development programs	Training programs Updated programs Learning needs	Ordinal	Section E Qs. X-XII
Mediating	Work engagement	Physical engagement	Intensity Striving/ Resilience Energy	Ordinal	Section F Qs. I-III
		Emotional engagement	Enthusiasm Attachment Dedication	Ordinal	Section F Qs. IV-VI
		Cognitive engagement	Focus Attention Absorption	Ordinal	Section F Qs. VII-IX

Moderating	Organizational Culture	Innovation and risk taking	Generation of new ideas Rewarding innovativeness Implementation of new ideas	Ordinal	Section G Qs. I-III
		Outcome orientation	Focus on the results rather than the process Results accountability Reward for high achievers	Ordinal	Section G Qs. IV-VI
		People orientation	Recognition of employees Employees' grievances Welfare support programs	Ordinal	Section G Qs. VII-IX
Dependent	Employee Performance	Service delivery	Quality of service Timeliness Service standards	Ordinal	Section H Qs. I-III
		Efficiency	Standard performance Avoiding mistakes Problem solving	Ordinal	Section H Qs. IV-VI
		Team Work	collaborate with co-workers Commitment to team goals Leading team efforts	Ordinal	Section H Qs. VII-IX
		Citizenship Behaviour	Assisting co-workers Following rules and regulations Contribution to affairs of the organization	Ordinal	Section H Qs. X-XII

Source: Researcher (2019)

### 3.5 Target Population

The target population for this study comprised 75 firms classified as five star (15 firms), four star (35 firms) and three star (25 firms). The selected firms are located in Greater Nairobi Region comprising Nairobi, Kajiado and Machakos counties, and South Rift Region comprising Nakuru and Narok Counties. Distribution of the target population is given in Table 3.4

**Table 3.4: Distribution of Target Population**

<b>Firms Category</b>	<b>Frequency</b>	<b>Percent</b>
5 Star Firms	15	20.0
4 Star Firms	35	46.7
3 Star Firms	25	33.3
<b>Total</b>	<b>75</b>	<b>100</b>

Source: Tourism Regulatory Authority (2019)

From table 3.4, it is evident that five star firms constitute 20%, four star firms comprise 46.7%, and three star firms constitute 33.3% of the target population of classified hospitality firms.

### 3.6 Sampling Design and Procedure

In accordance with Saunders, *et al.* (2009) argument that an ideal sample is one that ensures sufficient and representative data is collected, the researcher used a multi-stage sampling approach. Using a purposive and census sampling method, 75 classified hospitality firms were selected comprising 15 five star, 35 four star and 25 three star firms located in Nairobi and South-Rift Valley regions. These locations constitute the largest proportion of five star firms (15 out of 19) and four star firms (35 out of 58). The two star and one star firms being rated low on this criteria were not considered for this study because they do not have sufficient structures and systems to support organizational learning capability as informed by their low classification by the Tourism Regulatory Authority and therefore could not provide the needed data for the study.

The unit of analysis was the employees from classified hospitality firms while the unit of observation was the employees from functional departments in each firm (TRA, 2019). The functional departments that were considered for observation were human resources, food and beverage, and accommodation and conferencing. These departments were considered because they had relevant information for the study. The targeted respondents were managers in charge of human resources, food and beverage, and accommodation and conferencing from the targeted population. These managers were considered for this study because they have the relevant information regarding the study variables since they were in direct line of implementation of organization's policies, strategies and processes. Using stratified random sampling, a proportionate number of respondents were selected from each of the three functional departments from each category of firm (Cooper & Schindler, 2006). The sampling frame and distribution is presented in Table 3.5.

**Table 3.5: Sampling Frame and Distribution**

<b>Strata</b>	<b>Stratum Size</b>	<b>Functional Departments</b>	<b>Sample Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
5 Star Firms	15	3	45	20.0	20.0
4 Star Firms	35	3	105	46.7	66.7
3 Star Firms	25	3	75	33.3	100
<b>Total</b>	<b>75</b>		<b>225</b>	<b>100</b>	

Source: Researcher (2019)

From the table 3.5, five star firms constituted 45 respondents which was 20% of the total sample size, four star firms contributed 105 respondents (46.7%), and three star firms had 75 respondents which was 33.3%. The total number of respondents was 225 which was representative sample of the entire population.

### **3.7 Data Collection Instruments**

The main source of data in this study was primary data. The primary data was collected using a semi-structured questionnaire. It is acknowledged that a questionnaire provides a consistent and efficient way of collecting information related to individual attitudes, perceptions, and behavioural characteristics (Creswell, 2009). The use of a questionnaire was appropriate for this study as it is sufficient to collect both quantitative and qualitative data for descriptive research (Saunders, *et al.* 2012). Further, the questionnaire was ideal as it is free from interviewer's bias and provide adequate time for the respondents to give considered responses (Mugenda & Mugenda, 2003).

In the development of the questionnaire, Creswell and Plano-Clark (2011) procedure was followed which entailed: determining relevant study constructs and measures; generation of questionnaire items and relevant questions; ensuring that items scales were validated by previous studies; determining the scales of measurement of the items; pre-testing to validate the instrument; and evaluating the items for reliability. Based on this systematic approach, a semi-structured questionnaire was developed comprising both closed-ended and open-ended questions. The closed ended questions were structured using a five-point Likert scale format.

The closed-ended questions provided data for quantitative analysis and testing of hypotheses while open-ended questions provided information that clarified and explained data gathered using closed-ended questions hence deepening the understanding of the relationship between the study variables. Data collected from open-ended question was analyzed and interpreted using content analysis technique which involved identification of themes and concepts relevant to research objectives and plausible in drawing conclusions (Creswell, 2009).

The questionnaire was divided into eight sections consisting of 91 questions. The first part, section A comprised questions on general information about the respondents. The demographic information of the respondents constituted individual level variables which influence individual responses. The demographic items included gender, age, length of service, level of education and department of operation. Section B had questions focusing on knowledge acquisition and Section C comprised questions on information distribution. Section D and E sought information regarding information interpretation and organizational memory respectively. Section F had questions focusing on the work engagement and section G focused on organizational culture. Lastly section H had questions on employee performance.

The measures of study variables were adapted from models used in past studies (Borman & Motowidlo, 1993; Huber, 1991; Macey & Schneider, 2008; Robbins & Judge, 2013) and validated empirically (Christian, *et al.* 2011; Dhammika, 2013; Rich, *et al.* 2010; Sanchez, *et al.* 2010). The measures were based on the research hypotheses with scales as indicators of the latent constructs of study variables. The measures were standardized to fit the context of the study. A sample questionnaire is provided in the Appendix.

### **3.8 Data Collection Procedure**

To officially embark on collection of data, the researcher received an introduction letter from Kenyatta University Graduate School. The researcher applied and received a research permit from National Commission for Science, Technology and Innovation (NACOSTI) to conduct research. Subsequently, in order to guarantee a good response rate, the researcher sought approval from the management of targeted firms to collect data. Consent was also secured from the respondents, where the purpose of the study and how to answer the questionnaire was explained.



A cross-sectional design was adopted for data collection in order to accurately capture the objectives of the study, provide valid measure of variables and get time-specific information from respondents. The questionnaire was administered to the respondents who comprised a human resource manager, food and beverage manager, and accommodation and conferencing manager from each selected firm. The questionnaire was delivered by hand to each respondent and collected later by the researcher. The pilot study was conducted in August 2019 and after revision of the questionnaire, data was collected over a period of three months, September to December, 2019.

On the other hand, secondary source of literature was collected using reviews from both empirical and theoretical literatures from books, book chapters, journal articles and conference papers relevant to the study. In addition, data was obtained through document review. Some of the documents that were reviewed include Tourism Regulatory Annual Reports, Kenya National Bureau of Statistics Economic Survey Reports, Kenya Association of Hotel Keepers and Caterers reports and Economic Survey Reports. Information gathered from secondary sources of literature augmented and validated the primary data.

### **3.9 Validity and Reliability of Research Instruments**

#### **3.9.1 Validity**

Tests for validity of research instrument was conducted to ensure that it measures what it is purported to measure using content validity assessment and criterion-related assessment to determine construct validity of study variables (Cooper & Schindler, 2006). To ensure content validity, the draft questionnaire was reviewed by the academic supervisors and the suggestions and recommendations made incorporated in the questionnaire. Thereafter, the questionnaire items were assessed by four experts drawn from the fields of hospitality management and human

resource management who indicated that the questions were relevant to the variables and context of the study.

To ascertain criterion-related validity, the researcher adapted measures that have been validated in previous studies. For organizational learning, the twelve-items scale used in each variable (knowledge acquisition, information distribution, information interpretation and organizational memory) were adapted from Huber (1991) model validated by Sanchez, *et al.* (2010). The nine-item scale used to measure work engagement was adapted from Macey and Schneider (2008) engagement model advanced by Rich *et al.* (2010) and Christian, *et al.* (2011). Organizational culture nine-item scale was adapted from Robbins and Judge (2013) model. Employee performance twelve-item scale was adapted from Borman & Motowidlo (1993) task and contextual model whose measures were validated by Dhammika (2013).

The research instrument was pilot-tested in order to ensure that the respondents understand the questions, assess the validity of the scale of measure, assess reliability of the data collected and eliminate possible challenges in data collection (Saunders, *et al.*, 2012). A pilot testing of the questionnaire was conducted on 23 respondents from selected firms. These respondents were excluded from the final study. The essence of pilot testing was to help the researcher get an indication of how the responses would be with the objective of revising and improving the questionnaire. The modification resulting from pre-testing feedback involved restructuring some of the questionnaire items. In particular, there was need to improve clarity and relevance of questionnaire items relating to organizational culture and employee performance in the context of hospitality industry. Therefore, the researcher revised the questionnaire items to ensure the measures were relevant to the research objectives, hypotheses and context of the study.

### 3.9.2 Reliability

The research instrument was tested for reliability to ensure that it was reliable to the degree that it would yield consistent findings on repeated trials. Cronbach's Alpha Coefficient statistical method to test the reliability of the quantitative measures since it is considered suitable for measuring internal consistency when multiple Likert questions have been used (Saunders, *et al.* 2012). The threshold for was set such that the internal consistency of questionnaire items was considered adequate if they had a Cronbach's alpha coefficient value of 0.7 or higher (Hair, *et al.* 2006). The questionnaire was reliable with all the measures having a Cronbach's alpha coefficient value greater than 0.7 as summarized in table 3.6.

**Table 3.6 Reliability of Questionnaire Items**

<b>Variables</b>	<b>No. of Items</b>	<b>Cronbach's Alpha Value</b>
<b>Independent Variables</b>		
Knowledge Acquisition	12	0.892
Information Distribution	12	0.893
Information Interpretation	12	0.726
Organizational memory	12	0.844
<b>Mediation Variable</b>		
Work Engagement	9	0.881
<b>Moderating Variable</b>		
Organizational Culture	9	0.887
<b>Dependent Variable</b>		
Employee Performance	12	0.916

Source: Survey (2020)

Since the perceptual measures of both dependent and explanatory variables were derived from the same respondents, and which may result in one general factor accounting for the majority of covariance in the variables, objective measures of organizational learning and employee performance were adopted in order to remove subjectivity. In addition, three managers (human

resources, food and beverage, and accommodation and conferencing) were considered in order to reduce bias (Podsakoff, *et al.*, 2003).

### **3.10 Data Analysis**

Collected data was screened prior to statistical analysis to ensure that coding of responses was accurate. After the data was coded, it was cleaned to eliminate survey errors generated from initial data capture, coding, editing and imputation (Hair, *et al.*, 2006). The collected data was analyzed and interpreted using descriptive statistics and inferential statistics. Saunders *et al.*, (2012) argue that descriptive statistics is ideal for explaining data and inferential statistics to test hypothesis and draw conclusions. The descriptive statistics that was used are mean (to measure central tendency) and standard deviation (to measure dispersion). Inferential statistics, which entailed analysis of data in order to measure causal relationships among constructs and test hypotheses, were done using multiple regression analysis and correlation analysis. Statistical package for social sciences (SPSS) version 23 was used in the analysis of data. Content analysis was used to analyse qualitative data and involved identification of key themes and concepts relevant to the research objectives and plausible in drawing conclusions.

Regression analysis is used to test hypotheses to establish if there is a statistically significant relationship between sets of variables (Kothari, 2004). The regression was used to examine how changes in the independent variables (organizational learning) influence changes in the dependent variable (employee performance). The study sought to predict employee performance using explanatory variables that included knowledge acquisition, information distribution, information interpretation and organizational memory. Multiple regression analysis was also used in mediation and moderation models.

Pearson correlation was used to determine the association between the explanatory variables (knowledge acquisition, information distribution, information interpretation and organizational memory) and the dependent variable (employee performance). The strength and direction of linear relationships between pairs of study variables were measured. In addition, correlation analysis was used to determine if there was statistically significant linear relationship among the same pairs of study variables. The associations were to be considered strong if the coefficient  $r > 0.5$  at 95% level of confidence (Saunders, *et al.*, 2012).

The findings of this study were summarized and presented using descriptive analysis methods. According to Wilson (2010), descriptive statistics allows data to be described and presented in different ways. In this study, data has been presented in the form of tables that have facilitated description and explanation of the findings.

### **3.11 Diagnostic Tests**

Before the statistical tests were done, diagnostic tests were conducted. These tests include normality, linearity, autocorrelation and multicollinearity tests.

#### **3.11.1 Normality Tests**

Normality tests were conducted to determine if the data was well modeled by a normal distribution and to establish how likely it was for a random variable underlying the data set was to be normally distributed. This test was useful as the statistical tests that were done rely upon the assumption of normality as they are parametric tests. Normality was assessed using Shapiro-Wilk Test in which data was considered normal if the Sig. value of Shapiro-Wilk Test was greater 0.05 (Saunders, *et al.* 2008). The results of normality test for each level of data sets p-value  $> 0.05$  which established that that the data was normally distributed for all the variables at 95% confidence level.

### **3.11.2 Linearity Test**

Linearity test was conducted to assess whether there was linear relationship between the independent variables (organizational learning) and dependent variable (employee performance). This test was important for correlation and regression analysis that was conducted since they rely on the assumption of linearity of data. The test for linearity was done using analysis of variance (ANOVA) test in which linearity was significant if F value was greater than the critical value and the  $p$  value less than 0.05. The results showed that F statistic value of 83.03 was greater than the critical value of 2.60, and  $p$  value (0.000) < 0.05, which implied there was a linear relationship between independent variable (organizational learning) and dependent variable (employee performance).

### **3.11.3 Autocorrelation Test**

To ensure that the disturbances, prediction errors, were independently distributed and that the covariances and correlations between different disturbances were zero, a test for autocorrelation was done. The autocorrelation test helped determine whether there were other omitted variables, misspecification of the regression equation, or systematic errors in measurement of variables. Durbin Watson test was used to assess the presence of autocorrelation in the empirical models. In which a Durbin Watson scale < 1.5 and > 2.5 would indicate presence of autocorrelation in the residuals of the models (Garson, 2012). The results showed the Durbin-Watson  $d = 1.926$ , which fell between the critical values of  $1.5 < d > 2.5$ . This implied that there was no first order linear auto-correlation in the multiple linear regression data, there was no misspecification of the regression equation, or systematic errors in measurement of variable.

### **3.11.4 Multicollinearity Test**

Diagnosis for multicollinearity was conducted to assess whether there was a linear relationship among the explanatory variables or perfect correlation between the variables. This diagnostic tests included determining the tolerance value and variance inflation factor. A tolerance value larger than 0.1 and variance inflation factor (VIF) less than 10 was used to ascertain lack of multicollinearity between the independent variables (Saunders, *et al.*, 2012). The results of collinearity statistics established that knowledge acquisition, tolerance  $0.945 > 0.1$ , VIF  $1.618 < 10$ , information distribution, tolerance  $0.483 > 0.1$ , VIF  $2.735 < 10$ , information interpretation, tolerance  $0.649 > 0.1$ , VIF  $1.704 < 10$ , and organizational memory, tolerance  $0.557 > 0.1$ , VIF  $2.691 < 10$ . These findings reveal that there was no multicollinearity among the independent variables.

**Table 3.7 Hypothesis Testing**

<b>Hypothesis (H<sub>0</sub>)</b>	<b>Hypothesis Test</b>	<b>Statistical Model</b>	<b>Interpretation</b>
H <sub>01</sub> : Knowledge acquisition has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if p < 0.05, If not fail to reject the H <sub>0</sub>	$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$ <p>Where:</p> <p>Y = Employee Performance  X<sub>1</sub> = Knowledge Acquisition  X<sub>2</sub> = Information Distribution  X<sub>3</sub> = Information Interpretation  X<sub>4</sub> = Organizational Memory  ε = Error term  β<sub>0</sub> = Intercept  β<sub>1</sub>- β<sub>4</sub> = Slope coefficients</p>	Knowledge acquisition, X <sub>1</sub> , has significant effect on employee performance, Y, if the regressed β <sub>1</sub> coefficient for β <sub>1</sub> X <sub>1</sub> product term is statistically significant, p < 0.05
H <sub>02</sub> : Information distribution has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if p < 0.05, If not fail to reject the H <sub>0</sub>		Information distribution, X <sub>2</sub> , has significant effect on employee performance, Y, if the regressed β <sub>2</sub> coefficient for β <sub>2</sub> X <sub>2</sub> product term is statistically significant, p < 0.05
H <sub>03</sub> : Information interpretation has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if p < 0.05, If not fail to reject the H <sub>0</sub>		Information interpretation, X <sub>3</sub> , has significant effect on employee performance, Y, if the regressed β <sub>3</sub> coefficient for β <sub>3</sub> X <sub>3</sub> product term is statistically significant, p < 0.05
H <sub>04</sub> : Organizational memory has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if p < 0.05, If not fail to reject the H <sub>0</sub>		Organizational memory, X <sub>4</sub> , has significant effect on employee performance, Y, if the regressed β <sub>4</sub> coefficient for β <sub>4</sub> X <sub>4</sub> product term is statistically significant, p < 0.05



<p>H<sub>05</sub>: Work engagement has no significant mediating influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya</p>	<p>Reject H<sub>0</sub> if <math>p &lt; 0.05</math>, If not fail to reject the H<sub>0</sub></p>	<p><math>Y = \beta_0 + \beta_1 X_1 + \beta_2 M_e + \epsilon</math> Where: Y = Employee Performance X<sub>1</sub> = Organizational Learning M<sub>e</sub> = Work Engagement <math>\epsilon</math> = Error term <math>\beta_0</math> = Intercept <math>\beta_1, \beta_2</math> = Slope coefficients</p>	<p>Mediating variable, M<sub>e</sub>, has partial or full mediation influence on relationship between organizational learning, X, and employee performance, Y, if the regressed <math>\beta_1</math> coefficient for <math>\beta_1 X_1</math> product term is statistically significant, <math>p &lt; 0.05</math> or <math>p \leq 0.05</math> respectively</p>
<p>H<sub>06</sub>: Organizational culture has no significant moderating effect influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya.</p>	<p>Reject H<sub>0</sub> if <math>p &lt; 0.05</math>, If not fail to reject the H<sub>0</sub></p>	<p><math>Y = \beta_0 + \beta_1 X + \beta_2 M_o + \beta_3 X * M_o + \epsilon</math> Where: Y = Employee Performance X<sub>1</sub> = Organizational Learning M<sub>o</sub> = Organizational culture <math>\epsilon</math> = Error term/ Residual <math>\beta_0</math> = Intercept <math>\beta_1</math> = Coefficient relating effect of X to Y when M<sub>o</sub> = 0 <math>\beta_2</math> = Coefficient relating effect of M<sub>o</sub> to Y when X = 0 <math>\beta_3</math> = Regression coefficient for interaction term that provides an estimate of the moderator effect</p>	<p>If <math>\beta_2</math>; P-value <math>&lt; 0.05</math> there is no moderation effect. Where the <math>\beta_2</math>; P-value <math>&gt; 0.05</math> implies existence of moderation effect. If <math>\beta_3 \neq 0</math>, there is significant moderation effect on the relationship between organizational learning and employee performance X and Y at 95% confidence level.</p>

Source: Researcher (2019)

### **3.12 Ethical Consideration**

Ethical practices were adopted in the entire period of undertaking this research. Before starting to collect data, the researcher ensured that he had received all the necessary approvals and permits. To begin with, the researcher received an introduction letter and approval of research proposal from Kenyatta University. Afterwards, the research applied and received a research permit from NACOSTI which licensed the researcher to collect data. Approval was sought from the management of the sampled classified firms to collect data from the respondents who comprised managers in charge of human resource, food and beverage and conferencing and accommodation.

The researcher complied with code and ethical standards of privacy, confidentiality and anonymity in the conduct of this research. In particular, the researcher explained the purpose of the research to the respondents and what their role and rights were. It was explained to them that they had a right to choose whether to participate in the research or not. Therefore, they were required to give their informed consent to participate in the study. Privacy and confidentiality of the information gathered was guaranteed. The information was used exclusively for this research and was not revealed to third parties. The identity of the respondents remained anonymous to further ensure there was no breach of privacy and confidentiality. The respondents were not required to give information that revealed their true identity (such as name) or the name of the firm.

This study relied on many sources of literature which have been acknowledged and cited accordingly. This undertaking guaranteed integrity of the research by ensuring all data collected was reported objectively.

## CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

### 4.1 Introduction

This chapter presents the analysis and findings of the study. Collected data was edited, classified, coded and tabulated. The data was then analyzed using descriptive and inferential statistics. The results of descriptive analysis are presented in frequency distribution tables, charts, percentages, means and standard deviations. The results of regression analyses and correlations are also presented to show the relationship and association between study variables. The results of the study and their interpretations have been presented according to the research objectives and hypotheses.

### 4.2 Reliability of Research Instrument

To test the reliability of the research instrument, internal consistency reliability test was conducted on all items to get the Cronbach's alpha coefficient. This approach for measuring internal consistency was considered appropriate since it is recommended when multiple Likert questions have been used (Saunders, *et al.* 2012). Internal consistency of questionnaire items was considered adequate if they had a Cronbach's alpha coefficient value of 0.7 or higher (Hair, *et al.* 2006).

From the results presented in table 4.1, it is evident that the questionnaire had internal consistency since all items have a coefficient value that is greater than 0.7, which was the threshold. For the independent variables, the items for knowledge acquisition and information distribution had average coefficient values of 0.892 and 0.893 respectively, information interpretation items had  $\alpha$  of 0.726, and organizational memory had an aggregate  $\alpha$  0.844. Mediation variable, work engagement, had an aggregate  $\alpha$  0.881, while the moderator variable, organizational culture had  $\alpha$  0.887. Employee performance items had an aggregate of  $\alpha$  0.916.

**Table 4.1: Reliability Test Results**

<b>Variables</b>	<b>Measures</b>	<b>No. of Items</b>	<b>Cronbach's Alpha Value</b>
<b>Independent Variables</b>			
Knowledge Acquisition	Congenital learning	3	0.889
	Experiential learning	3	0.912
	Searching	3	0.892
	Grafting	3	0.875
Information Distribution	Communication	3	0.902
	Cross training	3	0.922
	Inter-departmental meetings	3	0.893
	Social networks	3	0.855
Information Interpretation	Shared perspectives	3	0.737
	Interpretive frames	3	0.708
	Interpretation promptness	3	0.741
	Unlearning	3	0.716
Organizational memory	Procedures	3	0.872
	Specialists	3	0.799
	Skills database	3	0.864
	Development programs	3	0.842
<b>Mediation Variable</b>		3	
Work Engagement	Physical engagement	3	0.921
	Emotional engagement	3	0.870
	Cognitive engagement	3	0.853
<b>Moderating Variable</b>		3	
Organizational Culture	Innovation and risk taking	3	0.922
	Outcome orientation	3	0.859
	People orientation	3	0.881
<b>Dependent Variable</b>		3	
Employees Performance	Service delivery	3	0.913
	Efficiency	3	0.877
	Team Work	3	0.944
	Citizenship Behaviour	3	0.928

Source: Survey (2019)

### 4.3 Response Rate

Two hundred and twenty five (225) questionnaires were administered to respondents who comprised human resource managers, food and beverage managers and accommodation and conferencing managers. Out of the 225 respondents, one hundred and sixty nine (169) completed the questionnaire. Upon evaluation of the received questionnaires, seven (7) of them were

excluded for they were incorrectly filled. Therefore, one hundred and sixty two (162) respondents were considered valid for the study which is equivalent to 72 per cent response rate. The distribution of the response rate is presented in Table 4.2.

**Table 4.2: Distribution of Response Rate**

<b>Category</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Valid Response	162	72	72	72
Did not respond	56	24.9	24.9	96.9
Spoilt	7	3.1	3.1	100
<b>Total</b>	<b>225</b>	<b>100</b>	<b>100</b>	

Source: Survey (2019)

The response rate of 72 percent was considered adequate for data analysis since it had exceeded the threshold of >50 percent recommended by in literature (Cooper & Schindler, 2008; Kothari, 2004). To eliminate factors related to non-response bias, time trend method was adopted where late responses were completely removed from final analysis (Hair, *et al.*, 2006).

#### **4.4 Demographic Characteristics of Respondents**

The study sought to determine the demographic characteristics of the respondents in terms of gender, age, level of education, length of service and department of operation. The results of demographic characteristics are presented in Table 4.3

**Table 4.3: Demographic Characteristics of Respondents**

<b>Factor</b>	<b>Category</b>	<b>Frequency</b>	<b>Percent (%)</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Gender	Male	85	52.5	52.5	52.5
	Female	77	47.5	47.5	100
	Total	162	100	100	
Age	20 Years and Below	0	0	0	0
	21-29 Years	48	29.6	29.6	29.6
	30 – 39 Years	63	38.9	38.9	68.5
	40 - 49 Years	42	25.9	25.9	94.4
	50 – 59 Years	9	5.6	5.6	100
	60 Years and Above	0	0	0	100
	Total	162	100	100	
Highest Level of Education	Professional Certificate	10	6.2	6.2	6.2
	Diploma	53	32.7	32.7	38.9
	Bachelors	76	46.9	46.9	85.8
	Masters	23	14.2	14.2	100
	Doctorate	0	0	0	100
	Total	162	100	100	
Length of Service	4 Years and below	72	44.4	44.4	44.4
	5 – 9 Years	40	24.7	24.7	69.1
	10 - 14 Years	27	16.7	16.7	85.8
	15 years and above	23	14.2	14.2	100
	Total	162	100	100	
Department of Operation	Human Resource	63	38.9	38.9	38.9
	Food and Beverage	54	33.3	33.3	72.2
	Accommodation & Conferencing	45	27.8	27.8	100
	Total	162	100	100	

Source: Survey (2019)

From Table 4.3, it is evident that in classified hospitality firms studied, there is an almost even distribution of male and female in management with male respondents accounting for 52.5% and female 47.5% respectively. Majority of the respondents fall between the age of 20 years to 49 years, with highest category being aged between 30 -39 years which is 38.9% and the least category is aged between 50 -59 years which is 5.6%. A big proportion of the respondents have either a diploma or a Bachelor's degree representing 32.7% and 46.9% respectively. In terms of length of service, 44.4% have worked in the organization for less than 4 years, 24.7% for a period between 5 and 9 years. Only 14.2% have worked for over 15 years. The highest number

of respondents, that is, 38.9% work in human resource department, 33.3% in food and beverage department and 27.3% in accommodation and conferencing.

#### 4.5 Descriptive Statistics

Descriptive analysis of data was conducted to describe the characteristics of study variables. Results of descriptive statistics are presented in form of tables.

##### 4.5.1 Descriptive Statistics for Knowledge Acquisition

The study sought to examine the extent to which knowledge acquisition had been implemented in the organization. Twelve items were used to measure the construct. Using a five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statement. Table 4.4 shows the results of the descriptive statistics.

**Table 4.4: Knowledge Acquisition**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
The employees are informed of the history of the firm, its mission and its philosophy of work	162	1	5	3.563	0.953
The employees are informed of the changing culture, norms, traditions and values of the organization	162	1	5	3.875	0.922
As a result of the experience acquired the employees are more efficient in exercising their responsibilities	162	2	5	4.229	0.588
Mistakes are openly discussed to learn from them.	162	1	5	3.496	1.013
New ideas and approaches to work are experimented	162	1	5	3.458	1.047
There are research and development activities	162	1	5	2.666	1.334
We seek for new knowledge to improve processes	162	1	5	3.706	0.944
We search for information to refine our processes	162	2	5	3.999	0.846
We search for new solutions to existing problems	162	1	5	3.627	0.937
We look for expertise from sources outside the organization when we do not have internal capacity	162	1	5	3.850	0.827
We compare our level of knowledge with competitors	162	1	5	3.592	1.154
We introduce technology that is used by competitors	162	1	5	3.867	0.829

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50$   $\leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The findings in Table 4.4 reveal that firms emphasis learning internally. New employees learn the history, mission and philosophy of work (Mean 3.563, Std dev 0.953) and culture, norms and values of the organization (Mean 3.875, Std dev 0.922). It is evident that majority of the firms have implemented measures to ensure that learning take place through experienced employees (Mean 4.229, Std dev 0.588) and from experts (Mean 3.850, Std dev 0.827). However, acquisition of knowledge through research and development activities is minimal with a mean of 2.666 (Std dev 1.334) and moderate for experimenting new ideas and learning through mistakes with means of 3.458 (Std dev 1.047) and 4.496 (Std dev 1.013) respectively.

It is evident that knowledge is acquired mainly for improving and refining existing process (mean 3.999, Std dev 0.846) and to help solve problems (Mean 3.627 Std dev 0.937). In order to remain competitive, firms compare levels of knowledge with competitors (Mean 3.592, Std dev 1.154) and adapt technology that is also used by competitors (Mean 3.867, Std dev 0.829). These findings demonstrate that knowledge acquisition is critical to organizational performance, particularly in refining processes, solving problems and to gain competitive advantage.

#### **4. 5.2 Influence of Knowledge Acquisition on Employee Performance Indicators**

The study sought to determine the extent to which knowledge acquisition influences employee performance indicators, that is, service delivery, efficiency, teamwork and citizenship behaviour. Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate their extent to which knowledge acquisition influences the various employee performance indicators. The results are presented in table 4.5.



**Table 4.5: Influence of Knowledge Acquisition on Employee Performance**

<b>Employee Performance</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	8	5	5	5
	Low	10	6	6	11
	Moderate	18	11	11	22
	High	86	53	53	75
	Very High	40	25	25	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	5	3	3	3
	Low	12	7	7	10
	Moderate	25	15	15	25
	High	77	48	48	73
	Very High	43	27	27	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	15	9	9	9
	Low	29	18	18	27
	Moderate	43	27	27	54
	High	42	26	26	80
	Very High	33	20	20	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	10	6	6	6
	Low	21	13	13	19
	Moderate	38	23	23	42
	High	58	36	36	78
	Very High	35	22	22	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

The results in table 4.5 show that knowledge acquisition has the highest influence on service delivery (high level at 53% and very high level 25%) and efficiency (high level 48% and very high level at 27%). The influence of knowledge acquisition on citizenship behaviour is at a high and very high level of 58% cumulatively. It has least influence on teamwork which stands at moderate level 27%, high level 26% and high level 20%. These findings point to the significance of knowledge acquisition to improving employee performance in classified hospitality firms. It is particularly important in enhancing employee service delivery and efficiency which are critical to the overall performance of service industry firms (Li & Zheng, 2014). However the

influence of knowledge acquisition on employee teamwork and citizenship behaviour is moderately high.

#### 4.5.3 Influence of Knowledge Acquisition on Work Engagement

Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate the extent to which knowledge acquisition influences work engagement. The results are presented in table 4.6.

**Table 4.6: Influence of Knowledge Acquisition on Work Engagement**

<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Very Low	16	10	10	10
Low	19	12	12	22
Moderate	33	20	20	42
High	60	37	37	79
Very High	34	21	21	100
<b>Total</b>	<b>162</b>	<b>100</b>	<b>100</b>	

Source: Survey (2019)

The results in table 4.6 reveal that the level of influence of knowledge acquisition is great with a cumulative of 58 per cent (high 37% and very high 21%). Twenty percent of the respondents rated the influence moderately and 10% and 20% rated it very low and low respectively. In general, this findings explains the importance of knowledge acquisition in enhancing work engagement in the organization. These findings are similar to Bratianu (2015) study that drew a relationship between knowledge acquisition and work engagement. In particular, the study found that work engagement dimensions of emotional engagement and cognitive engagement are associated with acquisition of knowledge.

#### 4.5.4 Descriptive Statistics for Information Distribution

The study sought to determine the extent to which information distribution had been implemented in the organization. Twelve items were used to measure the construct. Using a

five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statement. Table 4.7 shows the results of the descriptive statistics.

**Table 4.7: Information Distribution**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
The general objectives of the organization are communicated to all employees	162	2	5	4.073	0.825
Changes in the organization are communicated to employees promptly	162	2	5	3.958	0.977
Vital information is transmitted quickly to all the employees	162	1	5	3.271	0.986
Employee are informed of newest technology and best practices through training	162	1	5	3.694	1.014
Employees collaborate to solve problems	162	2	5	4.100	0.673
Proposals made by the employees are incorporated and distributed internally	162	1	5	2.874	1.159
Inter-departmental meetings are held to integrate the existing information	162	1	5	3.537	0.945
Time is devoted for employees to discuss the organization’s future needs	162	1	5	2.799	1.016
The organization has formal mechanisms for knowledge sharing	162	1	5	3.785	0.984
There exists integrated joint projects across departments	162	1	5	3.462	0.836
There exists informal networks for employees to interact	162	1	5	3.266	1.037
There is an atmosphere of trust and collaboration among the personnel of the company	162	1	5	3.129	1.074

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50 \leq 3.49$  = Moderate;  $\geq 3.50$  = High.  
Source: Survey (2019)

The findings presented in Table 4.7 reveal the extent to which information is distributed within firms as part of organizational learning process. The results show that communication is critical

to information distribution with an average mean of 3.767 and std. dev. 0.929. The information communicated include organizational objectives and changes in the organization. Organizational objectives are linked to performance and this emphasizes the importance of communication in performance management. However, this communication is not always done promptly (Mean 3.271, Std. dev 0.986). It is evident that employees are trained on new technology (Mean 3.694, Std dev 1.014) and that the employees collaborate to solve problems (Mean 4.100, Std dev 0.673). This demonstrates the importance of communication and cross training in enhancing information distribution as critical process of organizational learning as emphasized by Tsai and Chen (2010).

As advocated in extant literature (Lin & Lee, 2017), most firms have put in place formal mechanisms for knowledge sharing (Mean 3.785, Std dev 0.984) and use of inter-departmental meetings to integrate existing information (Mean 3.537, Std dev 0.945). However, social networks for knowledge sharing and information distribution have only been implemented at moderate levels with cross-departmental projects execution teams recording a mean of 3.462 (Std dev 0.836), informal networks for employees to interact having a mean of 3.266 (Std dev 1.037) and on whether there exists an atmosphere of trust and collaboration among employees, the results show a mean of 3.192 (1.074). This points to a compromised climate for learning since learning is a social activity and is influenced by organizational context (Argote, 2011).

It is evident that employees are not often involved in discussing the future of their organizations (Mean 2.799, Std dev 1.016) and their proposals are not incorporated and discussed (Mean 2.874, Std dev 1.159). This state of affairs compromises the effectiveness of organizational learning at employee level. Argote (2011) avers that organizational learning should be implemented at individual, group and organizational levels, which asserts theoretical foundation

of organizational learning that postulates that organizational learning begins with individuals who learn (Senge, 1990).

#### 4.5.5 Influence of Information Distribution on Employee Performance Indicators

The study examined the degree to which information distribution influences employee performance (service delivery, efficiency, teamwork and citizenship behaviour). Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate their extent to which information distribution influences the various employee performance indicators. The results are presented in table 4.8.

**Table 4.8: Influence of Information Distribution on Employee Performance**

<b>Employee Performance</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	7	4	4	4
	Low	9	6	6	10
	Moderate	17	11	11	21
	High	83	51	51	72
	Very High	46	28	28	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	8	5	5	5
	Low	13	8	8	13
	Moderate	22	13	13	26
	High	74	46	46	72
	Very High	45	28	28	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	13	8	8	8
	Low	23	14	14	22
	Moderate	43	26	26	48
	High	48	30	30	78
	Very High	35	22	22	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	11	7	7	7
	Low	23	14	14	21
	Moderate	31	19	19	40
	High	61	38	38	78
	Very High	36	22	22	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

The results in table 4.8 show that information distribution has the greatest influence on efficiency and service delivery. On service delivery, 51% of respondents felt that information

distribution influence is high and 28% felt it was very high, which translates to 79% of the respondents. Only 4% and 6% of the respondents considered the influence to be very low and low respectively. The influence of information distribution on efficiency was considered high (46%) and very high (28%), which is a total of 74% of the respondents. Thirteen percent of the respondents (5% and 8%) considered the influence to be either very low or low. These findings imply that information distribution is critical to service delivery and efficiency in the classified hospitality firms (Lin & Lee, 2017).

The influence of information distribution on teamwork and citizenship behaviour is moderately high. A total of 52% of the respondents considered information distribution to have a high (30%) and very high (22%) level of influence on teamwork. On the other hand, 8% of the respondents rated it very low, 14% low and 26% moderate. On citizenship behaviour, 60% of the respondents considered information to have influence on work engagement, which is 38% high and 22% very high. These results imply that information distribution is significant in building teams and improving citizenship behaviour amongst employees in classified hospitality firms. This results affirm empirical literature that employees' performance and their capacity to meet performance standards is linked to organizational learning (Gomes & Wojahn, 2016) and that information distribution is a determinant of performance at organizational and individual levels (Lin & Lee, 2017).

#### **4.5.6 Influence of Information Distribution on Work Engagement**

Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate the extent to which information distribution influences work engagement. The results of this statistics are shown in table 4.9.

**Table 4.9: Influence of Information Distribution on Work Engagement**

<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Very Low	12	8	8	8
Low	15	9	9	17
Moderate	29	18	18	35
High	67	41	41	76
Very High	39	24	24	100
<b>Total</b>	<b>162</b>	<b>100</b>	<b>100</b>	

Source: Survey (2019)

From the results in table 4.9, it is evident that information distribution influences work engagement. Of the total respondents, 41% consider information distribution to have a high influence and 24% very high influence. Only 8% and 9% rated the influence very low and low respectively, while 18% considered it moderate. The findings are consistent with past studies that have drawn a link between organizational learning aspects such as information distribution and work engagement. Lin and Lee (2017) posits that organizational learning process impacts work engagement elements of vigour, dedication and absorption.

#### **4.5.7 Descriptive Statistics for Information Interpretation**

The study sought to establish the degree to which information interpretation indicators, shared perspective, interpretative frames, interpretation promptness and unlearning, had been implemented in the organization. Twelve items were used to measure the construct. Using a five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statement. Table 4.10 below shows the results of the descriptive statistics.

**Table 4.10: Information Interpretation**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
The company is interested in providing the employees with a global view of the operation of the company	162	1	5	2.975	1.260
All members of the organization share the same vision, mission and objectives to which they feel committed	162	1	5	3.826	0.886
Opinion about the business environment is examined and updated	162	1	5	3.061	1.073
Significant information is discussed for a uniform understanding	162	1	5	3.549	0.911
Standard frameworks that guide decision making	162	1	5	2.576	1.199
Before a decision is taken the different alternatives are thoroughly analyzed	162	1	5	3.683	0.899
Concise reports are generated to avoid excess information	162	1	5	3.275	1.129
Proper channels are utilized to avoid information overload Information	162	1	5	3.162	1.085
Information is addressed in order of priority	162	1	5	3.727	0.889
Existing information is updated periodically	162	1	5	3.583	0.995
Obsolete information does not influence decision making	162	1	5	3.884	0.842
Employees are encouraged to discard information that is no longer useful	162	1	5	3.391	1.154

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50$   $\leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The findings of the study presented in Table 4.10 reveal the extent to which information interpretation is formalized and applied in the organizations. On the level of implementation of the constructs of information interpretation in classified hospitality firms, it is evident that the level is moderate with aggregate mean of 3.391 (Std. Dev 1.027). It is evident that members of the organization share and are committed to the vision and mission of the organization (Mean 3.826, Std dev 0.886). Significant information is discussed for uniform understanding (Mean 3.549, Std dev 0.911) and before decisions are made, different alternatives are thoroughly analyzed (Mean 3.683 Std dev 0.899). Despite the significance of understanding the business



environment in hospitality context, there is a moderate level of examining the state of business environment (Mean 3.061, Std dev 1.073) and providing employees with a global view of business operations (Mean 2.975, Std dev 1.260).

The results also show a relatively high adoption of unlearning processes with an aggregate mean of 3.619 (Std Dev 0.997); whereby there is a high level of prioritization of information received for decision making (Mean 3.727, Std dev 0.889). Existing information is periodically updated (Mean 3.583, Std dev 0.995) and obsolete information disregarded in decision making (Mean 3.884, Std dev 0.842) while information that is not useful is discarded (Mean 3.391, Std dev 1.154). However, the findings reveal moderate level of implementation of information management infrastructure. For instance, on management of information overload, the use of proper channels had a moderate mean of 3.162 (Std dev 1.085) and on use of standardized frameworks for decision making, the results show a lower mean of 2.576 (Std dev 1.199). The reports generated are not standardized or concise enough which limits the capacity to interpret them adequately (Mean 3.275, Std dev 1.129).

These findings reveal the significance of information interpretation as an important aspect of organizational learning. This affirms Sanchez, *et al*, (2010) view that information interpretation has significant influence on organizational outcomes. The study emphasizes the use of interpretative frames of existing knowledge to interpret current information and the importance of unlearning process for the organization to effectively and correctly interpret information.

#### **4.5.8 Influence of Information Interpretation on Employee Performance Indicators**

The study examined the extent to which information interpretation influences employees' service delivery, efficiency, teamwork and citizenship behaviour. Using a five-point Likert scale from 1 "very low" to 5 "very high," respondents were required to indicate their extent to which

information interpretation influences each aspect of employee performance. The results are presented table 4.11.

**Table 4.11: Influence of Information Interpretation on Employee Performance**

<b>Employee Performance</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	19	12	12	12
	Low	26	16	16	28
	Moderate	40	25	25	53
	High	47	29	29	82
	Very High	30	18	18	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	15	9	9	9
	Low	31	19	19	28
	Moderate	35	22	22	50
	High	54	33	33	83
	Very High	27	17	17	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	20	12	12	12
	Low	34	21	21	33
	Moderate	57	35	35	68
	High	37	23	23	91
	Very High	14	9	9	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	24	15	15	15
	Low	35	22	22	37
	Moderate	49	30	30	67
	High	34	21	21	88
	Very High	20	12	12	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

From table 4.11, it is evident that the effect of information interpretation on employee performance is moderate as the spread of responses on the level of influence is evenly balanced on the four indicators of employee performance. The influence of information interpretation was moderate for teamwork at 35%, efficiency 33%, citizenship behaviour 30% and service delivery 25%. Information interpretation has the highest cumulative influence (high and very high levels) on efficiency (50%), followed by service delivery (47%), citizenship behaviour (33%) and lastly teamwork (32%). Considering low and very low levels of influence, 37% and 33% of the respondents felt that information interpretation has low or very low influence on citizenship

behaviour and teamwork respectively. These results echo the study by Torabi, *et al*, (2016) which revealed a correlation between information interpretation and human resource performance and Sola and Ayobami (2013) study that established information interpretation as a predictor of performance.

#### 4.5.9 Influence of Information Interpretation on Work Engagement

Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate the extent to which information interpretation influences work engagement. The results are shown in table 4.12

**Table 4.12: Influence of Information Interpretation on Work Engagement**

Level of Influence	Frequency	Percent	Valid Percent	Cumulative Percent
Very Low	19	12	12	12
Low	24	15	15	27
Moderate	42	26	26	53
High	48	29	29	82
Very High	29	18	18	100
<b>Total</b>	<b>162</b>	<b>100</b>	<b>100</b>	

Source: Survey (2019)

It is evident from the results presented in table 4.12 that information interpretation has moderate influence on work engagement. On the level of influence, 47% of the respondents rated the influence of information interpretation on work engagement as both high or very high, 26% as moderate and 27% as either low or very low. These findings are congruent with Malik (2017) assertion that organizational learning process impacts work engagement aspects of vigour, dedication and absorption.

#### 4.5.10 Descriptive Statistics for Organizational Memory

The study sought to establish the extent to which organizational memory practices had been implemented in the organization. Twelve items were used to measure procedures, specialists, skills database and development programs, the constructs of organizational memory. Using a

five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statement. Table 4.13 below shows the results of the descriptive statistics.

**Table 4.13: Organizational Memory**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
Operational procedures have been developed to guide work activities	162	1	5	4.182	0.641
Operational procedures are meant to ensure employees work efficiently	162	1	5	4.001	0.757
New employees are inducted on operational procedures relevant to their work	162	1	5	4.158	0.532
The organization has expertise in the most essential aspects of the operations	162	1	5	3.999	0.825
Capacity to solve problems is affected by staff turnover	162	1	5	3.645	0.947
There is a pipeline of specialist in the core areas of our operations	162	1	5	2.427	1.034
Skills inventory is maintained for employees with specific abilities and experience	162	1	5	2.761	1.144
My organization maintains an up to date database of its knowledge inventory	162	1	5	2.597	1.139
There is access to the organization’s databases and documents through a reliable network	162	1	5	3.894	0.806
The skills of existing staff are developed through training programs	162	1	5	3.928	0.825
Capacity development programs are updated to incorporate new knowledge	162	1	5	3.355	1.062
Development programs are aligned to the learning needs of the employees	162	1	5	3.672	0.975

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50 \leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The extent of adoption of organization memory practices, as depicted in Table 4.13, shows mixed results. Firms have to a high level implemented operational procedures to guide work activities (Mean 4.182, Std dev 0.641) and enhance efficiency (Mean 4.001, Std dev 0.757). Employees are also inducted on the operational procedures relevant to their work (Mean 4.158,

Std dev 0.532). These findings are consistent with past studies that have emphasized the importance of standard procedures and operational process flows in cementing organizational learning in the organization (Scott, 2011).

Organizational learning and tacit knowledge is dependent on a firm's ability to retain competent workforce and acquire the same quickly when demand arises (Sanchez, *et al*, 2011). It is evident that firms in the hospitality sector ensure that they have competent personnel in most aspects of their operations (Mean 3.999, Std dev 0.825). Unfortunately, the firms do not keep a pipeline of specialists in core areas of operations (Mean 2.427, Std dev 1.034). This explains why the firms' capacity to solve problems is affected by staff turnover (Mean 3.645, Std dev 0.947). Employees' skills are developed through training programs (Mean 3.928, Std dev 0.825) which are aligned to the employees learning needs (Mean 3.672, Std dev 0.975). However, there is need to update the training programs to incorporate new knowledge (Mean 3.355, Std dev 1.062).

In as much as most employees have access to the organization's database (Mean 3.894, Std dev 0.806), the firms scored low on maintaining an updated database of knowledge inventory (Mean 2.597, Std dev 1.139) and skills inventory of employees with specialized abilities and experience (Mean 2.761, Std dev 1.144). Argote and Spektor (2011) aver that knowledge should be retained in repositories such routines, tools, databases and tacit knowledge.

#### **4.5.11 Influence of Organizational Memory on Employee Performance Indicators**

The study sought to establish the extent to which organizational memory influences employee performance in terms of service delivery, efficiency, teamwork and citizenship behaviour. Using a five-point Likert scale from 1 "very low" to 5 "very high," respondents were required to

indicate their extent to which organizational memory influences each aspect of employee performance. The results are presented table 4.14.

**Table 4.14: Influence of Organizational Memory on Employee Performance**

<b>Employee Performance</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	10	6	6	6
	Low	13	8	8	14
	Moderate	32	20	20	34
	High	55	34	34	68
	Very High	52	32	32	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	9	6	6	6
	Low	11	7	7	13
	Moderate	28	17	17	30
	High	59	36	36	66
	Very High	55	34	34	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	16	10	10	10
	Low	22	13	13	23
	Moderate	58	36	36	59
	High	45	28	28	87
	Very High	21	13	13	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	15	9	9	9
	Low	16	10	10	19
	Moderate	45	28	28	47
	High	49	30	30	77
	Very High	37	23	23	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

From the results in table 4.14, it is evident that organizational memory influence employee performance, particularly on the aspects of efficiency and service delivery. Organizational memory has the highest influence on efficiency, which has a total of 70% of respondents rating the level as either high or very high. On service delivery, 66% of the respondents consider the influence as high (34%) and very high (32%). The effect is considered moderate on teamwork and citizenship behaviour, in which cumulatively a total of 53% rated the influence on citizenship behaviour high or very high, and 41% on teamwork. It is notable that 36% and 28% of respondents rated the influence of organizational memory on teamwork and citizenship

behaviour as moderate while 23% and 19% considered the influence as low or very low respectively.

These findings underscore the need to improve the level of adoption of organizational memory that is aligned to enhancing employees’ performance capabilities in the aspects of teamwork and citizenship behaviour which are critical in service industry. Hua and Chan (2013) opine that organizational memory is the bedrock of employees’ performance to the extent to which positive contexts are appropriated. Consistent with the findings of this study, Dunham (2011) found a significant relationship between organizational memory and employees’ empowerment and specific employees’ outcomes, without drawing causal implications.

#### 4.5.12 Influence of Organizational Memory on Work Engagement

Using a five-point Likert scale from 1 “very low” to 5 “very high,” respondents were required to indicate the extent to which organizational memory influences work engagement. The results are presented in table 4.15.

**Table 4.15: Influence of Organizational Memory on Work Engagement**

<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Very Low	11	7	7	7
Low	19	12	12	19
Moderate	34	21	21	40
High	65	40	40	80
Very High	33	20	20	100
<b>Total</b>	<b>162</b>	<b>100</b>	<b>100</b>	

Source: Survey (2019)

From table 4.15, it is evident that organizational memory has effect on work engagement. On the level of influence of organizational memory on work engagement, 40% and 20% of the respondents considered it to be high and very high respectively. However, 20% of the respondents felt the influence was moderate while 19% rated the influence as either low or very

low. These findings demonstrate that organizational memory influence work engagement in the organization which is in congruence with studies that have found similar results (Dunham, 2011).

#### 4.5.13 Descriptive Statistics for Work Engagement

A nine-item scale was used to examine the level of work engagement in terms of vigour, dedication and absorption measured using three items each. Using a five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statements. Table 4.16 below shows the results of the descriptive statistics.

**Table 4.16: Work Engagement**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
Employees work with intensity	162	1	5	4.125	0.677
Employees strive to excel in their work	162	1	5	4.068	0.762
Employee devote a lot of energy in their work	162	1	5	3.942	0.906
Employees are enthusiastic about their work	162	1	5	3.764	0.888
Employees are proud of their work	162	1	5	3.539	1.075
Employees take their work as positive challenge	162	1	5	3.758	0.971
Employees are focused on their work	162	1	5	4.299	0.581
Employees pay a lot of attention to their work	162	1	5	3.972	0.857
Employees are absorbed in their work	162	1	5	3.715	1.004

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50 \leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The findings presented in table 4.16, show a high level of work engagement in the classified hospitality firms with most items recording a mean above 3.500. On items measuring physical engagement, the results indicate that employees work with intensity (Mean 4.125, Std dev 0.677), strive to excel in their work (Mean 4.068, Std dev 0.762) and devote a lot of energy in their work (Mean 3.942, Std dev 0.906). In terms of emotional engagement, the findings reveal that employees are enthusiastic about their work (Mean 3.764, Std dev 0.888), proud of their



work (Mean 3.539, Std dev 1.075) and those take their work as a positive challenge (Mean 3.758, Std dev 0.971). On cognitive engagement measures the results show that employees are focused (Mean 4.299, Std. dev 0.581), pay attention to their work (Mean 3.972, Std dev 0,857) and are absorbed in their work (Mean 3.715, Std dev 1.004).

#### 4.5.14 Influence of Work Engagement Factors on Employee Performance Indicators

The study sought to establish the extent to which physical engagement (vigour and effort), emotional engagement (dedication and attachment) and cognitive engagement (focus and absorption) influence employee performance. The results are presented tables 4.17, 4.18 and 4.19.

**Table 4.17: Influence of Physical Engagement on Employee Performance**

<b>Employee Performance Area</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	1	1	1	1
	Low	3	2	2	3
	Moderate	19	12	12	15
	High	96	59	59	74
	Very High	43	26	26	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	2	1	1	1
	Low	2	1	1	2
	Moderate	32	20	20	22
	High	69	43	43	65
	Very High	57	35	35	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	3	2	2	2
	Low	4	2	2	4
	Moderate	27	17	17	21
	High	77	48	48	69
	Very High	51	31	31	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	12	7	7	7
	Low	16	10	10	17
	Moderate	39	24	24	41
	High	52	32	32	73
	Very High	43	27	27	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

The findings presented in table 4.17 show that physical engagement, in terms of vigour, effort and energy exerted in task performance, has a lot of influence on employee performance. The highest level of influence is on service delivery with 84% of the respondents rating the level as either high or very high. Influence on efficiency is considered at 78% (43% high and 35% very high). Physical engagement also has influence on team work (48% high and 31% very high influence) and citizenship behaviour (32% high and 27% very high). It is notable that work has least influence on citizenship behaviour a total of 41% of respondents considering the influence as either, moderate, low or very low.

**Table 4.18: Influence of Emotional Engagement on Employee Performance**

<b>Employee Performance Area</b>	<b>Level of Influence</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Service Delivery	Very Low	4	2	2	2
	Low	9	6	6	8
	Moderate	24	15	15	23
	High	88	54	54	77
	Very High	37	23	23	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	1	1	1	1
	Low	3	2	2	3
	Moderate	18	11	11	14
	High	74	45	45	59
	Very High	66	41	41	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	1	1	1	1
	Low	2	1	1	2
	Moderate	39	24	24	26
	High	67	41	41	67
	Very High	53	33	33	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	14	9	9	9
	Low	22	13	13	22
	Moderate	37	23	23	45
	High	58	36	36	81
	Very High	31	19	19	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

The results in table 4.18 reveals that emotional engagement, in terms of dedication, enthusiasm and passion, influence employee performance. The highest level of influence of emotional

engagement is on efficiency (41% high and 45% very high) followed by service delivery (54% high and 23% very high), teamwork (41% high and 33% very high) and citizenship behaviour (36% high and 19% very high).

**Table 4.19: Influence of Cognitive Engagement on Employee Performance**

Employee Performance Area	Level of Influence	Frequency	Percent	Valid Percent	Cumulative Percent
Service Delivery	Very Low	9	6	6	6
	Low	16	10	10	16
	Moderate	23	14	14	30
	High	71	44	44	74
	Very High	43	26	26	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Efficiency	Very Low	5	3	3	3
	Low	14	9	9	12
	Moderate	41	25	25	37
	High	58	36	36	73
	Very High	44	27	27	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Teamwork	Very Low	11	7	7	7
	Low	26	16	16	23
	Moderate	45	28	28	51
	High	54	33	33	84
	Very High	26	16	16	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>
Citizenship Behaviour	Very Low	17	10	10	10
	Low	29	18	18	28
	Moderate	49	30	30	58
	High	58	36	36	94
	Very High	9	6	6	100
	<b>Total</b>		<b>162</b>	<b>100</b>	<b>100</b>

Source: Survey (2019)

It is evident from table 4.19 that cognitive engagement, that is focus and absorption, has influence on employee performance. In particular, cognitive engagement has more influence on service delivery which has a high level influence of 44% and very high level 26%. On efficiency, the influence is relatively high (36% high and 27% very high). The influence on team work and citizenship behaviour is moderate, 33% and 36% high respectively. These results imply that for there to be improved service delivery and efficiency at employees' level of performance, the

organization must improve the cognitive engagement elements, focus and absorption. Although the influence on teamwork and citizenship is only moderate, it remains significant.

These findings presented in tables 4.17, 4.18 and 4.19 are consistent with empirical literature which draw a relation between work engagement and employees’ performance. For instance Rich, *et al*, (2010) hold that engaged employee exhibit improved performance outcomes since they perform tasks with more enthusiasm, vigour, dedication and focus. Anitha (2014) findings drew association between work engagement and citizenship behaviour and Banihani and Syed (2017) assert that work engagement is associated with motivational influence on employees’ performance as it creates a climate of trust, enthusiasm and warmth. Therefore, it is evident that work engagement, characterized by vigour, dedication and absorption, has positive effect on employee performance dimensions.

#### **4.5.15 Descriptive Statistics for Organizational Culture**

A nine-item scale was used to determine the culture of the firm in terms of innovation and risk taking, outcome orientation and people orientation measured using three items each . Using a five-point Likert scale from 1 “strongly disagree” to 5 “strongly agree,” respondents were required to indicate their extent of agreement with item statements. The results of the descriptive statistics are provided in table 4.20.

**Table 4.20: Organizational Culture**

Statement	Descriptive Statistics				
	N	Min	Max	Mean	Std. dev
The organization encourages the generation of new ideas	162	1	5	3.659	0.964

The management rewards innovative employees	162	1	5	3.491	1.062
The management provides resources for the implementation of new ideas	162	1	5	3.317	1.114
The management is more concerned about the results rather than the process	162	1	5	3.785	0.949
Every employee is held accountable for his performance	162	1	5	4.011	0.749
A reward system has been put in place to reward high achievers	162	1	5	3.688	1.008
The organization recognizes employees as significant to the success of the organization	162	1	5	3.751	0.933
There are effective systems to address employee grievances	162	1	5	2.924	1.006
There are adequate employee welfare support programs in the organization	162	1	5	2.863	1.137

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50 \leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The survey results presented in Table 4.20, show the extent to which the innovation and risk taking, outcome orientation, and people orientation are inherent in the culture of the organization. It is evident that innovation and risk taking practices are moderately embraced in the classified hospitality firms in Kenya. On the items measured, encouraging the generation of new ideas, rewarding innovative employees, and providing resources for the implementation of new ideas had moderate means of 3.659 (Std dev 0.964), 3.491 (Std dev 1.062) and 3.317 (Std dev 1.114) respectively. These findings point to the importance of organizational values in driving performance in the organization (Afaneh, et al. 2014).

However, the findings reveal that most of the classified firms are outcome oriented. The results show that employees are held accountable for their performance (Mean 4.011, Std dev 0.749) and that the management are more concerned with results rather than the process (Mean 3.785, Std dev 0.949). It is notable that the firms reward high achievers (Mean 3.688, Std dev 1.008).

Zhou and Wu (2010) opine that an organizational culture that is outcome oriented, with adequate support and job autonomy, is critical to enhancing employees' performance.

Although the firms recognize the significant role of employees in the success of the organization (Mean 3.751, Std dev 0.933), the interest of employees are overlooked. The systems to address employees' grievances are partially implemented (Mean 2.924, Std dev 1.006) and employees' welfare support is hardly adequate (Mean 2.683, Std dev 1.137). This shows that the firms have not fully embraced a people oriented culture despite employees being the bedrock of high performance in the service industry (Wallace, *et al.* 2013).

#### **4.5.16 Descriptive Statistics for Employee Performance**

A twelve-item scale was used to measure the level of employee performance in terms of service delivery, efficiency, team work and citizenship behaviour which were measured using three items each. Using a five-point Likert scale from 1 "strongly disagree" to 5 "strongly agree," respondents were required to indicate their extent of agreement with item statements. The results of the descriptive statistics are provided in table 4.21

**Table 4.21: Employee Performance**

Statement	Descriptive Statistics					
	N	Min	Max	Mean	Std. dev	Std. Error
The quality of service offered by our employees is satisfactory	162	1	5	4.189	0.693	0.054
Employees deliver services to customers on time	162	1	5	3.930	0.922	0.072
Employees performance is measured against the set service standards	162	1	5	4.265	0.571	0.045
Employees understand the standard requirements of their roles	162	1	5	4.177	0.604	0.047
Employees make very few mistakes in their operations	162	1	5	3.748	1.085	0.085
Employees are able to solve problems related to their work	162	1	5	3.837	0.862	0.068
Employees collaborate with co-workers in execution of tasks	162	1	5	3.826	0.985	0.077
Employees demonstrate commitment to realizing team goals	162	1	5	3.495	1.031	0.081
Employees are involved in leading team efforts	162	1	5	3.351	1.004	0.079
Employees are actively involved in assisting co-workers	162	1	5	3.896	0.773	0.061
Employees follow rules and regulations of the organization	162	1	5	3.753	0.952	0.075
Employees contribute constructively in affairs of the organization	162	1	5	3.500	1.119	0.088

Likert scale (1 -5):  $\leq 2.49$  = Low;  $\geq 2.50$   $\leq 3.49$  = Moderate;  $\geq 3.50$  = High.

Source: Survey (2019)

The results in Table 4.21 show that employee performance in terms of service delivery is relatively high with quality of service having a mean of 4.189 (Std dev 0.693) and timely delivery of service (Mean 3.930, Std dev 0.922). The performance of employees is measured based on the set standards (Mean 4.265, Std dev 0.571). It is evident that employees are efficient in their roles as they understand the requirements of their roles (Mean 4.177 Std dev 0.604).

Their efficiency is further demonstrated by the fact that they make very few mistakes in their operations (Mean 3.748, Std dev 1.085) and are able to solve problems related to their work (Mean 3.930 Std dev 0.862). These results emphasize the argument that success of hospitality firms is hinged on employees' performance (Isa, *et al.* 2016).

Team work is critical in the hospitality sector. The results show high level of collaboration among co-workers in the execution of tasks (Mean 3.826, Std dev 0.985), and moderate level of commitment to realizing team goals (Mean 3.495, Std dev 1.031) and leading team effort (Mean 3.351, Std dev 1.004). On citizenship behaviour, the results reveal that employees actively assist co-workers (Mean 3.896, Std dev 0.773), follow rules and regulations of the organization (Mean 0.375, Std dev 0.952) and constructively contribute in the affairs of the organization (Mean 3.500, Std dev 1.119). These findings point to significance of contextual elements of employee performance which speaks to employee-organizational fit (Borman & Motowidlo, 1993).

#### **4.5.17 Organizational Learning influence on Employee Performance**

The study sought to establish the extent the extent of influence of organizational learning indicators on employees' performance indicators. This was done by determining the means of influence. The results are shown in table 4.22.



**Table 4.22: Organizational Learning Influence on Employee Performance**

<b>Organizational Learning</b>	<b>Employee Performance</b>	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev</b>	<b>Std. Error</b>
Knowledge Acquisition	Service Delivery	162	1	5	3.864	1.045	0.082
	Efficiency	162	1	5	3.870	0.983	0.077
	Teamwork	162	1	5	3.302	1.551	0.122
	Citizenship Behaviour	162	1	5	3.537	1.322	0.104
Information Distribution	Service Delivery	162	1	5	3.938	1.028	0.081
	Efficiency	162	1	5	3.833	1.159	0.091
	Teamwork	162	1	5	3.426	1.501	0.118
	Citizenship Behaviour	162	1	5	3.543	1.397	0.110
Information Interpretation	Service Delivery	162	1	5	3.265	1.864	0.146
	Efficiency	162	1	5	3.290	1.818	0.142
	Teamwork	162	1	5	2.944	1.350	0.106
	Citizenship Behaviour	162	1	5	2.944	1.802	0.142
Organizational Memory	Service Delivery	162	1	5	3.778	1.354	0.106
	Efficiency	162	1	5	3.864	1.273	0.100
	Teamwork	162	1	5	3.204	1.294	0.102
	Citizenship Behaviour	162	1	5	3.475	1.468	0.115

Source: Survey (2019)

The results presented in table 4.22 show that organizational learning variables, knowledge acquisition, information distribution, information interpretation and organization memory, have mixed influence on the various aspects of employee performance. It is evident that knowledge acquisition, information distribution and organization memory have higher influence on service delivery and efficiency. In particular, knowledge acquisition has a high influence on service delivery (Mean 3.864), efficiency (Mean 3.870) and citizenship behaviour (Mean 3.537) and a moderate influence on teamwork (Mean 3.302). Information distribution is equally significant with high influence on service delivery (Mean 3.938), efficiency (Mean 3.833) and citizenship behaviour (Mean 3.543) and a moderate influence on teamwork (3.426). Information interpretation has the least influence on employee performance. It has only a moderate influence on service delivery (Mean 3.265), efficiency (Mean 3.290), teamwork (2.944) and citizenship

behaviour (Mean 2.944). On the other hand, organizational memory has high influence on service delivery (Mean 3.778) and efficiency (Mean 3.864). However, it has a moderate influence on teamwork (3.204) and citizenship behaviour (Mean 3.475).

These findings show that organizational learning constructs influence employee performance dimensions, service delivery, efficiency, teamwork and citizenship behaviour. Knowledge acquisition, information distribution and organizational memory have high influence on three dimensions of employee performance, service delivery, efficiency and citizenship behaviour. Information interpretation influence on employee performance is minimal, especially on teamwork and citizenship behaviour. These findings are in agreement with Lee and Huang (2012) findings that indicated that organizational learning influences employee performance.

#### **4.5.18 Summary of Descriptive Statistics**

The results of descriptive statistics provide evidence that classified firms have to a high degree adopted organizational learning practices. Knowledge is mainly acquired through experience, searching and grafting for improving and refining processes, solving problems and to gain competitive advantage. There is need to appropriate knowledge through experimentation with new ideas and research and development. It is evident that knowledge acquisition is critical to improving employees' performance in service delivery and efficiency. Information distribution has been adopted to a moderate extent with firms implementing communication and cross training systems in their organization. It is evident that employees need to be more involved in the affairs of the organization and the social networks be enhanced to allow employees interact freely and information to flow unimpeded. Information distribution is important in enhancing employees' performance as they get to know the objectives of the organization, gain necessary

knowledge and information critical in task performance and understand the context of their roles.

Information interpretation practices have been adopted in most classified hospitality firms. Members of the organization understand and share the same vision, mission and objectives and the management of new and old information is well organized. The utilization of information and knowledge is informed by a common interpretation framework shared by organizational members. However, there is need to provide employees with a global perspective of issues that affect the organization and their roles in order to make informed decisions. The influence of information interpretation is high on service delivery and efficiency but moderate on teamwork and citizenship behaviour. Firms have adopted organizational memory practices to a large extent. The use of standard operational procedures to ensure employees work efficiently, ensuring that they have specialists in key functions and developing employees' skills through training programs. However, there is need to improve retention of employees with expert knowledge and maintain updated database of knowledge inventory. Organizational memory has a high influence on three dimensions of employees' performance, service delivery, efficiency and citizenship behaviour.

The results indicated that employees who were physically, emotionally and cognitively engaged had a higher levels performance output. Physically engaged employees recorded better performance in terms of quantity and quality output. Emotionally engaged employees were more willing to take up additional work, were more loyal, and were able to solve work related problems. Employees who were cognitively engaged were more likely to meet their performance targets, make fewer mistakes and had lower intentions to leave the organization. In addition, the findings reveal that classified hospitality firms have cultures characterized by generation of new

ideas, focus on results rather than process, performance-based employee relations, and rewards for and recognition of high achievers. However, the firms had not put adequate programs to address employees' welfare and support requirements and were lagging behind in implementing innovative ideas.

#### 4.6 Inferential Statistics

This section presents results of inferential statistics conducted which include multiple regression analysis for empirical models and correlation analysis.

##### 4.6.1 Diagnostic Tests

Before the inferential statistics were done, diagnostic tests were conducted to ascertain that the requisite assumptions for data sets for quantitative analysis were met. The diagnostic conducted included tests for normality for data sets, goodness-of-fit (linearity) of the proposed regression models, test for multicollinearity to establish whether the predictor variables were interrelated, and test for auto-correlation to determine whether critical predictor variables had been omitted in the models.

Normality were assessed using Shapiro-Wilk Test in which case data was considered normal if the Sig. value of Shapiro-Wilk Test was greater 0.05. The results are shown in table 4.23

**Table 4.23: Shapiro-Wilk Test for Normality**

Variables	Shapiro-Wilk	
	Statistic	Sig.
Knowledge acquisition	0.975	0.776
Information distribution	0.964	0.719
Information interpretation	0.971	0.788
Organizational memory	0.969	0.724
Work engagement	0.953	0.698
Organizational culture	0.959	0.612
Employee performance	0.972	0.586

Source: Survey (2019)

The results of normality test for each level of data sets were knowledge acquisition,  $W = 0.975$ ,  $p (0.776) > 0.05$ , information distribution,  $W = 0.964$ ,  $p (0.719) > 0.05$ , information interpretation,  $W = 0.971$ ,  $p (0.788) > 0.05$ , organizational memory,  $W = 0.969$ ,  $p (0.724) > 0.05$ , work engagement,  $W = 0.953$ ,  $p (0.698) > 0.05$ , organizational culture,  $W = 0.959$ ,  $p (0.612) > 0.05$ , and employee performance,  $W = 0.972$ ,  $p (0.586) > 0.05$ . This findings established that that the data was normally distributed for all the variables at 95% confidence level.

A linearity test was conducted to establish whether there was a linear relationship between the independent variables (organizational learning) and the dependent variable (employee performance) in the regression model. The test for linearity was done using analysis of variance (ANOVA) test in which linearity was significant if F value was greater than the critical value and the  $p$  value less than 0.05. The ANOVA test results are resented in table 4.30. The results showed F statistic value of 83.03 which was greater than critical value of 2.60, and  $P$  value ( $0.000$ )  $< 0.05$ , which implied a linear relationship between organizational learning (independent variable) and employee performance (dependent variable).

The autocorrelation test was conducted to determine whether there were other omitted variables, misspecification of the regression equation, or systematic errors in measurement of variables. Durbin Watson test was used to assess the presence of autocorrelation in the empirical model. In which a Durbin Watson scale  $< 1.5$  and  $> 2.5$  would indicate presence of autocorrelation in the residuals of the models.

**Table 4.24: Results of Durbin-Watson Statistic**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate	Durbin-Watson
1	.574	.329	.312	.624	1.926

a. Predictors: (Constant), knowledge acquisition, information distribution, information interpretation, organizational memory

b. Dependent: Employee Performance

Source: Survey (2019)

The results showed the Durbin-Watson  $d = 1.926$ , which fell between the critical values of  $1.5 < d < 2.5$ . This implied that there was no first order linear auto-correlation in the multiple linear regression data. There was no misspecification of the regression equation, or systematic errors in measurement of variables.

A multicollinearity test of the regression model was conducted to establish whether two or more independent variables were correlated. The test for multicollinearity was assessed using tolerance and variance inflation (VIF) analysis in which a tolerance value larger than 0.1 and VIF less than 10 was used to ascertain the lack of multicollinearity between the independent variables. The results of collinearity statistics are presented in table 4.25.

**Table 4.25: Results of Collinearity Statistics**

Variables	Tolerance	VIF
Knowledge acquisition	0.945	1.618
Information distribution	0.483	2.735
Information interpretation	0.649	1.704
Organizational memory	0.557	2.691

Source: Survey (2019)

The results of collinearity statistics presented in table 4.25 show that knowledge acquisition, tolerance  $0.945 > 0.1$ , VIF  $1.618 < 10$ , information distribution, tolerance  $0.483 > 0.1$ , VIF  $2.735 < 10$ , information interpretation, tolerance  $0.649 > 0.1$ , VIF  $1.704 < 10$ , and organizational memory, tolerance  $0.557 > 0.1$ , VIF  $2.691 < 10$ . These findings reveal that there was no multicollinearity for all the independent variables: knowledge acquisition, information

distribution, information interpretation and organizational memory and were therefore retained for regression analysis.

#### 4.6.2 Correlation between Organizational Learning and Employee Performance

The study sought to determine whether organizational learning variables had a correlation with employee performance. A correlation analysis using Pearson’s correlations of dimensions was conducted to determine correlation coefficients of each of organizational learning variable and employee performance and to determine if the correlations were statistically significant using 2-tailed, sig. < 0.05. The results of the correlation analysis shown in table 4.26.

**Table 4.26: Correlation between Organizational Learning and Employee Performance**

Dimension		Employee Performance	Knowledge Acquisition	Information Distribution	Information Interpretation	Organizational Memory
Employee Performance	Pearson Correlation	1	.764**	.785**	.549	.712
	Sig.(2-tailed)		.001	.000	.035	.017
Knowledge Acquisition	Pearson Correlation	.764**	1	.061	.110	.136
	Sig.(2-tailed)	.001		.084	.077	.092
Information Distribution	Pearson Correlation	.785**	.061	1	.185	.133
	Sig.(2-tailed)	.000	.084		.097	.071
Information Interpretation	Pearson Correlation	.549	.110	.185	1	.043
	Sig.(2-tailed)	.053	.077	.097		.099
Organizational Memory	Pearson Correlation	.712	.136	.133	.043	1
	Sig.(2-tailed)	.017	.092	.071	.099	

\*\*Correlation is significant at the 0.01 level (2-tailed)

Source: Survey (2019)

The results in table 4.26 indicates that organizational learning indicators have statistically significant positive correlation with employee performance. Information distribution has the highest positive correlation,  $r = .785^{**}$ , followed by knowledge acquisition,  $r = .764^{**} < 0.01$ . Organizational memory has a positive correlation,  $r = .712$ , and information interpretation has the least positive correlation of,  $r = .549$ . These findings imply that there is positive linear

relationship between each organizational learning indicator and employee performance. The correlation between knowledge acquisition and employee performance,  $r = .764^{**}$  is statistically significant,  $p (0.001) < 0.05$ , information distribution and employee performance,  $r = .785^{**}$  is statistically significant,  $p (0.000) < 0.05$ , and organizational memory and employee performance,  $r = .712$  is statistically significant,  $p (0.017) < 0.05$ ).

However the correlation between information interpretation and employees' performance,  $r = .549$  is not statistically significant,  $p (0.053) > 0.05$ . Using a two tailed test of significance,  $p < 0.05$ , it is evident that the correlation between the independent variables is not significant because  $p$  – values are greater than 0.05. For instance, the correlation between knowledge acquisition and information distribution,  $r = 0.061$ ,  $p (0.084) > 0.05$  and information distribution and organizational memory,  $r = 0.043$ ,  $p (0.099)$ . This results signify that there is no significant relationship between the explanatory variables. It is also evident that the Pearson correlation between the independent variables is less than 0.5, which indicates that the association is very weak.

The findings are similar to past studies that have found association between organizational learning indicators and employee performance. Some of this studies include Akpotu and Lebari (2014) that found that knowledge acquisition had significant effect and correlation with employee performance, Lee and Huang (2012) established that organizational learning is predictor of both firm and employee level performance, study by Torabi, *et al.* (2016) revealed a correlation between knowledge and information interpretation and human resource performance. However, distinct from the results of this study, is Lai's (2017) study that found a relationship between knowledge interpretation and knowledge acquisition.



### 4.6.3 Correlation between Organizational Learning and Work Engagement

A Pearson correlation of dimension was conducted to determine whether the organizational learning variables (knowledge acquisition, information distribution, information interpretation and organizational memory) had a statistically significant correlation with work engagement (Mediator variable). The test was 2 tailed, sig. < 0.05. The results are presented in table 4.27.

**Table 4.27: Correlation between Organizational Learning and Work Engagement**

Dimension		Knowledge Acquisition	Information Distribution	Information Interpretation	Organizational Memory
Work Engagement	Pearson Correlation	.438	.529**	.186	.285
	Sig. (2-tailed)	0.014	0.005	0.035	0.047
	N	162	162	162	162

\*\*Correlation is significant at the 0.01 level (2-tailed)

Source: Survey (2019)

The results in table 4.27 show that the correlation between organizational learning and work engagement is statistically significant for some variables and not significant in others. The correlation between knowledge acquisition and work engagement is moderate,  $r = 0.438$ . This correlation is statistically significant,  $r = 0.438$ ,  $p (0.014) < 0.05$ . Information distribution has moderate positive correlation with work engagement, which is statistically significant,  $r = 0.529^{**}$ ,  $p (0.005) < 0.05$ . On the other hand information interpretation and organizational memory had weak positive correlation with work engagement although statistically significant,  $r = 0.186$ ,  $p (0.035) < 0.05$ ,  $r = 0.285$ ,  $p (0.047) < 0.05$  respectively.

These results are in agreement with past studies that had drawn an association between organizational learning and work engagement. Hassan and Ishak (2017) established that organizational learning positively influenced and correlated with employee engagement. On his part Malik (2017) avers that organizational learning impacts employees' vigour, dedication and absorption.

#### 4.6.4 Correlation between Work Engagement and Employee Performance

A correlation analysis to determine the relationship between work engagement and employee performance was conducted. The test aimed to ascertain whether the relationship was statistically significant at 95% level of confidence using a two tailed test. The results are presented in table 4.28.

**Table 4.28: Correlation between Work Engagement and Employee Performance**

Dimension		Physical Engagement	Emotional Engagement	Cognitive Engagement
Employee Performance	Pearson Correlation	.788**	.754**	.712**
	Sig. (2-tailed)	0.000	0.001	0.003
	N	162	162	162

\*\*Correlation is significant at the 0.01 level (2-tailed)

Source: Survey (2019)

The results shown in table 4.28 reveal that there is a strong positive correlation between work engagement and employee performance. Correlation between physical engagement and employees performance is statistically significant,  $r = 0.788^{**}$ ,  $p(0.000) < 0.05$ , emotional engagement and employee performance is statistically significant,  $r = 0.754^{**}$ ,  $p(0.001) < 0.05$ , and cognitive engagement and employee performance is also statistically significant,  $r = 0.712^{**}$ ,  $p(0.003) < 0.05$ .

These results are in consonance with empirical literature that has found correlation between work engagement and employee performance. For instance, studies by Christian, *et al.* (2011) established that work engagement is positively correlated with task and contextual performance of employees. Banihani and Syed (2017) established that work engagement elements of vigour, dedication and absorption were significantly positively correlated with employee performance and positively influenced employees' outcomes.

#### 4.6.5 Regression Analysis

A multiple regression analysis was performed in order to test hypotheses. The regression analysis used to determine how changes in the independent variable, that is, organizational learning which is indicated by knowledge acquisition, information distribution, information interpretation and organizational memory influenced the changes in the dependent variable (employee performance). The summary of the regression model is presented in table 4.29.

**Table 4.29: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.574	.329	.312	.624

Predictors: (Constant), knowledge acquisition, information distribution, information interpretation, organizational memory

Source: Survey (2019)

The results presented in table 4.29 show a statistically significant proportion of variance in performance ( $R^2 = 0.312$ ). These results indicate that the independent variables collectively explain 31.2% of the variation in employee performance which imply a significant influence of organizational learning on employee performance in classified hospitality firms. However, the outstanding 68.8% of variation may be explained by other factors such as learning absorptive capacity.

**Table 4.30: ANOVA**

	Model	Sum of squares	df	Mean square	F	Sig.
1	Regression	129.51	4	32.38	83.03	.000
	Residual	61.63	157	0.39		
	Total	190.74	161			

a. Predictors: (Constant), knowledge acquisition, information distribution, information interpretation, organizational memory

b. Dependent variable: employee performance

Source: Survey (2019)

The ANOVA Table 4.30 reports how well the regression equation fits the data, that is, the independent variables predict the dependent variable (employee performance). The study tested the overall significance of the model using ANOVA (F) test at 95% confidence level. The results indicate that the regression model statistically significantly predicts the dependent variable since the sig.  $p < 0.00$  is less than 0.05. That is, the independent variables knowledge acquisition, information distribution, information interpretation and organizational memory can be used to reliably predict employee performance (dependent variable). The F statistic value of 83.03 is greater than the critical value 2.60 which implies that the relationship between organizational learning (knowledge acquisition, information distribution, information interpretation and organizational memory) and employee performance is statistically significant at 0.05 significance level.

**Table 4.31: Regression Coefficients for Independent Variables**

Model	Unstandardized coefficients		Standardized coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	2.968	.565			5.253	.000
Knowledge Acquisition	.252	.064	.386		3.938	.000
Information Distribution	.287	.071	.415		4.042	.000
Information Interpretation	.113	.039	.283		2.897	.004
Organizational Memory	.197	.052	.339		3.788	.001

a. Dependent Variable: employee performance

Source: Survey (2019)

$$\text{Given } Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where Y = Employee Performance

X<sub>1</sub> = Knowledge Acquisition

X<sub>2</sub> = Information Distribution

$X_3$	=	Information Interpretation
$X_4$	=	Organizational Memory
$\epsilon$	=	Error term
$\beta_0$	=	Intercept
$\beta_1 - \beta_4$	=	Slope coefficients

The regression model is given below:

$$Y = 2.968 + 0.252X_1 + 0.287X_2 + 0.113X_3 + 0.197 X_4 \dots\dots\dots \text{Model 4.1}$$

#### 4.6.5.1 Hypothesis Testing for Organizational Learning Effect on Employee Performance

The study first sought to establish the correlation between organizational learning variables and employee performance before determining the predictive effect of the relationship. A statistically significantly positive correlation was established. Multiple regression analysis was used to test research hypotheses. The results of regression coefficients presented in table 4.31 were used to test hypotheses and draw conclusions.

$H_{01}$ : Knowledge acquisition has no significant effect on employee performance in classified hospitality firms in Kenya

The null hypothesis was rejected since knowledge acquisition statistically significantly predicted employee performance:  $\beta = 0.252$ ,  $p (0.000) < 0.05$  at 95% confidence level which implies that knowledge acquisition has significant effect on employee performance. This is in line with past studies that have found that knowledge acquisition has significant effect on employee performance (Akpotu & Lebari, 2014; Sanchez, *et al.* 2010). However, the current findings are in contrast with a study carried out by Ouma and kombo (2016) which found that knowledge acquisition has no effect on organizational outcomes.

$H_{02}$ : Information distribution has no significant effect on employee performance in classified hospitality firms in Kenya

The null hypothesis was rejected since information distribution statistically significantly predicted employee performance:  $\beta = 0.287, p (0.000) < 0.05$  at 95% confidence level which implies that information distribution has significant effect on employee performance. These findings are consistent with Ouma and kombo (2016) study which established that information distribution is associated with positive employee outcomes.

H<sub>03</sub>: Information interpretation has no significant effect on employee performance in classified hospitality firms in Kenya

The null hypothesis was rejected since information interpretation statistically significantly predicted employee performance:  $\beta = 0.113, p (0.004) < 0.05$  at 95% confidence level. Information interpretation has a significant effect on employee performance. This finding is in consonance with empirical studies that have established established that information interpretation is a predictor of performance (Sola & Ayobami, 2013).

H<sub>04</sub>: Organizational memory has no significant effect on employee performance in classified hospitality firms in Kenya

The null hypothesis was rejected since organizational memory significantly predicted employee performance:  $\beta = 0.197, p (0.001) < 0.05$  at 95% confidence level. Therefore, the conclusion is that organizational memory has significant influence on employee performance. This finding is similar to a study by Muskat and Deery (2017) that found that organizational memory impacted employee behavioural outcomes.

In conclusion, the results of the multiple regression analysis show that organizational learning variables knowledge acquisition, information distribution, information interpretation and organizational memory are predictors of employee performance which is consistent with empirical studies that have established that organization learning predicts employee

performance (Anwar & Niode, 2017; Caniëls & Veld, 2016; Gomes & Wojahn, 2016; Lin & Lee, 2017; Ologbo, *et al.*, 2015; Sanchez, *et al.*, 2010).

#### 4.6.6 Mediation Analysis

The study sought to determine whether work engagement has a mediating influence between organizational learning (independent variable) and employee performance (dependent variable).

To examine this Baron and Kenny's (1986) step-wise mediation model was adopted.

The first step was to regress employee performance on organizational learning to confirm whether organizational learning is a predictor of employee performance. This results are presented in table 4.32

**Table 4.32: Model Summary for Mediation**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.574	.329	.312	.624

a. Predictors: (Constant), organizational learning

Source: Survey (2019)

The results presented in table 4.32 show a significant proportion of variance in performance ( $R^2 = 0.329$ ). The results indicate that the organizational learning explain 32.9 % of the variation in employee performance. The model further indicates that there is a relationship (between organizational learning and employee performance) to be mediated.

**Table 4.33: ANOVA for Organizational Learning and Employee Performance**

	Model	Sum of squares	df	Mean square	F	Sig.
1	Regression	129.51	4	32.38	83.03	.000
	Residual	61.63	157	0.39		
	Total	190.74	161			

a. Predictors: (Constant), organizational learning

b. Dependent variable: employee performance

Source: Survey (2019)

The ANOVA table 4.33 reports how well the regression equation fits the data, that is, the independent variables predict the dependent variable at 95% confidence level. The results,  $p$ ,  $(0.000) < 0.05$ , imply that the regression model statistically significantly predicts the dependent variable. Therefore, organizational learning can be used to reliably predict employee performance.

**Table 4.34: Coefficients for Organizational Learning and Employee Performance**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.648	.493		3.343	.000
	Organizational learning	.386	.077	.429	5.012	.000

b. Dependent Variable: employee performance

Source: Survey (2019)

The results of the coefficient table show that the intercept,  $\beta_0 = 1.648$ ,  $t = 3.343$ ,  $p(0.000) < 0.05$ , organizational learning,  $\beta_1 = 0.386$ ,  $Beta = 0.429$ ,  $t = 5.012$ ,  $p(0.000) < 0.05$ .

Given that  $Y = \beta_0 + \beta_1 X_1 + \varepsilon$

Where:

- Y = Employee Performance
- $X_1$  = Organizational Learning
- $\varepsilon$  = Error term
- $\beta_0$  = Intercept
- $\beta_1$  = Slope coefficient representing the influence of the organizational learning on employee's performance

Therefore, the linear equation is  $Y = 1.648 + 0.386X + \varepsilon$  ..... Model 4.2

The results in model 4.2 ( $Y = 1.648 + 0.386X + \varepsilon$ ), where  $\beta_1 = 0.386$ ,  $Beta = 0.429$ ,  $p(0.000) < 0.05$ , indicate that there is an effect to mediate in the relationship between organizational learning and employee performance.



The second step involved regressing work engagement (mediator variable) on organizational learning to confirm that organizational learning is a predictor of work engagement.

**Table 4.35: Model Summary for Organizational Learning and Work Engagement**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.497	.247	.238	.631

a. Predictors: (Constant), organizational learning  
Source: Survey (2019)

The results presented in table 4.35 show a significant proportion of variance in performance ( $R^2 = 0.247$ ). The results indicate that the organizational learning explain 24.7 % of the variation in work engagement.

**Table 4.36: ANOVA for Organizational Learning and Work Engagement**

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	78.53	1	78.53	197.31	.001
	Residual	63.68	160	0.398		
	Total	142.21	161			

a. Predictors: (Constant), organizational learning  
b. Dependent variable: work engagement  
Source: Survey (2019)

The ANOVA Table 4.36 reports how well the regression equation fits the data, that is, the independent variables predict the dependent variable at 95% confidence level. The results indicate that the regression model predicts the dependent variable significantly. The  $p$ , (0.001)  $< 0.05$ , which implies that the regression model statistically significantly predicts the dependent variable. Therefore, organizational learning can be used to reliably predict work engagement.

**Table 4.37: Coefficients for Organizational Learning and Work Engagement**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.538	.612		4.147	.000
	Organizational learning	.192	.086	.355	2.232	.000

a. Dependent Variable: work engagement

Given that  $M = \beta_0 + \beta_1 X_1 + \varepsilon$

Where:

- $M_e$  = Work engagement
- $X_1$  = Organizational learning
- $\varepsilon$  = Error term
- $\beta_0$  = Intercept
- $\beta_1$  = Slope coefficient representing the influence of the organizational learning on work engagement

Therefore, the linear equation is  $M_e = 2.538 + 0.192X + \varepsilon$  ..... Model 4.3

The results in model 4.3 ( $M_e = 2.538 + 0.192X + \varepsilon$ ), where  $\beta_1 = 0.192$ ,  $p(0.000) < 0.05$ , implies that there is a partial mediation.

In the third step, employee performance was regressed on both work engagement and organizational learning to confirm whether work engagement is a significant predictor of employee performance and the previously significant organizational learning in model 4.2 is now greatly reduced, if not then work engagement,  $\beta_2$  in model 4.4, is not significant. It is noteworthy that  $\beta_2$  in model 4.3 is significant as long as  $\beta_1$  in model 4.4 is smaller in absolute value than  $\beta_1$  in model 4.2 in step one.

**Table 4.38: Model Summary for Mediation**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.698	.487	.481	.747

a. Predictors: (Constant), organizational learning, work engagement

Source: Survey (2019)

The results presented in table 4.38 show a significant proportion of variance in performance ( $R^2 = 0.487$ ). The results indicate that the organizational learning and work engagement explain 48.7% of the variation in employee performance.

**Table 4.39: ANOVA for Mediation**

	<b>Model</b>	<b>Sum of squares</b>	<b>df</b>	<b>Mean square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	110.90	2	55.450	99.37	.000
	Residual	88.72	159	.558		
	Total	199.62	161			

a. Predictors: (Constant), organizational learning

b. Dependent variable: work engagement

Source: Survey (2019)

The results of ANOVA test presented in table 4.39 indicate that the regression model predicts the dependent variable significantly at 95% confidence level. The  $p$ , (0.000) < 0.05, which implies that the regression model significantly predicts the dependent variable.

**Table 4.40: Coefficients for Mediation**

<b>Model</b>		<b>Unstandardized coefficients</b>		<b>Standardized coefficients</b>	<b>t</b>	<b>Sig.</b>
		<b>B</b>	<b>Std. Error</b>	<b>Beta</b>		
1	(Constant)	3.107	.791		3.928	.005
	Organizational learning	.175	.086	.269	2.035	.002
	Work engagement	.387	.064	.426	6.047	.000

b. Dependent Variable: employee performance

Source: Survey (2019)

$$\text{Given that } Y = \beta_0 + \beta_1 X + \beta_2 M_e + \varepsilon$$

Where:

Y = Employee Performance

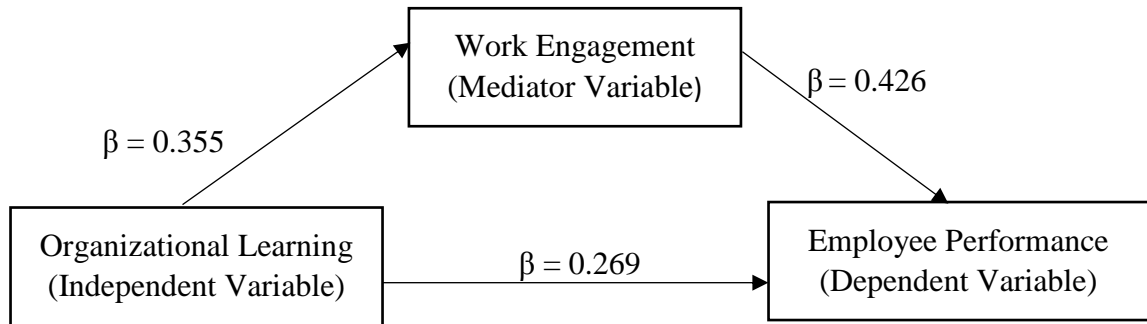
X = Organizational Learning

- $M_e$  = Work Engagement
- $\varepsilon$  = Error term
- $\beta_0$  = Intercept
- $\beta_1, \beta_2$  = Slope coefficients representing the influence of the associated independent variable on the dependent variable

Therefore, the linear equation is  $Y = 3.107 + 0.175X + 0.387M_e + \varepsilon$  ..... Model 4.4

The results in step 3 show that there is partial mediation,  $\beta_1 = 0.175, P(0.002) < 0.05, \beta_2 = 0.387, P(0.000) < 0.05$ . In addition,  $\beta(0.269)$  in model 4.4 is less than  $\beta_1(0.429)$  in model 4.2 which implies that  $\beta_2(0.426)$  in model 4.4 is statistically significant.

The statistical mediation model is presented in Figure 4.1



**Figure 4.1: Statistical Mediation Model**

Source: Survey (2019)

The proposed research hypothesis for mediation:

H<sub>05</sub>: Work engagement has no mediation influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya

From the results of mediation analysis, the null hypothesis that proposes that work engagement has no mediation influence on the relationship between organizational learning and employee performance is rejected at 95% confidence level since the findings indicate that work engagement has partial mediation influence on the relationship between organizational learning and employees' performance

This finding relates to empirical findings that have also established the mediation influence of work engagement. For instance, Park, *et al.* (2014) established that work engagement had a full mediation effect on the relationship between learning and employees' behaviour. Similarly, Lin and Lee (2017) found that work engagement had a mediating influence on the link between organizational learning and employee innovative behaviour. Study by Anitha (2014) concluded that work engagement had mediation role between performance and its antecedents.

#### 4.6.7 Moderation Analysis

The study sought to establish whether organizational culture (moderator variable) had a moderating effect on the relationship between organizational learning (independent variable) and employee performance (dependent variable). The analysis used multiple regression method. The first step was to determine whether there was an overall relationship between organizational learning and employee performance to moderate. This was done using a simple linear regression model presented below:

**Table 4.41: Model Summary for Moderation**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.574	.329	.312	.624

a. Predictors: (Constant), organizational learning  
Source: Survey (2019)

The results presented in table 4.41 show a significant proportion of variance in performance ( $R^2 = 0.329$ ). The results indicate that the organizational learning explain 32.9 % of the variation in employee performance. The model further indicates that there is a relationship (between organizational learning and employee performance) to be moderated.

**Table 4.42: ANOVA for Moderation**

	<b>Model</b>	<b>Sum of squares</b>	<b>df</b>	<b>Mean square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	129.51	4	32.38	83.03	.000
	Residual	61.63	157	0.39		
	Total	190.74	161			

a. Predictors: (Constant), organizational learning

b. Dependent variable: employee performance

Source: Survey (2019)

The ANOVA table 4.42 reports how well the regression equation fits the data, that is, the independent variables predict the dependent variable at 95% confidence level. The results indicate that the regression model predicts the dependent variable significantly. The sig.  $p$ , (0.000) < 0.05, implies that the regression model statistically significantly predicts the dependent variable. Therefore, organizational learning can be used to reliably predict employee performance.

**Table 4.43: Coefficients for Organizational Learning and Employee Performance**

<b>Model</b>		<b>Unstandardized coefficients</b>		<b>Standardized coefficients</b>	<b>t</b>	<b>Sig.</b>
		<b>B</b>	<b>Std. Error</b>	<b>Beta</b>		
1	(Constant)	1.648	.493		3.343	.000
	Organizational learning	.386	.077	.429	5.012	.000

b. Dependent Variable: employee performance

Source: Survey (2019)

The results of the coefficient table 4.43 show that the intercept,  $\beta = 1.648$ ,  $t = 3.343$ ,  $p$  (0.000) < 0.05, organizational learning,  $\beta_1 = 0.386$ , Beta = 0.429,  $t = 5.012$ ,  $p$  (0.00) < 0.05. The  $p$ -value (0.000) < 0.05 implies that there is an effect to moderate in the relationship between organizational learning and employee performance. The linear equation of organizational learning employees' performance,  $Y = 1.648 + 0.386X + \epsilon$ .....Model 4.5

**Table 4.44: Coefficients of Moderation Analysis**

Model		Unstandardized coefficients		Standardized coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	15.733	2.147		7.328	.000
	Organizational learning	.087	.025	.387	3.480	.000
	Organizational Culture	11.269	1.216	.936	9.267	.000
2	(Constant)	19.365	1.972		9.820	.000
	Organizational learning	.034	.021	.244	1.619	.199
	Organizational Culture	7.506	1.685	.478	4.455	.000
	OL*OC	.067	.014	.516	4.786	.000

a. Dependent Variable: employee performance

Source: Survey (2019)

From the coefficient table 4.44, organizational learning,  $\beta_1 = 0.034$ ,  $t = 1.619$ ,  $p (0.199) > 0.05$  which implies that organizational learning is a predictor of employee performance, organizational culture,  $\beta_2 = 7.506$ ,  $t = 4.455$ ,  $p (0.000) < 0.05$ , which implies that organizational culture is not a predictor variable but a moderator variable. The coefficient for the interaction term,  $\beta_3 = 0.067$ ,  $t = 4.786$ ,  $p (0.000) < 0.05$  indicates that organizational culture has moderator effect on the relationship between organizational learning and employee performance with a total effect of 0.067.

Given the model,  $Y = \beta_0 + \beta_1 X_1 + \beta_2 M_0 + \beta_3 X_1 * M_0 + \varepsilon$  ..... Model 4.6

Where:

- Y = Employee Performance
- $X_{61}$  = Organizational Learning
- $M_0$  = Organizational Culture
- $\varepsilon$  = Error term/ Residual
- $\beta_0$  = Intercept
- $\beta_1$  = Coefficient relating effect of organizational learning to employee performance when organizational culture,  $X_2 = 0$
- $\beta_2$  = Coefficient relating effect of organizational culture to employee performance when organizational learning,  $X_1 = 0$

$\beta_3$  = Regression coefficient for interaction term that provides an estimate of the moderator effect

Equation for moderation is  $Y = 19.365 + 0.034X + 7.506M_o + 0.067X * M_o + \epsilon$  ..... Model 4.6

Further, a test of change statistics was conducted to determine the extent of effect of the moderator variable. The results are presented in table 4.45

**Table 4.45: Model Summary for Change Statistics**

Model	R	R Square	Adj. R <sup>2</sup>	S.E of the Est.	Change Statistics				
					R2 Change	F Change	df1	df2	Sig. F Change
1	.738	.544	.539	1.825	.536	45.627	2	162	.000
2	.782	.611	.606	1.461	.067	14.893	1	161	.000

a. Predictors: (Constant), organizational culture, organizational learning

b. Predictors: (Constant), organizational culture, organizational learning, OL\*OC

Source: Survey (2019)

From table 4.45, the R square change (0.067) shows the proportionate increase in variance which is explained by the inclusion of the interaction term. The change in R<sup>2</sup> (0.067) implies the change in R is 6.7%. This increase in variation is statistically significant as  $p(0.000) < 0.05$ . Therefore, the results indicate that organizational culture moderates the relationship between organizational learning and employee performance.

Research hypothesis for moderation:

H<sub>06</sub>: Organizational culture has no moderation effect on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya

The proposed null hypothesis that Organizational culture has no moderation effect on the relationship between organizational learning and employee performance was rejected since the coefficient for the interaction term,  $\beta_3 = 0.067$ ,  $t = 4.786$ ,  $p(0.000) < 0.05$  in model 4.6 indicates



that organizational culture has moderator effect on the relationship between organizational learning and employee performance with a total effect of 0.067 at 95% confidence level. These findings are consistent with past studies found moderation effect of organizational learning on the relationship between organizational learning and employee performance (Emeka & Philemon, 2012; Nazir & Zamir, 2015).

#### **4.6.8 Summary of the Test of Hypotheses**

The results of the hypothesized relationship between the study variables are summarized in table

4.46

**Table 4.46: Summary of Hypotheses Test**

<b>Hypothesis (H<sub>0</sub>)</b>	<b>Hypothesis Test</b>	<b>Results</b>	<b>Decision</b>
H <sub>01</sub> : Knowledge acquisition has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.000) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>
H <sub>02</sub> : Information distribution has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.000) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>
H <sub>03</sub> : Information interpretation has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.004) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>
H <sub>04</sub> : Organizational memory has no significant effect on employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.001) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>
H <sub>05</sub> : Work engagement has no significant mediating influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.002) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>
H <sub>06</sub> : Organizational culture has no significant moderating effect influence on the relationship between organizational learning and employee performance in classified hospitality firms in Kenya.	Reject H <sub>0</sub> if $p < 0.05$ , If not fail to reject H <sub>0</sub>	$P (0.000) < 0.05$ at 95% confidence level	Rejected H <sub>0</sub>

Source: Survey (2020)

As shown in table 4.46, the causal relationships between study variables as postulated in the statistical models have been supported by the research hypotheses.

#### **4.6.9 Summary of Inferential Statistics**

The results of diagnostic tests showed that all the data sets were normally distributed and that there was a linear relationship between organizational learning and the employee performance. There was no auto-correlation or multicollinearity between the independent variables (knowledge acquisition, information distribution, information interpretation and organizational memory). The results of correlational analysis among study variables showed a statistically significantly positive correlation between each independent variable and employee performance. Statistically significant correlation was established between work engagement and employee performance. Further, the findings revealed that organizational learning predicts employee performance. Work engagement had a partial mediation influence on the relationship between organizational learning and employee performance and organizational culture had a moderation effect on the relationship.

#### **4.7 Content Analysis**

Content analysis was conducted to establish correlations and patterns in relation to respondents' feedback to open ended questions on key concepts of the research, organizational learning, employee performance, work engagement and organizational culture, and the relationship between the concepts and their contextual dimensions. These responses complemented the quantitative data collected using closed ended questions. The responses were categorized in form of themes for ease of making qualitative inferences and drawing conclusions. The emerging themes were developed and analyzed based on the research objectives. The findings are summarized into seven thematic areas as presented below.

#### **4.7.1 Managing Knowledge Acquisition for Improved Employee Performance**

The study sought to establish the ways in which knowledge acquisition improves employee performance and how it can be managed in order to enhance performance in the organization. Several aspects of knowledge acquisition were identified as critical to employee performance and to some extent the overall performance of the organization. It was noted that organizations should only seek relevant knowledge and information, otherwise it will be a waste of resources. To determine relevant knowledge, institutional assessment should be conducted to establish knowledge gaps and requirements. In this assessment, sources of the relevant knowledge would be determined and cost benefit analysis conducted. This will ensure that only knowledge that is relevant in terms of the strategic direction of the organization and employee performance needs is sought and appropriated in the organization.

Organizations should appropriate and exploit existing knowledge so as to maximize on current learning capabilities. Existing knowledge may include tacit knowledge and explicit knowledge. Through experiential learning and training, existing knowledge can be harnessed for the benefit of all employees in the organization. For the organization to improve employee innovative behaviour and creativity, it is important for the management to encourage new ideas and implement them. Therefore, organizations should be open to experimenting with new ideas and take risk with novel concepts generated by employees. This not only improves the motivation of staff but enhances citizenship behaviour.

Research and development is critical in knowledge acquisition. Organization should invest in research and development in areas such process, product and service development because improving processes, products and service offering influence employees' work arrangement and job profiles positively. For instance adoption of technology improves the performance output

and outcomes of employees as they are able to perform their jobs better and easier. These employees' outcomes are linked to retention and turnover rates, whereby use of latest technology and effective processes improves job satisfaction, therefore, reducing employees' intention to leave and the turnover rate. These findings are consistent with studies that emphasize the significance of knowledge acquisition on employee performance (Gomes & Wojahn, 2016).

#### **4.7.2 Managing Information Distribution for Improved Employee Performance**

The study assessed the role information distribution in the organization and how information distribution systems can be managed to improve employee performance. It is reckoned that information that the way information is distributed in the organization determines its eventual usefulness (Argote & Spekter, 2011). Several factors influence information distribution and its influence on organizational outcomes including employees' outcomes. Critical among these factors is the channel of communication. The channel of communication should be open and understood by all employees and should embed a feedback mechanism for flow of information two-way. With such a system, employees are kept informed about the issues that affect their jobs and they are able to equally communicate issues related to their jobs.

Adoption of various approaches to knowledge sharing is key for an effective information distribution system. Cross training, sensitization forums and social networks are among the approaches that have direct impact on employee performance. Cross training and sensitization forums are useful in disseminating technical information such as use of a management tool or new technology. On the other hand, social networks entail informal mechanisms of information sharing among employee groups. The information shared in this form is uncensored and helps strengthen bonds within teams and opens up an avenue through which employees can air their views freely without retribution. Social networks are useful to management in gathering

employees' sentiments and perspectives on sensitive issues, which they would not be able to gather through formal channels.

Information distribution and knowledge transfer thrives in a climate of trust and support. Employees must trust the information and its source before committing to act on it. Employees have to feel adequately capable of taking action, which is achieved in an environment of support in terms of adequacy of skills, resource availability and management goodwill. It is therefore important to ensure information is channeled through reliable sources and be authorized for dissemination by a management representative. In addition, information should be available and accessible to employees as and when needed. These findings concur with past studies that have emphasized the improvement of contextual elements for effective information distribution (Fletcher & Prashanthan, 2011; Ekore, 2014).

#### **4.7.3 Managing Information Interpretation for Improved Employee Performance**

The study assessed the ways in which information interpretation can be managed for effectiveness in influencing organizational outcomes, particularly employee performance. The findings revealed that information should be interpreted within its context. The scope and framework upon which meanings are derived are determined by the context of the information source, channel and audience. Members of an organization have shared values, norms and beliefs which form the framework upon which issues are understood and information interpreted, that is, by inference, the members have shared meaning. Therefore, information should be decoded for meaning within the confines of the shared framework, and employees must understand this framework. That is why it is critical to induct new employees to the culture of the organization and continually update them on the changes in the organizations mission,

vision, values and objectives. This will ultimately help employees to understand and link their performance to the organization's standards

Organizations should manage information effectively to ensure timeliness of dissemination, avoid information overload and distinguish between old and new information. Timeliness of information dissemination is crucial for accurate interpretation and feedback and information overload affects employees' interpretation capability, which may impact their performance. Old information, if no longer useful, should be considered obsolete and discarded. It should not be used as a reference point for decision making when new information is available. In order to fully adapt to new knowledge, a process of unlearning old ways should be implemented (Sanchez, *et al.*, 2010).

#### **4.7.4 Managing Organizational Memory for Improved Employee Performance**

The study established that organizational memory is critical to employee performance particularly in terms of specialist knowledge, skills database and learning programs. The results showed that organizations thrive competitively when employees have specialized knowledge and skills, both tacit and explicit knowledge. This knowledge is critical to enhancing performance at employees' level. Therefore organizations should aim at retaining highly specialized and experience employees. Where the organization does not have sufficient knowledge and capacity to acquire or develop it internally, it should be outsourced from outside.

Knowledge can be stored in form of processes, standard operating procedures, manuals and training programs. Employees should be learn and master relevant procedures and processes related to their jobs. Through training programs, employees' skills are developed. This training programs should be relevant to the learning needs of the employees and should be updated continually to incorporate new knowledge and reflect the changes in the industry. Obsolete

programs should be discarded. These findings are consistent with empirical literature which view organizational memory as critical to employees' performance to the extent to which positive supportive contexts, systems and structures are put in place (Argote & Spekter, 2011; Hua & Chan, 2013).

#### **4.7.5 Managing Work Engagement for Improved Employee Performance**

The study examined the role of work engagement on employee performance and assessed how work engagement can be managed for enhanced employee performance. The results revealed that work engagement has a great influence on employees' behavioural and performance outcomes. For instance, employees who put more effort in their work, are more dedicated and focused, are more efficient and are more likely to achieve their performance targets. In addition, they make fewer mistakes, have less disciplinary issues, are more willing to take extra duties and responsibilities, are able to solve problems related to their jobs, and have higher chances for promotion.

Work engagement is associate with employee motivation and satisfaction. Organizations should foster climate that enhance motivation which is characterized by compensation, leadership support, job autonomy, involvement, supervision and decision making in order to have an engaged workforce. Work arrangement and job autonomy are crucial in improving an employee's devotion and commitment in his role. Employees want to have some level of control of their jobs and are demoralized by over-supervision and micromanagement. Workers are more likely to put more effort, dedicate more time and remain focused in activities for which they have some level of control and accountability. This is consistent with past studies that have found similar results (Anitha, 2014; Kim & Park, 2017).



#### **4.7.6 Ways in Which Organizational Culture Affects Organizational Learning and Employee Performance**

The study assessed the dimensions of organizational culture that had a pervasive effect on performance at employee level. Organizational culture is perceived as a set values, norms and traditions which are formalized and articulated in the organization's mission, vision, strategy, systems of work and people. Broadly, in line with the objectives and results of the study, organizational culture is viewed as a set of values with varied dimensions. The dimensions include value for results, processes, business perspective, people-centricity, innovation and creativity, rewards, openness, leadership and support and competitiveness.

A balance of values emerged as the panacea to a culture that moderates the relationship between employees' performance and its antecedents. The value for people centricity, that is focus on welfare and interests of people in the organization, is counter balanced by the value for business perspective, which focuses on business interests or considerations such profitability, growth and sustainability. A balance is achieved when the organization is able to in an ambidextrous way adapt practices that empower employees to perform their roles without losing sight of the business objectives. The value for results, which means an orientation to performance metrics, output and outcomes at various levels of operations, is counter balanced by value for effective processes and systems, this places emphasis on efficiency and technology. Inasmuch as it is difficult to achieve this balance, it creates a climate of high performance in the organization.

Focus on innovation and creativity calls for risk taking, experimentation, tolerance for mistakes and a problem-solving orientation. Employees should be encouraged and supported to be innovative and creative in their operations. A context for innovation and creativity is characterized by job autonomy, rewards for innovative ideas, resource allocation for

implementation of novel but bespoke ideas and leadership that recognizes innovative and creative effort. Organizations should have a system that gathers employees' ideas, incubates them and implements the viable ideas, as well as rewards innovative behaviour. These findings agree with Nazir and Zamir (2015) view that organizational culture affects the contextual environment of employee performance.

#### **4.7.7 Ways of Improving Employee Performance in the Organization**

The study assessed ways in which employee performance can be improved in the classified hospitality firms. There were varied responses but the underlying theme oscillated around empowerment and organizational context. That employee performance is a product of empowerment and the prevailing context implies that organizations a bigger role to play in influencing the level of employee performance. This is consistent with extant literature that holds that employees' performance should be examined from task and contextual dimensions (Dhammika, 2013) and that employees ability, motivation and opportunity to perform underpin the elements employees' performance (Appelbaum, *et al.*, 2000; Boxall & Macky, 2009; Kehoe & Wright, 2013; Marin-Garcia & Tomas, 2016).

The characteristics of empowerment and contextual elements for improved employee performance include specialized skills development, experiential learning, job-specific decision making and problem solving, engagement in affairs of the organization, and contextual elements such as knowledge sharing and information distribution, trust and support, open communication, and performance-based reward system. These empowerment practices and context is crucial in building a high performance environment. Organizations should cultivate a culture of innovation and creativity, adapt to new technology, institutionalize a learning culture, and build a leadership team that is supportive and participative. It is the organization's climate, culture, strategy and

structure that sustains high performance at employees' level. These findings are supported by extant literature that performance is realized only to the extent the employees' abilities, motivation and opportunities to perform go (Boxall & Macky, 2009; Kehoe & Wright, 2013; Marin-Garcia & Tomas, 2016).

## **CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Introduction**

In this chapter, the summary of research findings presented and discussed in chapter four is presented. The conclusions of the study, which are drawn from research findings based on the research objectives and hypothesis, are also presented. Recommendations are made on the critical findings and suggestions for further research given.

### **5.2 Summary of the Findings**

The general objective of the study was to examine the relationship between organizational learning and employee performance in classified hospitality firms in Kenya. The independent variables were knowledge acquisition, information distribution, information interpretation and organizational memory. The mediator variable was work engagement, moderator variable was organizational culture and the dependent variable was employee performance. The study targeted 225 respondents from 75 classified hospitality firms in Nairobi and South Rift regions. Out of the 225 questionnaires administered, a total of 162 questionnaires were completed and received representing 72 per cent response rate. Based on the research hypotheses, the study sought to determine the relationship between each organizational learning variable and employee performance, the mediating influence of work engagement on the relationship between organizational learning and employee performance and the moderating effect of organizational culture on the relationship between organizational learning and employee performance.

### **5.2.1 Effect of Knowledge Acquisition on Employee Performance**

The findings of the study reveal that knowledge acquisition is critical to employee performance. Descriptive statistics for knowledge acquisition show that firms have adopted the practices to a large extent. Firms have implemented congenital learning, experiential learning, searching and grafting to acquire knowledge from internal and external sources. Experiential learning, congenital and grafting are the main sources of knowledge acquisition with means of 4.229, 3.875 and 3.999 respectively on a 5-point Likert scale. Assessing the requirements for knowledge, it was established that knowledge is sought to refine processes (Mean 3.999), solve problems (Mean 3.627) and for service improvement (Mean 3.592). This is in line with study by Akpotu and Lebari (2014) that found knowledge acquisition critical for improving efficiency. Knowledge acquisition has a high influence on service delivery (Mean 3.864), efficiency (Mean 3.870) and citizenship behaviour (Mean 3.537) and a moderate influence on team work (Mean 3.302). Similarly, knowledge acquisition has a significant influence on work engagement with 58 per cent of the respondents rating the influence high and very high. This is consonance with empirical studies that have found similar results (Bratianu, 2015; Lee & Huang, 2012). Inferential statistics results established that knowledge acquisition significantly affects employee performance,  $\beta = 0.252$ ,  $t = 3.938$ ,  $p(0.00) < 0.05$ . There is a statistically significant positive correlation between knowledge acquisition and employee performance,  $r = 0.764^{**}$ ,  $p(0.001) < 0.05$ . The correlation between knowledge acquisition and work engagement, although not strong, is statistically significantly positive,  $r = 0.438$ ,  $p(0.014) < 0.05$ . These findings emphasize the significance of knowledge acquisition on employee behavioural outcomes (Lee & Huang, 2012).

Several aspects of knowledge acquisition were identified as critical to employee performance. It was noted that organizations should only seek knowledge that has strategic effect on employee performance. Existing knowledge should be exploited as it is much easier to utilize than pursuing new knowledge which may be resource intensive. For the organization to improve employee innovative behaviour and creativity, it is important for the management to encourage generation of new ideas, experiment with new ideas and take risk with novel concepts generated by employees. Further, organizations should invest in research and development in areas such process, product and service development which influences employees' work arrangement and job profiles positively. For instance, adoption of technology improves the performance output and outcomes of employees as they are able to perform their jobs better and easier. These findings are consistent with empirical literature (Gomes & Wojahn, 2016).

### **5.2.2 Effect of Information Distribution on Employee Performance**

The results of descriptive statistics on information distribution establish that classified hospitality firms have implement some aspects of information distribution to a higher than others. Communication and cross training have been implemented effectively while there is need to improve on interdepartmental meetings and social networks. It is evident that communication channels and cross training are crucial in information distribution with aggregate means of 3.958 and 3.690 respectively on a 5-point Likert scale. It was established that information distribution is utilized to solve problems, integrate existing information and share knowledge Although formal structures are highly adopted in information distribution, there is need to improve informal social networks, trust and collaboration, and involvement of employees in decision making (Argote, 2011).

Information distribution has significant influence on employee performance, with highest influence on service delivery (Mean 3.938), efficiency (Mean 3.833), citizenship behaviour (Mean 3.543) and moderate influence on teamwork (Mean 3.426). The influence on work engagement is relatively high with 65 percent of respondents considering the influence high and very high. The results of regression analysis show that information distribution predicts employee performance,  $\beta = 0.287$ ,  $t = 4.042$ ,  $p (0.000) < 0.05$ . In addition, it has a statistically significant positive correlation with employee performance,  $r = 0.785^{**}$ ,  $p (0.000) < 0.05$ . Information distribution also has a statistically significantly positive correlation with work engagement,  $r = 0.529^{**}$ ,  $p (0.005) < 0.05$ . These findings underscore the influence of information distribution on employee performance (Lin & Lee, 2017).

Adoption of various approaches to information distribution is key for an effective information distribution system. The channel of communication should be open and understood by all employees and should embed a feedback mechanism for flow of information two-way. Cross training and sensitization forums are useful in disseminating technical information such as use of a management tool or new technology. On the other hand, social networks are useful for distributing information, since it is uncensored, it helps strengthen bonds within teams and opens up an avenue through which employees can air their views freely without retribution. Given that information distribution and knowledge transfer thrives in a climate of trust and support, employees must trust the information and its source and feel adequately capable of taking action. Therefore, information should be channeled through reliable sources, be authorized for dissemination by a management representative, be easily accessible and employees be adequately empowered to act on the information. Past studies have emphasized

the improvement of contextual elements for effective information distribution (Argote & Spektor, 2011; Ekore, 2014).

### **5.2.3 Effect of Information Interpretation on Employee Performance**

The results of descriptive statistics for information interpretation highlighted the significance of information interpretation on some aspects of employees' outcomes. The findings reveal the importance of shared vision and mission, analysis of different alternatives in decision making, seeking a uniform understanding and prioritization of information, all of which had a high mean above 3.500 on a 5-point Likert scale. Management of unlearning processes, obsolete information and updating of existing information is critical. However, firms struggle with implementing proper information management infrastructure that would assist in screening information to avoid information overload, discard obsolete information, establish standardized frameworks for decision making and ease report generation. Empirical literature has emphasized the significance of an integrated information or knowledge management system (Sanchez, *et al.*, 2010).

The significant influence of information interpretation on employee performance is validated by the results of the study. Although the influence on each aspect of performance is moderate, it remains significant. The influence on service delivery has a mean of 3.265, efficiency 3.2965, teamwork 2.944 and citizenship behaviour 2.944 on a 5-point Likert scale. The influence on work engagement is relatively moderate with at a total of 47 percent of respondents rating it as high and very high. The results of inferential statistics show that information interpretation predicted employee performance,  $\beta = 0.113$ ,  $t = 2.897$ ,  $p (0.004) < 0.05$  and has a statistically significant positive correlation with employee performance,  $r = 0.549$ ,  $p (0.022) < 0.05$  and a statistically significant positive, albeit weak correlation with work engagement,  $r = 0.186$ ,  $p$



(0.035) < 0.05. These corroborates study by Torabi, *et al.* (2016) that found a relationship between information interpretation and human resource performance.

In addition, the findings established that information should be interpreted within its context. The scope and framework upon which meanings are derived are determined by the context of the information source, channel and audience. Members of an organization have shared values, norms and beliefs which form the framework upon which issues are understood and information interpreted, that is, by inference, the members have shared meaning. Therefore, information should be decoded for meaning within the confines of the shared framework. In addition, organizations should manage information effectively to ensure timeliness of dissemination, avoid information overload and distinguish between old and new information. Timeliness of information dissemination is crucial for accurate interpretation and feedback and information overload affects employees' interpretation capability, which may impact their performance. Old information, if no longer useful, should be considered obsolete and should not be used as a reference point for decision making (Sanchez, *et al.*, 2010).

#### **5.2.4 Effect of Organizational Memory on Employee Performance**

The results of descriptive statistics for organizational memory show that firms have adopted organizational memory practices to a high level which implies that firms in the classified hospitality sector appreciate the importance of organizational memory on organizational outcomes such as employee performance. The critical practices adopted include the use of standard operating procedures to guide work activities (Mean 4.182), use of specialists in critical operations (Mean 3.999), use of training programs to develop capacity of employees (Mean 3.928) and use of skills and knowledge databases (Mean 3.894). To this extent organizational memory is a crucial component of organizational learning in the classified hospitality firms.

However, to effectively align it to organization-wide outcomes, there is increasing need to retain a pool of experts and skilled specialists, tacit knowledge, update the training programs to relevant skills requirements and to incorporate new knowledge (Mean 3.355).

The influence of organizational memory on employee performance is high, particularly on service delivery, efficiency and citizenship behaviour with means of 3.778, 3.864 and 3.475 respectively on a 5-point Likert scale. The influence on teamwork is moderate (Mean 3.204). This underscores the significance of organizational memory on performance of employees. In addition, organizational memory has a moderately high influence on work engagement with 60 percent of respondents rating the influence as high. These findings are consistent with past studies that have established a relationship between organizational memory and employee outcomes (Dunham, 2011).

The results of regression analysis show that organizational memory significantly predicted employee performance,  $\beta = 0.197$ ,  $t = 3.788$ ,  $p (0.001) < 0.05$ . Pearson correlation between organizational memory and employee performance indicated a statistically significant positive correlation,  $r = 0.712$ ,  $p (0.017) < 0.05$ , which indicates that there is a linear relationship between the two variables. In addition, the correlation between organizational memory and work engagement is statistically significant,  $r = 0.285$ ,  $p (0.047) < 0.05$ . These findings are consistent with studies that have found a positive relationship between organizational memory and employee performance and work engagement (Hassan & Ishak, 2017).

The results showed that organizations thrive competitively when employees have specialized knowledge and skills, both tacit and explicit knowledge. This knowledge is critical to enhancing performance at employee level. Where the organization does not have sufficient knowledge and capacity to acquire or develop it internally, it should be outsourced from outside. Employees

should be learn and master relevant procedures and processes related to their jobs through comprehensive induction and sensitization programs, and their skills developed through tailored capacity building programs. These programs should be relevant to the learning needs of the employees and should be updated continually to incorporate new knowledge and reflect the changes in the industry. These findings are consistent with empirical literature which view organizational memory as critical to employee performance to the extent to which positive supportive contexts, systems and structures are put in place (Hua & Chan, 2013).

### **5.2.5 Mediation Effect of Work Engagement on the Relationship between Organizational Learning and Employee Performance**

Descriptive statistics provide evidence that work engagement influence employee outcomes. Results on physical engagement indicate that employees who work with intensity record better performance (Mean 4.125), those that strive to excel in their work have higher quality output (Mean 4.068) and those that who devote a lot of energy in their work have higher quantity of output (Mean 3.942). In terms of emotional engagement, it is evident that employees who are enthusiastic about their work are more willing to take up additional responsibilities (Mean 3.764) and those who take their work as a positive challenge are able to solve work related problems (Mean 3.758). In addition, cognitive engagement measures show that employees who are focused often meet their performance standards (Mean 4.299), those who pay attention to their work make fewer mistakes (Mean 3.972) and those who are absorbed in their work have lower intentions to leave the organization (Mean 3.715). These results echo Lin and Lee (2017) view that work engagement influences employee performance.

Work engagement has a positive relationship with organizational learning and employee performance. The correlation between knowledge acquisition and work engagement was

moderate, but statistically significant,  $r = 0.438$ ,  $p (0.014) < 0.05$ , information distribution has statistically significant positive correlation,  $r = 0.529^{**}$ ,  $p (0.005) < 0.05$ . On the other hand, information interpretation and organizational memory had weak positive correlation with work engagement although statistically significant,  $r = 0.186$ ,  $p (0.035) < 0.05$ ,  $r = 0.285$ ,  $p (0.047) < 0.05$  respectively. There is strong statistically significant positive correlation between work engagement and employee performance, physical engagement,  $r = 0.788^{**}$ ,  $p (0.000) < 0.05$ , emotional engagement,  $r = 0.754^{**}$ ,  $p (0.001) < 0.05$ , and cognitive engagement,  $r = 0.712^{**}$ ,  $p (0.003) < 0.05$ . These results are in consonance with empirical literature that has found correlation between work engagement and employee performance (Christian, *et al.*, 2011)

Analysis of the mediation influence work engagement on the relationship between organizational learning and employee performance revealed that work engagement has partial mediation influence on the relationship between organizational learning and employee performance,  $\beta_1 = 0.175$ ,  $P (0.002) < 0.05$  (in step 3),  $\beta_2 = 0.387$ ,  $P (0.000) < 0.05$  (in step 3). In addition,  $\beta_1 (0.269)$  in step three is less than  $\beta_1 (0.429)$  in step one which implies that  $\beta_2 (0.426)$  in step three is statistically significant. This relates to empirical findings that have also established the mediation influence of work engagement (Anitha, 2014; Lin & Lee, 2017; Park, *et al.*, 2014).

Work engagement is connected to employees' motivation and job satisfaction. Organizations should manage the elements of motivation such as compensation and leadership support, involvement in decision making, span of responsibility, and level of supervision in order to create engaged workforce. Work arrangement and job autonomy are crucial in improving an employee's devotion and commitment in his role. Employees want to have some level of control of their jobs and are demoralized by over-supervision and micromanagement. Workers are more

likely to put more effort, dedicate more time and remain focused in activities for which they have some level of control and accountability. This is consistent with past studies that have found similar results (Kim & Park, 2017).

### **5.2.6 Moderation Effect of Organizational Culture on the Relationship between Organizational Learning and Employee Performance**

The results of descriptive statistics indicated a moderate adoption of innovation and risk taking practices with measures such as encouraging the generation of new ideas, rewarding innovative employees, and providing resources for the implementation of new ideas recording moderate means of 3.659, 3.491 and 3.317 respectively on a five-point Likert scale. However, the findings reveal that most of the classified firms are outcome oriented with measures showing that employees are held accountable for their performance (Mean 4.011) and management are more concerned with results over process (Mean 3.785). Although the firms recognize the significant role of employees in the success of the organization (Mean 3.751), the interest of employees are overlooked with systems to address employees' grievances partially implemented (Mean 2.924) and employees' welfare support is hardly adequate (Mean 2.683). Zhou and Wu (2010) opine that an organizational culture that is outcome oriented, with adequate support and job autonomy, is critical to enhancing employees' performance.

The results of moderation analysis, change statistics, testing the moderation effect of organizational culture on the relationship between organizational learning and employee performance, show that the R square change as 0.067 which is the proportionate increase in variance that is explained by the inclusion of the interaction term. The change in  $R^2$  (0.067) implies the change in R is 6.7 percent. This increase in variation is statistically significant as p

(0.000) < 0.05. Therefore, the results indicate that organizational culture moderates the relationship between organizational learning and employees' performance.

From the coefficients results, organizational learning,  $\beta_1 = 0.034$ ,  $t = 1.619$ ,  $p (0.199) > 0.05$  (in step one), implies that organizational learning is a predictor of employee performance, organizational culture,  $\beta_2 = 7.506$ ,  $t = 4.455$ ,  $p (0.000) < 0.05$  (in step 2), indicates that organizational culture is not a predictor variable but a moderator variable. The coefficient for the interaction term,  $\beta_3 = 0.067$ ,  $t = 4.786$ ,  $p (0.000) < 0.05$  (in step 2) concludes that organizational culture has moderator effect on the relationship between organizational learning and employee performance with a total effect of 0.067. From empirical literature, Erkutlu (2011) established that organizational culture had a moderating effect on the linkage between employee performance and its antecedents and Nazir and Zamir (2015) indicated that organizational culture affects the contextual environment of employee performance.

### **5.2.7 Employee Performance**

The findings of this study confirm that success of hospitality firms is linked to employee performance in critical areas of service delivery (Mean 4.189) and efficiency (Mean 4.177) from a 5-point Likert scale. Teamwork and citizenship behaviour are equally significant in order to realize organizational goals. An ideal situation is sought where there is a near perfect employee-organizational fit owing to the intensive and competitive nature of the hospitality industry (Wallace, *et al.*, 2013). Therefore, contextual elements that build a climate of high performance should be implemented. This include organizational learning, motivational factors such as work engagement and a culture that values innovation, creativity, rewards, job autonomy and open communication (Erkutlu, 2011).

The results show that organizational learning influences employee performance. The results revealed that organizational learning has higher influence on employee performance dimension of service delivery and efficiency. The influence on teamwork and citizenship behaviour is moderate. The main organizational learning processes with higher influence on employee performance are information distribution, knowledge acquisition and organizational memory in that order. Information interpretation, on the other hand, has only moderate influence on employee performance. These results underscore the significance of adopting organizational learning practices to improve service delivery and efficiency in the hospitality industry (Li, *et al.*, 2010).

The results of regression analysis revealed that organizational learning predicts employee performance,  $r^2 = 0.312$ , which implies that the organizational learning variables collectively explain 31.2 per cent of the variation in employees' performance. The results of ANOVA test, sig.  $p(0.00) < 0.05$  indicate that the regression model for organizational learning statistically significantly predicted employee performance. The regression coefficients for knowledge acquisition,  $\beta = 0.252$ , information distribution,  $\beta = 0.287$ , information interpretation,  $\beta = 0.123$ , and organizational memory,  $\beta = 0.197$ ,  $p$ -values  $(0.00) < 0.05$ , which indicate that the variables significantly predicted employee performance. The regression model is  $Y = 2.968 + 0.252X_1 + 0.287X_2 + 0.113X_3 + 0.197X_4$ . These findings are consistent with empirical literature that have established that organization learning predicts employee performance (Lee & Huang, 2012).

The correlation analysis of dimensions for organizational learning and employee performance revealed statistically significant positive correlation. Information distribution has the highest positive correlation,  $r = 0.785^{**}$ ,  $p(0.000) < 0.01$ , knowledge acquisition,  $r = 0.785^{**}$ ,  $p(0.001) < 0.01$ , organizational memory,  $r = 0.712$ ,  $p(0.017) < 0.05$  and information interpretation,  $r = 0.549$ ,

$p (.017) < 0.05$ . These findings imply that there is positive linear relationship between each organizational learning indicator and employee performance. The correlation between work engagement and employees' performance revealed a statistically significant positive correlation, physical engagement,  $r = 0.788^{**}$ ,  $p (0.000) < 0.05$ , emotional engagement,  $r = 0.754^{**}$ ,  $p (0.001) < 0.05$ , and cognitive engagement,  $r = 0.712^{**}$ ,  $p (0.003) < 0.05$ . These results are in consonance with empirical literature that has found correlation between work engagement and employee performance (Christian, *et al.* 2011).

Mediation analysis indicated that work engagement has partial mediation influence on the relationship between organizational learning and employee performance. This relates to empirical findings by that have also established the mediation influence of work engagement (Park, *et al.* 2014). The moderation analysis found that organizational culture has moderator effect on the relationship between organizational learning and employee performance with a total effect of 0.067. The linear equation for moderation is  $Y = 19.365 + 0.034X + 7.506M_o + 0.067X * M_o + \epsilon$ . The coefficient for the interaction term,  $\beta_3 = 0.067$ ,  $p (0.000) < 0.05$  indicated that organizational culture had moderator effect. This finding are similar to study by Erkutlu (2011) that established that organizational culture dimensions had a moderating effect on the linkage between employees' performance and its antecedents.

On ways to improve employee performance, the findings revealed that empowerment and organizational contexts influence employees' performance. In particular, organization's climate, culture, strategy and structure are critical in creating a context of high performance. The significant elements for improved employees' performance include specialized skills development, experiential learning, job-specific decision making and problem solving, engagement in affairs of the organization, and contextual elements such as knowledge sharing



and information distribution, trust and support, open communication, and performance-based reward system. Organizations should cultivate a culture of innovation and creativity, adapt to new technology, institutionalize a learning culture, and build a leadership team that is supportive and participative. These findings are supported by extant literature that posit that performance is realized only to the extent that employees' abilities, motivation and opportunities to perform go (Mackay & Boxall, 2006).

### **5.3 Conclusions**

The findings of this study provide empirical evidence that success of hospitality firms is linked to employee performance, consistent with empirical literature that employees are the bedrock of high performance in the service industry (Wallace, *et al.*, 2013). Therefore, a model that establishes a fit between employees' behavioural outcomes and organizational contexts becomes critical owing to the intensive and competitive nature of the hospitality industry. Employees' outcomes, therefore, become a sum total or a blend of task performance and contextual performance. To enhance the task performance, empowerment element comes in to play, and to improve contextual performance, contextual elements comes into play. In a nutshell, employees should be empowered to perform their roles and the contextual elements that build a climate of high performance should be implemented. This include organizational learning, motivational factors such as work engagement and a culture that values innovation, creativity, rewards, job autonomy and open communication.

The results show that organizational learning influences employee performance. Results of descriptive statistics revealed that knowledge acquisition, information distribution and organizational memory have high influence on service delivery and efficiency and moderate influence on teamwork and citizenship behaviour. Information interpretation, on the other hand,

has only moderate influence on employee performance. Organizational learning predicts employee performance and each of the variables has a statistically significant correlation with employee performance. These results underscore the significance of adopting organizational learning to improve employee performance in the hospitality sector (Li, *et al.*, 2010).

Knowledge acquisition, in essence revolves around searching and grafting new knowledge which is critical for employee performance. Organizations should also exploit existing knowledge even as they pursue new knowledge. For the organization to improve employee innovative behaviour and creativity, it is important for the management to encourage generation of new ideas, experiment with new ideas and take risk with incubating and implementing employee novel ideas and concepts. In addition, research and development in areas such process, product and service improvement which influences employees' work arrangement and ultimately impacts service delivery and efficiency from employees' perspective. This conclusion echoes studies that draws similar conclusions (Gomes & Wojahn, 2016; Lin & Lee, 2017).

An effective information distribution system is critical to employee performance. The channel of communication should be open, understood by employees and embed a feedback mechanism. Both formal and informal methods of information distribution should be implemented to enhance learning. Different approaches should be utilized for different ends, for instance, cross training should be used disseminate technical information while social networks should be used to share non-technical information and to strengthen social networks among teams and groups. Crucial information should be channeled through reliable sources, be authorized for dissemination by a management representative, be easily accessible and employees be

adequately empowered to act on the information. Argote and Spektor (2011) aver that learning takes place in a social context.

The scope and framework upon which meanings are derived are determined by the context of the information source, channel and audience. Members of an organization have shared values, norms and beliefs which form the framework upon which issues are understood and information interpreted, that is, by inference, the members have shared meaning. Therefore, information should be decoded for meaning within the confines of the shared framework. In addition, organizations should ensure promptness in information dissemination, avoid information overload and distinguish between old and new information. This is aimed at ensuring that information remains relevant for decision making. Accuracy of interpretation is influenced by the age of the information (either new or old), information overload, unlearning process, and employees' capability (Sanchez, *et al.*, 2010).

Organizational memory is critical to employees' service delivery, efficiency and citizenship behaviour. The extent to which employee performance is significant to an organization is determined by the employees' level of specialized knowledge and skills, and access to both tacit and explicit knowledge. Where the organization does not have sufficient knowledge and capacity to acquire or develop it internally, it should be outsourced from outside. Employees should learn and master relevant procedures and processes related to their jobs through comprehensive induction and sensitization programs, and their skills developed through tailored capacity building programs. These programs should be relevant to the learning needs of the employees and should be updated continually to incorporate new knowledge and reflect the changes in the industry. Hua and Chan (2013) posit that organizational memory as critical to

employee performance to the extent to which positive supportive contexts, systems and structures are put in place.

The findings provide evidence that work engagement influence employee outcomes, in which case employees who are physically, emotionally and cognitively engaged have higher positive outcomes. These results echo Christian, *et al.* (2011) view that work engagement influences employee performance. Work engagement is associated with organizational learning and employee performance. The correlation between knowledge acquisition, information distribution, information interpretation and work engagement was moderate, but statistically significant. There is strong statistically significant positive correlation between work engagement and employee performance. In addition. The study establishes that work engagement has a mediation influence on the relationship between organizational learning and employee performance. These findings are consistent with empirical literature (Anitha, 2014; Christian, *et al.*, 2011; Lin & Lee, 2017; Park, *et al.*, 2014).

Work engagement is linked to employee motivation and job satisfaction. Organizations should manage the dimensions of motivation such as compensation and leadership support, decision making, involvement, job autonomy and supervision in order to create an engaged workforce. Work arrangement and job autonomy are crucial in improving an employee's devotion and commitment in his role. Employees want to have some level of control of their jobs and are demoralized by over-supervision and micromanagement. Workers are more likely to put more effort, dedicate more time and remain focused in activities for which they have some level of control and accountability. This is consistent with past studies that have found similar results (Kim & Park, 2017).

The results indicated a mixed level of adoption of organizational culture dimensions of innovation and risk taking, outcome orientation and people orientation. There is moderately level of adoption of innovation and risk taking practices such as generation of new ideas, rewarding innovative employees, and providing resources for the implementation of new ideas. Similarly, people orientation practices are moderately implemented. Although the firms recognize the significant role of employees in the success of the organization, the interest of employees are overlooked with systems to address employees' grievances partially implemented and employees' welfare support is hardly adequate. However, most of the classified firms are outcome oriented with measures showing that employees are held accountable for their performance and management are more concerned with results over process. Zhou and Wu (2010) opine that an organizational culture that is outcome oriented, with adequate support and job autonomy, is critical to enhancing employee performance.

The findings establishes that organizational culture has a moderating effect on the relationship between organizational learning and employee performance. This is in consonance with past studies that have found similar results (Erkutlu, 2011). Evaluating the significance of various dimensions of organizational culture, it is evident that a one dimensional orientation may not positively impact performance. A balance of values emerged as the panacea to a culture that moderates the relationship between employees' performance and its antecedents. The value for people centricity, that is focus on welfare and interests of people in the organization, is counter balanced by the value for business perspective, which focuses on business interests or considerations such profitability, growth and sustainability. The value for results, which means an orientation to performance metrics, output and outcomes at various levels of operations, is counter balanced by value for effective processes and systems, this places emphasis on

efficiency and technology. Inasmuch as it is difficult to achieve this balance, it creates a climate of high performance in the organization (Afaneh, *et al.* 2014).

In conclusion, it is evident that empowerment and organizational contexts influence employee performance. In particular, organization's climate, culture, strategy and structure are critical in creating a context of high performance. The significant elements for improved employee performance include specialized skills development, experiential learning, job-specific decision making and problem solving, engagement in affairs of the organization, and contextual elements such as knowledge sharing and information distribution, trust and support, open communication, and performance-based reward system. Organizations should cultivate a culture of innovation and creativity, adapt to new technology, institutionalize a learning culture, and build a leadership team that is supportive and participative. These findings are supported by extant literature that posit that performance is realized only to the extent that employees' abilities, motivation and opportunities to perform go (Mackay & Boxall, 2006).

## **5.4 Recommendations**

This study makes contribution to policy formulation in the management of organizational learning resources and human resource management in both public and private sectors of Kenya's economy. It also makes recommendations that would assist those tasked with managing human resources in their organizations to implement strategies that would enhance the performance of employees. Finally, the study makes empirical contribution to organizational learning human resource management literature.

### **5.4.1 Recommendation to Policy Makers**

The study has revealed that organizational learning and employee performance are contextual and are influenced by both micro and macro factors. In order to optimize the impact of

organizational learning, there is an overwhelming need to formulate and implement policies that support knowledge acquisition, distribution, utilization and storage at firm and industry level. Policies that would regulate idea generation, experimentation, incubation and implementation should be formulated. This would safeguard proprietary rights to and ownership of new ideas. Employees who come up with novel ideas should be recognized and associated with eventual implementation of the ideas in the organization. Acquisition of knowledge through grafting and imitating what competition is doing could be governed by industry policies that would regulate how firms copy technology used by rivals. In addition, at industry level, policies should be formulated to govern storage of knowledge in different media, especially with the pervading effect of social media on information dissemination, security and storage.

It is evident that organizational learning influences employee performance within contexts that support employees' behavioural outcomes and cultural dimensions that create a climate of high performance. Therefore, it is critical for firms to develop policies that define the context of the organization in terms of organizational values, norms and practices. Policies that govern and guide the culture orientation of the firm should be developed and implemented. Such policies should emphasize the values of innovation and risk taking, employee centricity and outcome orientation in a balanced perspective. The policies would provide a framework to cultivate a culture that places value for people in the organization, business perspective, effective processes and systems, and performance. The eventual policies would include policy on employee innovation and creativity, reward for high achievers, collaboration and team projects, employees' welfare and support, job autonomy, and work engagement.

#### **5.4.2 Recommendations for Practice**

It is evident that organizational learning influences employee performance within contexts that support employees' behavioural outcomes and cultural dimensions that create a climate of high performance. It is imperative, therefore, for firms to build and sustain a climate of high performance. To enhance employee performance in the four areas studied, that is, service delivery, efficiency, teamwork and citizenship behaviour, it is critical to improve the important aspects of organizational learning through adoption relevant practices that have direct impact on employee performance.

On knowledge acquisition, firms should ensure that all employees are informed of the history of the firm, its mission and its philosophy of work, the changing culture, norms, traditions and values of the organization. This will provide knowledge of the firm and align the employees to the culture of the organization. It is imperative that employees learn from their own experience, are given a wider scope of responsibility, are innovative and learn from mistakes, are creative and generate new ideas, and are at the forefront in learning coworkers. Firms should allow new idea generation, experiment with new ideas and implement viable ideas. Knowledge should be aligned to strategy and aimed at improving and processes and updating existing knowledge, and solving work related problems. In addition, firms should be open to look for expertise from sources outside the organization when capacity does not exist internally, compare their level of knowledge with the competitors in order to stay ahead and where prudent, introduce technology that is also used by competitors.

In addition, firms should conduct knowledge assessment to evaluate the level of current knowledge in the firm, knowledge requirements in the future, the knowledge gaps, sources of new knowledge, and resource requirement to acquire the need level of knowledge. It is important



to note that without a comprehensive knowledge assessment, organizations can pursue irrelevant knowledge or even ignore the value of existing knowledge. Therefore, firms should appropriate and exploit existing knowledge even as they pursue new knowledge. It is argued that existing knowledge is a major source of competitive advantage since it is inimitable and less expensive to utilize (Katila & Ahuja, 2002).

In order for firms to implement an effective system of information distribution, the management should communicate the general objectives of the organization to all employees. Understanding the objectives of the organization is at the core of aligning employees' performance to the organization. Communication of vital information should be transmitted quickly to all the employees and integration of such information done through interdepartmental meetings which would also provide opportunity for employees to make proposals. Without open and feedback supported communication channel information flow is inhibited and ultimately compromises organizational learning. The information should be easily accessible and the source of information reliable. Therefore, a structured format of communicating formal information should be adopted.

It is imperative for employees to be trained on new technology to enable them adapt quickly to new way of doing things. Forums to discuss strategic issues and solve work related problems should be organized. This creates a situation where every employee has an opportunity to contribute to discussions that affect his work and the organization. Therefore, a climate of collaboration and trust should be cultivated to ensure employees freely express themselves, network and interact and share ideas in teams or social groups. In addition, formal mechanisms for knowledge sharing and cross functional projects should be implemented.

The perspective for information interpretation adopted by members of the organization is critical. It is important that the employees are provided with a broader view of issues to be able to contextualize information and make better decisions. Firms should provide employees with global or industry view of their operations. This will help them understand the scope of their strategic input in the organization. In light of this, all members should share the same vision, mission and objectives and must be committed to them. This will provide members with shared outlook and meaning that will guide in interpreting information. To enhance shared meaning and uniformity in understanding, information about the organization, business environment should be examined, updated and discussed. There should be standard frameworks for decision making such manuals, guiding principles, policies and other templates to guide in decision making. A system that analyses information should be implemented. This is a system that is able to create different scenarios or alternative decision paths to aid in decision making. The system should generate reports that are concise, relevant and timely. Existing information or knowledge should be updated to discard obsolete information and prioritize what is critical.

Organizational memory is critical to employee performance, particularly on service delivery and efficiency. It is, therefore, crucial that organizational memory aspects are effectively implemented in the organization. Operational procedures, which guide work activities and ensure that employees work efficiently, should be effectively implemented and documented and employees inducted on them. They should be periodically updated to incorporate the changing work processes. Organizations thrive competitively when employees have specialized knowledge and skills. Firms should ensure that they have expertise in the most essential aspects of the operations and retain employees who have specialized knowledge in critical areas of the operation. It would be beneficial to tap into this tacit knowledge through maintaining skills

inventory and knowledge sharing practice among employees. The capacity of employees should be continually developed through development programs which are aligned to the learning needs of the firm. The programs should be updated to incorporate new knowledge. Where the organization does not have sufficient knowledge and capacity to acquire or develop it internally, it should be outsourced from outside.

It is the desire of every organization to have employees who work with vigour and energy, who are devoted and attached to their work, and have job focus and absorption. Such a high level of engagement is positively correlated with high level of positive performance outcomes. However, to achieve such a level of engagement, it is incumbent upon the organization to create a climate that creates, supports and sustains such optimal level of work engagement. Since work engagement is related to employee's motivation and job satisfaction, the factors that drive it must have motivational influence. Such elements include compensation, management support, participative decision making, job autonomy and capacity development. A learning environment provides a conducive environment for work engagement. Organizations should allow employees to have more control over their jobs as workers are more likely to put more effort, dedicate more time and remain focused in activities for which they have some level of control and accountability.

Organizational culture affects the contextual environment of employee performance. Therefore, organizations should appropriate a culture that supports employees' performance and its antecedents. In this case, hence, the main dimensions of culture that include value for results, processes, people-centricity, and innovation and creativity become central in crafting, cultivating and nurturing a relevant culture. However, a balance of values is what creates impact rather than an extreme orientation to one culture. Organizations, therefore, should seek to have

a balance of values to achieve optimal results. The value for people centricity should be balanced with the value for business perspective or interests and the value for results should be balanced with value for effective processes and systems. This balance is a catalyst for high performance culture in the organization.

In order to drive innovation and creativity, organizations should be willing to take risks, experiment with novel ideas, have tolerance for mistakes and adopt a collaborative problem-solving practice. Employees should be encouraged and supported to be innovative and creative in their operations. Organizations should have a system that gathers employees' ideas, incubates them and implements the viable ideas, as well as rewards innovative behaviour. Finally, it is recommended that organizations should implement effective systems that addresses employees' grievances and ensure there are adequate employee welfare support programs in the organization.

### **5.5 Contribution of the Study to Knowledge**

The results of this study makes contribution to new knowledge in the spheres of organizational learning and employee performance. To begin with, the study adds to empirical research on the linkage between organizational learning and employees' performance in classified hospitality firms in Kenya, an area which has witnessed a dearth in empirical research.

This study addresses the conceptual gap in research in relation to conceptualization model of studying the relationship between organizational learning and employee performance. Organizational learning was studied as a process of knowledge acquisition, distribution, interpretation and memory (storage), with each component being an independent variable. This approach provided a comprehensive study of organization learning as it made it possible to

investigate the level of adoption of organizational learning in classified hospitality firms. Therefore, this study provides empirically validated measures of organizational learning.

On the other hand, employee performance was studied using a multidimensional in which the constructs of the latent variable were drawn from both task and contextual elements of performance. This was based on the understanding that employees' behavioural outcomes are influenced by contextual elements of the organization and hence it was necessary to measure their contextual performance. This approach provided a holistic view of employees' performance as both task and contextual measures of performance were included, that is service delivery, efficiency, teamwork and citizenship behaviour. This approach enabled employee performance to be investigated as both an output and outcome.

This study provides empirical evidence of the moderating effect of organizational culture on the relationship between organizational learning and employee performance using Baron and Judge (2013) model of organizational culture. The organizational culture dimensions considered for this study were innovation and risk taking, outcome orientation and people orientation. This brought to light the possibility of firms adopting multiple dimensional approaches to organizational culture, and the challenge of striking a balance in order to optimally influence performance. This approach broadens the assessment of organizational culture as the findings have revealed that firms that adapt to a variety or a combination of culture dimensions have higher impact on performance than firms which have singular culture orientation.

The findings of this study have established that some employee performance dimensions are behavioural and are best studied using a longitudinal method for data collection rather than cross sectional survey method. Some employees' behavioural outcomes such as innovative behaviour,

creativity and citizenship behaviour need to be monitored over a period of time in order observe behaviour change, infer the behaviour pattern and draw conclusions.

Further, the study contributes to theory of work engagement and its mediation effect on organizational learning and employee performance. The conceptualization of work engagement using physical, emotional and cognitive constructs of engagement to determine its mediating role provides empirical validation of how managing the work arrangement, environment and climate conditions may impact the engagement level of employees, from a motivational perspective, in the performance of their roles. The findings provide a bundle of measures that would be used to assess work engagement in relation to job performance.

### **5.6 Suggestions for Further Research**

The current study focused on organizational learning and employee performance as independent variable and dependent variable respectively. The relationship was mediated by work engagement and moderated by organizational culture. From the findings, it is evident that there are several factors that affect organizational learning. Therefore, a future research could consider the antecedents of organizational learning in the relationship between organizational learning and employee performance. Some of the antecedents include knowledge stock and absorption capacity.

This study adapted Baron and Judge (2013) model of organizational culture, which has seven dimensions. However, only three dimensions were considered for this study, innovation and risk taking, outcome orientation and people orientation. A future research could consider the other four dimensions (attention to detail, team orientation, aggressiveness and stability), or all the seven dimensions, in order to have a broader assessment of organizational culture, bearing in mind different firms have different cultural orientation and disposition. In addition, other models

of organizational culture could be considered, such as Hofstede (1997) and competing value framework (CVF) propounded by Cameron and Quinn (1999), to establish whether similar results could be found.

The findings of this study and empirical literature have established that some employee performance dimensions are behavioural and are best studied using a longitudinal method for data collection rather than cross sectional survey method. Some employee behavioural outcomes such as innovative behaviour, creativity and citizenship behaviour need to be monitored over a period of time in order observe behaviour change, infer the behaviour pattern and draw conclusions. Therefore, a future research could consider using a longitudinal method if the indicators of employee performance are behavioural.

The respondents of this study were managers in the human resource, food and beverage and conferencing and accommodation sections of the firm. The respondents were ideal for this study to the extent that they had the relevant information relating to study variables. However, depending on the indicators of and measures used for work engagement and employees' performance, shopfloor employees could provide vital information. Therefore, a future could use multi-level sample categories, management and shopfloor level employees. The management level respondents could respond to firm level questions and shopfloor could be targeted with general employees' questions using a questionnaire.

The focus of this study was classified hospitality firms in Kenya. A further research could be conducted in non-classified firms which comprise a significant proportion of the hospitality industry in Kenya. In addition, a similar study could be done in other service sectors such as banks, insurance and education to establish whether the findings in this study would be replicated. A similar study in a manufacturing context is also recommended since the context of

the current study is exclusively in service-intensive and given the contingent nature of the variables studied, a study in a different context would provide important findings to determine whether industry contexts influence the relationship between organizational learning and employee performance.



## REFERENCES

- Afaneh, J. A., Khaireddin, M. A., Sanjuq, G. M., & Qaddoumi, J. B. (2014). Impact of Cultural Dimensions According to Hofstede Model on Organizational Commitment of the Middle Management at Jordanian Private Universities. *European Journal of Business and Social Sciences*, 3(9), 129 – 146.
- Ajayi, O. M., Odusanya, K., & Morton, S. (2017). Stimulating employee ambidexterity and employee engagement in SMEs. *Management Decision*, 55(4), 662-680.
- Akpotu, C., & Lebari, E. D. (2014). Knowledge Acquisition and Administrative Employee Performance in Nigerian Universities. *Journal of Management and Sustainability*, 4(4), 116-124.
- Alsabbagh, M., & Khalil, A. H. (2017). The impact of organizational culture on organizational learning (An empirical study on the education sector in Damascus City). *International Journal of Academic Research in Business and Social Sciences*, 7(4), 579-600.
- Anitha, J. (2014). Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity and Performance Management*, 63(3), 308-323.
- Anwar, R., & Niode, S. (2017). The effects of Learning Organization towards Employees' Innovative Behavior Mediated by Work Engagement (A Study in Indonesia). *Advances in Intelligent Systems Research*, 131, 159-164.
- Appelbaum, E., Bailey, T., Berg, P., & Kalleberg, A .L. (2000). *Manufacturing Advantage: Why High-performance Work Systems Pay-off*, London: Cornell University Press.
- Argote, L., & Spektor, M. L. (2011). Organizational Learning: From Experience to Knowledge. *Organization Science*, 22(5), 1123-1137.

- Argote, L. (2011). Organizational learning research: Past, present and future. *Management Learning, 42*(4), 439-446.
- Argote, L., Aven, B., & Kush, J. (2015). The Effects of membership stability and communication networks on transactive memory systems and team performance: An experimental investigation. *Paper presented at the Academy of Management meetings, Vancouver.*
- Argyris, C., & Schön, D. (1978). *Organizational learning: A theory of action perspective*, Reading, Mass: Addison Wesley.
- Argyris, C., & Schon, D. A. (1996). *Organizational Learning: A theory of action perspective*, Reading, MA, Addison Wesley.
- Argyris, C. (1992). *On Organizational Learning*, Cambridge, MA, Blackwell.
- Bajpai, N. (2011). *Business Research Methods*. India, Pearson Education.
- Balducci, C., Fraccaroli, F., & Schaufeli, W. B. (2010). Psychometric Properties of the Italian Version of the Utrecht Work Engagement Scale (UWES-9). *European Journal of Psychological Assessment, 26*(2), 143-149.
- Bandura, A. (1997) *Self-Efficacy: The Exercise of Control*. W.H. Freeman and Company, New York.
- Bandura A. (2001). Social cognitive theory: An agentic perspective. *Annual Review of Psychology, 52*, 1–26.
- Bandura, A. (2005). Evolution of social cognitive theory. In: Smith K.G. and Hitt M.A. (Eds.). *Great minds in management*, (9-35). Oxford: Oxford University Press.
- Banihani, M., Lewis, P., & Syed, J. (2013). Is work engagement gendered? *Gender in Management: An International Journal, 28*(7), 400-423.

- Bapuji, H., & Crossan, M. (2004). From questions to answers: Reviewing organizational learning research. *Management Learning*, 35(4), 397–417.
- Barney, J. B. (2001). Is the resource-based “view” a useful perspective for strategic management research? Yes. *Academy of Management Review*, 26(1), 41-56.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Becker, B. E., & Huselid, M. A. (2006). Strategic Human Resources Management: Where Do We Go From Here? *Journal of Management*, 32(6), 898-925.
- Bilgihan, A., & Nejad, M. (2015). Innovation in hospitality and tourism industries. *Journal of Hospitality and Tourism Technology*, 6(3).
- Bonner, B. L. & Bolinger, A. R. (2013). Separating the confident from the correct: Leveraging member knowledge in groups to improve decision making and performance. *Organizational Behaviour and Human Decisions Processes*, 122(2): 214-221.
- Borman, W. C., & Motowidlo, S. J. (1993). Expanding the criterion domain to include elements of contextual performance. In N. Schmitt, & W. C. Borman, *Personnel Selection in Organizations* (71-98). San Francisco: Jossey-Bass.
- Boselie, P. (2010). High performance work practices in the health care sector: A Dutch case study. *International Journal of Manpower*, 31(1), 42-58.
- Boxall, P., Guthrie, J. P., & Paauwe, J. (2016). Progressing our understanding of the mediating variables linking HRM, employee well-being and organisational performance. *Human Resource Management Journal*, 26, 103-111.

- Boxall, P., & Macky, K. (2009). Research and theory on high-performance work systems: Progressing the high-involvement stream. *Human Resource Management Journal*, *19*(1), 3-23.
- Boxall, P., Purcell, J. & Wright, P.M. (2009). Human Resource Management. *In Strategic HRM* (Vol. Human Resource Management, 1-11).
- Calantone, R., Cavusgil, S., & Zhao, Y. (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial Marketing Management*, *31*, 9-19.
- Cameron, K. S., & Quinn, R. E. (1999). Diagnosing and changing organizational culture based on the competing values framework. Addison-Wesley Publishing.
- Campbell, B. A., Saxton, B. M., & Banerjee, P. M. (2014). Resetting the shot clock: The effect of comobility on human capital. *Journal of Management*, *40*(2), 53-56.
- Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology. In M. D. Dunnetee, & L. M. Hough, *Handbook of industrial and organizational psychology* (pp. 687-732). Palo Alto: CA: Consulting Psychologists Press.
- Caniëls, M., & Veld, M. (2016). Employee ambidexterity, high performance work systems and innovative work behaviour: How much balance do we need? *The International Journal of Human Resource Management*, DOI: 10.1080/09585192.2016.1216881
- Casillas, J.C., Moreno, A.M., Acedo, F.J., Gallego, M.A., & Ramos, E. (2009). An integrative model of the role of knowledge in the internationalization process. *Journal of World Business*, *44*(3), 311-22.
- Chen, J., Guo, Y., & Zhu, H. (2012). Can me-too products prevail? Performance of new product development and sources of idea generation in China—an emerging market. *R&D Management*, *42*(3), 273-288.

- Chiva, R., & Alegre, J. (2005). Organizational learning and organizational knowledge: Towards the integration of two approaches. *Management Learning*, 36(1), 49–68.
- Chiva, R., Alegre, J., & Lapiedra, R. (2007). Measuring organisational learning capability among the workforce. *International Journal of Manpower*, 28(3/4), 224-242.
- Christian, M. S., Garza, A. S., & Slaughter, J. E (2011). Work Engagement: A Quantitative Review and Test of its Relations with Task and Contextual Performance. *Personnel Psychology*, 64, 89–136.
- Cingoz, A., & Akdogan, A. (2013). Strategic flexibility, environmental dynamism, and innovation performance: An empirical study. 9<sup>th</sup> International Strategic Management Conference. *Social and Behavioral Sciences*, 99, 582 – 589.
- Cohen W., & Levinthal, D. (1990). Absorptive capacity: a new perspective on learning and innovation. *Administration Science*, 35(1), 128–152.
- Collins, C., & Smith, K. (2006). Knowledge Exchange and Combination: The Role of Human Resource Practices in the Performance of High-Technology Firms. *Academy of Management Journal*, 49(3), 544–560.
- Conway, J. M. (1996). Distinguishing Contextual Performance from Task Performance for Managerial Job. *Journal of Applied Psychology*, 84, 139-162.
- Cooper, D.R., & Schindler, P.S. (2013). Business Research Methods. 12<sup>th</sup> Edition, McGraw-Hill Higher Education.
- Creswell, J. W. (2009). Research Design: Qualitative and Mixed Methods Approaches. SAGE: London, UK.
- Crossan, M. M., Lane, H. W., & White, R. E. (1999). An organizational learning framework: from intuition to institution. *Academy of Management Review*, 24(3), 522-537.

- Cyert, R. M., & March, J. G. (1963). *A Behavioral Theory of the Firm*. Englewood Cliffs, NJ: Prentice-Hall.
- Daft, R. L. Weick, K. E. (1984). Toward a Model of Organizations as Interpretation Systems. *Academy of Management Review*, 9(2), 284-295.
- Datta, D. K., Guthrie, J. P., & Wright, P.M. (2005). Human Resource Management and Labour Productivity: Does Industry Matter? *Academy of Management Journal*, 48, 135–145.
- Delaney, J. T., & Huselid, M. A. (1996). The Impact of Human Resource Management Practices on Performance in for-Profit and Nonprofit Organizations. *Academy of Management Journal*, 39, 949–969.
- Detert, J., Schroeder, R., & Mauriel, J. (2000). Framework for linking culture and improvement initiatives in organizations. *Academy of Management Review*, 25(4), 850-863.
- Dhammika, K. (2013). Measuring Employees' Performance in the Public Sector in Sri Lanka: Testing of Two Models. *Kelaniya Journal of Human Resource Management*, 8(1), 1-21.
- Dose, J. J. (1997). Work values: An integrative framework and illustrative application to organizational socialization. *Journal of Occupational and Organizational Psychology*, 70(3), 219–240.
- Dzhandzhugazova, E. A., Blinova, E. A., Orlova, L. N. & Romanova, M. M. (2016). Innovation in Hospitality Industry. *International Journal of Environmental & Science Education*, 11(17), 10387-1400.
- Easterby-Smith, M. & Lyles, M. (ed.) (2011). *Handbook of Organizational Learning and Knowledge Management*. 2nd Edition. Chichester: Wiley.
- Easterby-Smith, M., & Lyles, M. (2003) "Introduction: Watersheds of Organizational Learning and Knowledge Management", In: Easterby-Smith, M. and Lyles, M. (Eds.). *The*

- Blackwell Handbook of Organizational Learning and Knowledge Management*, (1-15).  
Oxford: Blackwell Publishing.
- Edewor, P., & Aluko, Y. (2007). Diversity Management, Challenges and Opportunities in Multicultural Organizations. *International Journal of the Diversity*, 6(6), 198-195.
- Ekore, J. O. (2014). Impact of Key Organizational Factors on Knowledge Transfer Success in Multi-National Enterprises. *Management*, 19(2), 3-18.
- Emeka, N., & Philemon, A. (2012). The impact of organizational culture on employee performance a study of selected manufacturing industry in Enugu. *Asian Journal of Business Management Studies*, 3(2), 13-19.
- Erdogan, B., Liden, R. C., & Kraimer, M. L. (2006). Justice and leader-member exchange: The moderating role of organizational culture. *Academy of Management Journal*, 49, 395-406.
- Erkutlu, H. (2011). The moderating role of organizational culture in the relationship between organizational justice and organizational citizenship behaviours. *Leadership & Organization Development Journal*, 32(6), 532-554.
- Fletcher, M., & Prashantham, S. (2011). Knowledge assimilation processes of rapidly internationalizing firms: Longitudinal case studies of Scottish SMEs. *Journal of Small Business and Enterprise Development*, 18(3), 475-501.
- Gelard, P., & Mirsalehi, S. P. (2010). The Relation between Organizational Learning Capability and Product Innovation Performance: An Empirical Test in Iranian Organizations. *Paper presented at European Conference on Innovation and Entrepreneurship*.
- Gibson, C. B., & Birkinshaw, J. (2004). The antecedents, consequences, and mediating role of organizational ambidexterity. *Academy of Management Journal*, 47, 209–226.

- Gomes, G., & Wojahn, R. M. (2016). Management Organizational learning capability, innovation and performance: study in small and medium-sized enterprises (SMES).
- Grant, R. M. (1996). Toward a Knowledge-based Theory of the Firm. *Strategic Management Journal*, 17, 109-122.
- Gregory, B. T., Harris, S. G., Armenakis, A. A., & Shook, C. L. (2009). Organizational culture and effectiveness: A study of values, attitudes, and organizational outcomes. *Journal of Business Research*, 62, 673-679.
- Guest, D. E. (2002). Human resource management, corporate performance and employee wellbeing: Building the worker into HRM. *Journal of Industrial Relations*, 44, 335-358.
- Guta, A. L. (2013). Organizational Learning and Performance: A Conceptual Model. Proceedings of the 7th International Management Conference, *New Management for the New Economy*, Bucharest, Romania.
- Hair, J. F. Jr., Anderson, R. E., Tatham, R. L., & Black, W. C. (2012). *Multivariate Data Analysis with Readings*. New Jersey, Englewood Cliffs, NJ: Prentice Hall.
- Hasan, H., & Nikmah, F. (2019). The effect of organizational culture, organizational learning and creativity on employee's performance. *Advances in Social Science, Education and Humanities Research*, 409, 456-460.
- Henseler, J., & Chin, W. W. (2010). A Comparison of Approaches for the Analysis of Interaction Effects Between Latent Variables Using Partial Least Squares Path Modeling. *Structural Equation Modeling*, 17(1), 82-109.
- Hofstede, G. (1997). *Cultures and Organizations: Software of the Mind*, London: McGraw-Hill.
- Hogan, S. J., & Coote, L. V. (2014). Organizational culture, innovation, and performance: A test of Schein's model. *Journal of Business Research*, 67, 1609-1621.



- Huber, G. P. (1991). Organizational Learning: The Contributing Processes and the Literatures. *Organization Science*, 20(1), 88-115.
- Hussain, I. A., & Ishak, N. A. (2017). The Relationship between Organizational Learning and Employee Engagement, in the Perspective of Young Employees from Commercial Banks in Malaysia. *Journal of Business and Economic Development*, 2(1), 57-62.
- Hussein, N., Omar, S., Noordin, F., & Ishak, N. A. (2016). Learning organization culture, organizational performance and organizational innovativeness in a public institution of higher education in Malaysia: A preliminary study. *Procedia Economics and Finance*, 37, 512-519.
- Isa, M. F. M., Ugheoke, S. O., & Noor, W. S. W. M. (2016). The influence of organizational culture on employees' performance: evidence from Oman. *Journal of Entrepreneurship and Business*, 4(2), 1-12.
- Jansen, J. J. P., Van den Bosch, F. A. J., & Volberda, H. W. (2006). Exploratory innovation, exploitative innovation, and performance: effects of organizational antecedents and environmental moderators. *Management Science*, 52(11), 1161–1174.
- Jiang, X. & Li, Y. (2008). The relationship between organizational learning and firms' financial performance in strategic alliances: a contingency approach. *Journal of World Business*, 43, 365-79.
- Jong, J. P. & Hartog, D. N. (2007). How leaders influence employees' innovative behaviour. *European Journal of Innovation Management*, 10(1), 41- 64.
- Jong, J., & Hartog, D. (2010). Measuring innovative work behavior. *Creativity and Innovation Management*, 19, 23–36.
- Jung, T., Bower, P., Davies, H. & Whalley, D. (2009). Instruments for Exploring Organizational Culture: A Review of the Literature. *Public Administration Review*, 1087-1096.

- Jyothibabu, C., Farooq, A., & Pradhan, B. B. (2010). An integrated scale for measuring an organizational learning system. *The Learning Organization*, 17(4), 303-327.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33, 692–724.
- Kahn, W. A. (1992). To be fully there: Psychological presence at work. *Human Relations*, 45, 321–349.
- Katila, R. & Ahuja, G. (2002). Something old, something new: A longitudinal study of search behavior and new product introduction, *Academy of Management Journal*, 45(5), 1183-1194.
- Kang, S. C., & Snell, S. A. (2009). Intellectual capital architectures and ambidextrous learning: A framework for human resource management. *Journal of Management Studies*, 46, 65–92.
- Katou, A., & Budhwar, P. (2010). Causal Relationship between HRM Policies and Organizational Performance: Evidence from the Greek Manufacturing Sector. *European Management Journal*, 28, 25–39.
- Kenya Institute for Public Policy Research and Analysis (KIPPRA) (2017). Kenya Economic Report 2017: Sustaining Kenya’s Economic Development by Deepening and Expanding Economic Integration in the Region.
- Kenya National Bureau of Statistics (KNBS) (2017). Economic Survey 2017.
- Keskin, H. (2006). Market orientation, learning orientation, and innovation capabilities in SMEs: An extended model. *European Journal of Innovation Management*, 9(4), 396–417.

- Ketkar, S. & Puri, R. (2017). Ambidextrous Human Resource Practices and Employee Performance. *International Conference on Strategies in Volatile and Uncertain Environment for Emerging Markets*. New Delhi, 14-15 July 2017.
- Kuok, A. C. & Taormina, R. J. (2017). Work Engagement: Evolution of the Concept and New Inventory. *Psychological Thought*, 10(2), 262-287.
- Lai, H. (2017). Factors Affecting Knowledge Acquisition among Adult Workers in Online Informal Learning Activities. *EURASIA Journal of Mathematics, Science and Technology Education*, 14(1), 505-515.
- Lawler, E. E., III. (1969). Job design and employee motivation. *Personnel Psychology*, 22, 426-435.
- Lee, C. & Huang, Y. (2012). Knowledge stock, ambidextrous learning, and firm performance: Evidence from technologically intensive industries. *Management Decision*, 50(6), 1096-1116.
- Lepak, D. P., Liao, H., Chung, Y., & Harden, E. E. (2006). A Conceptual Review of Human Resource Management Systems in Strategic Human Resource Management Research. *Research in Personnel and Human Resource Management*, 25, 217–271.
- Levinthal, D. A., & March, J. G. (1993). The myopia of learning. *Strategic Management Journal*, 14, 95–112.
- Lewis, D. (2002). Five years on the organizational culture saga revisited. *Leadership & Organization Development Journal*, 23, 280–287.
- Li, X. & Zheng, Y. (2014). The Influential Factors of Employees' Innovative Behavior and the Management Advices. *Journal of Service Science and Management*, 7, 446-450.

- Li, Y., Wei, Z., Zhao, J., Zhang, C. & Liu, Y. (2012). ambidextrous organizational learning, environmental munificence and new product performance: Moderating effect of managerial ties in China. *International Journal of Production Economics*, 146, 95–105.
- Li, Y., Zhang, C., Liu, Y. & Li, M. (2010). Organizational learning, internal control mechanisms, and indigenous innovation: the evidence from China. *IEEE Transactions on Engineering Management*, 57(1), 63–77.
- Lian, X., Yang, B. Y. & Ma, Y. T. (2013). The Study of Organizational Innovation Climate Influence on Employee Innovative Behavior. *Journal of Management (CHINA)*, 7, 985-992.
- Liao, S. H., & Wu, C. (2010). System perspective of knowledge management, organizational learning, and organizational innovation. *Expert Systems with Applications*, 37(2), 1096-1103.
- Lin, H., & Lee, Y. (2017). A Study of the Influence of Organizational Learning on Employees' Innovative Behavior and Work Engagement by a Cross-Level Examination. *Journal of Mathematics Science and Technology Education*, 13(7), 3463-3478.
- López, S. P, Peón, J. M. & Ordás, C. J. (2005). Organizational learning as a determining factor in business performance. *The Learning Organization*, 12(3), 227-245.
- Luo, Z. X., Shi, K., Li, W. D., & Miao, D. M. (2008). Construct of Job Performance: evidence from Chinese military soldiers. *Asian Journal of Social Psychology*, 11, 222-231.
- Macey, W., & Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology*, 1, 3–30.
- Macky, K., & Boxall, P. (2007). The relationship between high performance work practices and employee attitudes: An investigation of additive and interaction effects. *International Journal of Human Resource Management*, 18, 537-567.

- Malik, P. (2017). Learning organization and work engagement: exploring the nexus in Indian IT sector. *Asia-Pacific Journal of Business Administration*, 9(3), 166-189.
- March, J. G., (1991). Exploration and exploitation in organizational learning. *Organization Science*, 2(1), 71–87.
- Marin-Garcia, J. A. & Tomas, J. M. (2016). Deconstructing AMO framework: A systematic review. *Intangible Capital*, 12(4), 1040-1087.
- Mawdsley, J. K. & Somaya, D. (2016). Employee mobility and organizational outcomes: An integrative conceptual framework and research agenda. *Journal of Management*, 42(1), 85-113.
- Mei, R. Z., Peng, J. S. & Yang, J. Z. (2012). The Analysis of Organizational Innovation Climate Effect on Employee Innovative Behavior: Based on Individual Goal Orientation, Psychological Capital. *Technology and Economy*, 1, 86-90.
- Moghimi, S., Muenjohn, N., Holian, R. & McMurray, A. (2016). The impact of leadership on employee's creativity and innovation in the Australian hotel industry. *Paper presented to Australia and New Zealand International Business Academy (ANZIBA) Conference Sydney, 17–19 February.*
- Motowidlo, S. J., Borman, W. C., & Schmit, M. J. (1997). A theory of individual differences in task and contextual performance. *Human Performance*, 10(2), 71-83.
- Motowidlo, S. J., & Schmit, M. J. (1999). Performance Assessment in Unique Jobs. In D. R. Ilgen, & E. D. Pulakos. *The Changing Nature of Performance*. San Francisco: JosseyBass, 56-86.
- Motowidlo, S. J., & Van Scotter, J. R. (1994). Evidence that Task Performance Should be distinguished from Contextual Performance. *Journal of Applied Psychology*, 79(4), 475-480.

- Muskat & Deery (2017). Knowledge Transfer and Organizational Memory: An Events Perspective. *Event Management*, 21(4), 431–447.
- Nazir & Zamir (2015). Impact of Organizational Culture on Employee’s Performance. *Industrial Engineering Letters*, 5(9)
- Nevis, E. C., DiBella, A. J., & Gould, J. M. (1995). Understanding organizations as learning systems. *MIT Sloan Management Review*, 36(2), 73-73.
- Newman, D. A., & Harrison, D. A. (2008). Been there, bottled that: Are state and behavioral work engagement new and useful construct “wines”? *Industrial and Organizational Psychology*, 1, 31–35.
- Nishi, L. H., Lepak, D. P., & Schneider, B. (2008). Employee attributions of the “why” of HR practices: Their effects on employee attitudes and behaviours, and customer satisfaction. *Personnel Psychology*, 61(3), 503-545.
- Nguyen, N. T. & Pham, A. T. (2020). Knowledge acquisition, knowledge management strategy and innovation: An empirical study of Vietnamese firms. *Cogent Business & Management*, 7(1), 1-15.
- Njoroge, P. T. & Muathe, S. M. (2018). Linking Ambidextrous Learning with Organizational Performance: Critical Review of Literature and a Research Agenda. *European Journal of Business and Management*, 10(6), 32-47.
- Nonaka, I. (1994). A dynamic theory of organizational knowledge creation. *Organization Science*, 5(1), 14–37.
- Nonaka, I., & Takeuchi, H. (1995). The knowledge-creating company: How Japanese companies create the dynamics of innovation. Oxford, Oxford University Press.
- Nunnally, J.C. (1978). Psychometric Theory. 2<sup>nd</sup> edition. New York: McGraw-Hill.

- O' Cass, A. & Weerawardena, J. (2010). The effects of perceived industry competitive intensity and marketing-related capabilities: Drivers of superior brand performance. *Industrial Marketing Management*, 39, 571–581.
- Odor, H. (2018). A Literature Review on Organizational Learning and Learning Organizations. *International Journal of Economics & Management Sciences*, 7(1), 1-6.
- Ologbo, A. C, Nor, K. M., & Okyere-Kwakye, E. (2015). The Influence of Knowledge Sharing on Employee Innovation Capabilities. *International Journal of Human Resource Studies*, 5(3), 102-110.
- Organ, D. W. (1997). Organizational Citizenship behaviour: It's constructs clean-up time. *Human Performance*, 10(2), 85-97.
- Ouma, R., & Kombo, H. (2016). Effect of Organizational Learning on Organizational Performance of Food Manufacturing Firms in Nairobi County, Kenya. *European Journal of Business and Management*, 8(30), 54-61.
- Park, Y. K., Song, J. H., Song, S. W. & Kim, J. (2014). Learning Organization and innovative behavior: The mediating effect of work engagement. *European Journal of Training and Development*, 38(1/2), 75-94.
- Patel, P. C., Messersmith, J. G., & Lepak, D. P. (2013). Walking the tightrope: An assessment of the relationship between high-performance work systems and organizational ambidexterity. *Academy of Management Journal*, 56, 1420–1442.
- Peccei, R. E., & van de Voorde, K. (2019). Human resource management- well-being-performance research revisited: Past, present, and future. *Human Resource Management Journal*, 29(4), 539-563.

- Podsakoff, P. M., Mackenzie, S. B., Paine, J. B., & Bachrach, D. G. (2000). Organizational citizenship behaviour: critical review of theoretical and empirical literature and suggestions for future research. *Journal of Management*, 26, 513-563.
- Pradhan, R. K., & Jena, L. K. (2017). Employee performance at workplace: Conceptual model and empirical validation. *Business Perspectives and Research*, 5(1), 1-17.
- Raisch, S., & Birkinshaw, J. (2008). Organizational ambidexterity: Antecedents, outcomes, and moderators. *Journal of Management*, 34, 375–409.
- Rhee, J., Park, T., & Lee, D. H. (2010). Drivers of innovativeness and performance for innovative SMEs in South Korea: mediation of learning orientation. *Technovation*, 30, 65-75.
- Rich, B. L., LePine, J. A. & Crawford, E. R. (2010). Job Engagement: Antecedents and Effects on Job Performance. *Academy of Management Journal*, 53(3), 617–635.
- Richards, G. S., & Duxbery, L. (2014) Work-Group Knowledge Acquisition in Knowledge Intensive Public-Sector Organizations: An Exploratory Study, *Journal of Public Administration Research and Theory*, 25(4).
- Rink, F., Kane, A. A., Ellemers, N., & Van Der Vegt, G. (2013). Team receptivity to newcomers: Five decades of evidence and future research themes. *The Academy of Management Annals*, 7(1), 247-293.
- Robbins, S. P. (2003). Organisational behaviour (10th ed). San Diego: Prentice Hall.
- Robbins, S. P., & Judge, T.A. (2013). Organisational Behavior. 15th edition, Pearson, Boston.
- Rose, R. C, Kumar, N., & Pak, O. (2009). The Effect of Organizational Learning on Organizational Commitment, Job Satisfaction and Work Performance. *The Journal of Applied Business Research*, 25(6), 55-66.



- Rucker, D. D., Preacher, K. J., Tormala, Z. L. & Petty, R. E. (2011). Mediation Analysis in Social Psychology: Current Practices and New Recommendations. *Social and Personality Psychology Compass*, 5(6), 359-371.
- Salas, E., Tannenbaum, S. I., Kraiger, K., & Smith-Jentsch, K. A. (2012). The science of training and development in organizations: What matters in practice? *Psychological Science in the Public Interest*, 13(2), 74-101.
- Sampe, F. (2012). The influence of organizational learning on Indonesian SMEs Performance. *Indonesia International Conference on Innovation, Entrepreneurship, and Small Business Proceeding book 02*. 189-203. ISBN 978-979-19081-6-0
- Sánchez, J. A., Vijande, M. L., & Gutiérrez, J. A. (2010). Organisational learning and value creation in business markets. *European Journal of Marketing*, 44(11/12), 1612-1641
- Saunders, M., Lewis, P. & Thornhill, A. (2009). *Research Methods for Business Students*. 5<sup>th</sup> Edition, Pearson Education Limited, Edinburgh, England.
- Schaufeli, W. B., Salanova, M., Gonzalez-Roma, V., Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3, 71–92.
- Schein, E. H. (1995). *Organizational culture*. Campus Verlag, Frankfurt/New York
- Schein, E. H. (2010). *Organizational Culture and Leadership*. 4<sup>th</sup> Edition, San Francisco, Wiley & Sons.
- Scott, B. B. (2011). *Organizational Learning: A Literature Review*. IRC Research program, Queen's University IRC.
- Senge, P. (1990). *The Fifth Discipline: The art and practice of the learning organization*, London, Doubleday.
- Senge, P. (1996). *Leading learning organizations*. Jossey Bass, Inc.

- Sola, O. A. & Ayobami, A. P. (2013). Strategic Impact of Knowledge Management and Organizational Learning on the Perceived Performance of Selected Banks in Oyo State of Nigeria. *Journal of Economics and Sustainable Development*, 4(2), 45-54.
- Sutanto, E. M. (2017). The influence of organizational learning capability and organizational creativity on organizational innovation of Universities in East Java, Indonesia Asia. *Pacific Management Review*, 22, 128-135. doi.org/10.1016/j.apmr.2016.11.002.
- Takeuchi, N., & Takeuchi, T. (2013). Committed to the organization or the job? Effects of perceived HRM practices on employees' behavioural outcomes in the Japanese healthcare industry. *The International Journal of Human Resource Management Journal*, 24, 2089-2106.
- Tourism Regulatory Authority (2019). [www.tourismregulatoryauthority.co.ke](http://www.tourismregulatoryauthority.co.ke)
- Uddin, M. J., Luva, R. H. & Hossian, S. M. (2013). Impact of Organizational Culture on Employee Performance and Productivity: A Case Study of Telecommunication Sector in Bangladesh. *International Journal of Business and Management*, 8(2), 63-77.
- Vera, D., & Crossan, M. (2003). Organizational learning and knowledge management: toward an integrative framework. In M. a. L. Easterby-Smith, M.A. (Ed.), *The Blackwell Handbook of Organizational Learning and Knowledge Management*: 122-141. Oxford: Blackwell Publishing.
- Wallace, J., Butts, M., Johnson, P., Stevens, F., & Smith, M. (2013). A multilevel model of employee innovation understanding the effects of regulatory focus, thriving, and employee involvement climate. *Journal of Management*, 1-23.
- Welbourne, T. M., Johnson, D. E., & Erez, A. (1998). The role-based performance scale: validity analysis of a theory-based measure. *Academy of Management Journal*, 41(5), 540-555.

- Whisman, M. A., & McClelland, G. H. (2005). Designing, Testing, and Interpreting Interactions and Moderator Effects in Family Research. *Journal of Family Psychology, 19*(1), 111–120.
- Wilson, J. (2010). *Essentials of Business Research: A Guide to Doing Your Research Project*. SAGE. London, UK.
- Wright, P. M., & Nishii, L. (2004). Strategic HRM and Organizational Behaviour: Integrating Multiple Level Analysis, *Paper presented at the 'What Next for HRM' Conference, Rotterdam*.
- Zaitseva, N. A. (2013). *Management in Service Industry: Tourism and Hospitality*. Moscow, Academia Publishing House.
- Zammuto, R. F. and Krakower, J. Y. (1991). Quantitative and Qualitative Studies of Organisational Culture. *Research in Organisational Change and Development, 5*, 83-114.
- Zhang, Y., & Li, S. (2009). High Performance Work Practices and Firm Performance: Evidence from the Pharmaceutical Industry in China. *The International Journal of Human Resource Management, 20*(11), 2331–2348.
- Zheng, W., Yang, B., & McLean, G. (2010). Linking organizational culture, structure, strategy, and organizational effectiveness: Mediating role of knowledge management. *Journal of Business Research, 63*, 763–771.
- Zhou, C. Z., & Wu, F. (2010). Technological capability, strategic flexibility, and product innovation. *Strategic Management Journal, 31*(5), 547–61.

## APPENDICES

### Appendix I: Supplementary Statistical Analyses

**Table A.1: Reliability Output for Knowledge Acquisition**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Congenital Learning	0.889	0.891	3
Experiential Learning	0.912	0.915	3
Searching	0.892	0.897	3
Grafting	0.875	0.879	3

Source: Survey (2019)

**Table A.2: Reliability Output for Information Distribution**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Communication	0.902	0.903	3
Cross Training	0.922	0.924	3
Interdepartmental Meeting	0.893	0.899	3
Social Networks	0.855	0.858	3

Source: Survey (2019)

**Table A.3: Reliability Output for Information Interpretation**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Shared Perspectives	0.737	0.741	3
Interpretative Frames	0.708	0.712	3
Interpretation Promptness	0.741	0.746	3
Unlearning	0.716	0.717	3

Source: Survey (2019)

**Table A.4: Reliability Output for Organizational Memory**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Procedures	0.872	0.874	3
Specialists	0.799	0.802	3
Skills Database	0.864	0.865	3
Development Programs	0.842	0.844	3

Source: Survey (2019)

**Table A.5: Reliability Output for Work Engagement**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Physical engagement	0.921	0.923	3
Emotional engagement	0.842	0.844	3
Cognitive engagement	0.853	0.856	3

Source: Survey (2019)

**Table A.6: Reliability Output for Organizational Culture**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Innovation and risk taking	0.922	0.923	3
Outcome orientation	0.859	0.861	3
People orientation	0.881	0.884	3

Source: Survey (2019)

**Table A.7: Reliability Output for Employees' Performance**

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Service delivery	0.913	0.915	3
Efficiency	0.877	0.878	3
Teamwork	0.944	0.944	3
Citizenship behaviour	0.928	0.929	3

Source: Survey (2019)

**Table A.8: Test of Normality for Independent Variables**

Test of Normality						
Variables	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
KACQ	.109	158	.000	.975	158	0.776
INFD	.098	158	.000	.964	158	0.719
INFI	.095	158	.000	.971	158	0.788
ORGM	.087	158	.000	.969	158	0.724
EMPP	.055	158	.200*	.972	158	0.586

a. Lilliefors significance correction

\*. This is lower bound of true significance

Source: Survey (2020)

**Table A.9: Collinearity Output**

Model	Collinearity Statistics		
		Tolerance	VIF
1	KACQ	.945	1.618
	INFD	.483	2.735
	INFI	.649	1.704
	ORGM	.557	2.691

a. Dependent Variable: EMPP

Source Survey (2020)

**Table A.10: Correlation Matrix**

	Constant	KACQ	INFD	INFI	ORGM	
1	Constant	1	.764**	.785**	.549	.712
	KACQ	.764**	1	.061	.110	.136
	INFD	.785**	.061	1	.185	.133
	INFI	.549	.110	.185	1	.043
	ORGM	.712	.136	.133	.043	1

\*\*Correlation is significant at the 0.01 level (2-tailed)

Source: Survey (2019)

**Table A.11: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.574	.329	.312	.624

Predictors: (Constant), KACQ, INFD, INFI and ORGM

Source: Survey (2019)

**Table A.12: ANOVA (F-Test)****ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean square	F	Sig.
1 Regression	129.51	4	32.38	83.03	.000
Residual	61.63	157	0.39		
Total	190.74	161			

a. Predictors: (Constant), KACQ, INFD, INFI and ORGM

b. Dependent variable: EMPP

Source: Survey (2019)

**Table A.13: Regression Coefficients for Independent Variables and Dependent Variables****Coefficients<sup>a</sup>**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.968	.565		5.253	.000
	KACQ	.252	.064	.386	3.938	.000
	INFD	.287	.071	.415	4.042	.000
	INFI	.113	.039	.283	2.897	.004
	ORGM	.197	.052	.339	3.788	.001

a. Dependent Variable: EMPP

Source: Survey (2020)

**Table A.14: Coefficients for Mediation****Coefficients<sup>a</sup>**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.107	.791		3.928	.005
	OL	.175	.086	.269	2.035	.002
	WENG	.387	.064	.426	6.047	.000

a. Dependent Variable: WENG

Source: Survey (2020)

**Table A.15: Coefficients of Moderation**

Coefficients<sup>a</sup>

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.733	2.147		7.328	.000
	OL	.087	.025	.387	3.480	.000
	ORGC	11.269	1.216	.936	9.267	.000
2	(Constant)	19.365	1.972		9.820	.000
	OL	.034	.021	.244	1.619	.199
	ORGC	7.506	1.685	.478	4.455	.000
	OL*ORGC	.067	.014	.516	4.786	.000

a. Dependent Variable: EMPP

Source: Survey (2020)



## Appendix II: Approval of Research Proposal



KENYATTA UNIVERSITY  
GRADUATE SCHOOL

E-mail: [kubps@yahoo.com](mailto:kubps@yahoo.com)  
[dean-graduate@ku.ac.ke](mailto:dean-graduate@ku.ac.ke)  
Website: [www.ku.ac.ke](http://www.ku.ac.ke)

P.O. Box 43844, 00100  
NAIROBI, KENYA  
Tel. 810901 Ext. 57530

**Internal Memo**

**FROM:** Dean, Graduate School

**DATE:** 1<sup>st</sup> July, 2019

**TO:** Mr. Paul T. Njoroge  
C/o Department of Business Administration  
KENYATTA UNIVERSITY

**REF:** D86/CTY/38322/16

**SUBJECT:** APPROVAL OF RESEARCH PROPOSAL

This is to inform you that the Graduate School Board at its meeting 26<sup>th</sup> June, 2019 approved your Ph.D. Research Proposal entitled "Organizational Learning and Employee's Performance in Classified Hospitality Firms in Kenya".

You may now proceed with your Data collection, subject to clearance with the Director General, National Commission for Science, Technology & Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed supervision Tracking Forms per semester. The form has been developed to replace the progress Report Forms. The Supervision Tracking Forms are available at the University's Website under Graduate School webpage downloads.

By copy of this letter, the Registrar (Academic) is hereby requested to grant you substantive registration for your Ph.D. studies.

Thank you,

**REUBEN MURIUKI**  
**FOR: DEAN, GRADUATE SCHOOL**

c.c. Chairman, Department of Business Administration  
Registrar (Academic) Att; Mrs. Lucy Njenga  
Supervisors:

1. Dr. Hannah Bula  
C/o Department of Business Administration  
KENYATTA UNIVERSITY
2. Dr. Rosemarie Wanyoike  
C/o Department of Business Administration  
KENYATTA UNIVERSITY

RM/cao

## Appendix III: Research Authorization



KENYATTA UNIVERSITY  
GRADUATE SCHOOL

E-mail: [kubps@yahoo.com](mailto:kubps@yahoo.com)  
[dean-graduate@ku.ac.ke](mailto:dean-graduate@ku.ac.ke)  
Website: [www.ku.ac.ke](http://www.ku.ac.ke)

P.O. Box 43844, 00100  
NAIROBI, KENYA  
Tel. 8710901 Ext. 57530

---

Our Ref: D86/CTY/38322/16

Date: 1<sup>st</sup> July, 2019

The Director General,  
National Commission for Science, Technology & Innovation,  
P.O. Box 30623-00100,  
**NAIROBI**

Dear Sir/Madam,


**RE: RESEARCH AUTHORIZATION FOR MR. PAUL T. NJOROGE - REG. NO. D86/CTY/38322/16**

I write to introduce Mr. Njoroge who is a Postgraduate Student of this University. He is registered for a Ph.D. degree programme in the **Department of Business Administration in the School of Business**.

Mr. Njoroge intends to conduct research for Ph.D. thesis entitled, **"Organizational Learning and Employee's Performance in Classified Hospitality Firms in Kenya"**.

Any assistance given will be highly appreciated.

Yours faithfully,

  
**PROF. ELISHIBA KIMANI**  
**DEAN, GRADUATE SCHOOL**

RM/cao

## Appendix IV: Research License

  
REPUBLIC OF KENYA

  
NATIONAL COMMISSION FOR  
SCIENCE, TECHNOLOGY & INNOVATION

Ref No: 291446 Date of Issue: 14/August/2019

### RESEARCH LICENSE



This is to Certify that Mr. PAUL NJOROGE of Kenyatta University, has been licensed to conduct research in Machakos, Nairobi, Nakuru, Narok on the topic: Organizational Learning and Employee's Performance in Classified Hospitality Firms in Kenya for the period ending: 14/August/2019.

License No. NACOSTIP/19/414

291446  
Applicant Identification Number

  
Director General  
NATIONAL COMMISSION FOR  
SCIENCE, TECHNOLOGY &  
INNOVATION

Verification QR Code



NOTE: This is a computer generated License. To verify the authenticity of this document,  
Scan the QR Code using QR scanner application.

## **Appendix V: Letter of Introduction**

Paul Thumbi Njoroge  
School of Business,  
Kenyatta University  
P.O Box 19161 – 00501  
Nairobi

Dear Sir/ Madam,

### **RE: PERMISSION TO COLLECT DATA**

I am a student at Kenyatta University in the School of Business pursuing Doctor of Business (Human Resource management). I am conducting a Thesis Research on “Organizational Learning and Employee’s Performance in Classified Hospitality Firms in Kenya”.

To collect data for this study, you have been selected to participate in this study as a respondent. Therefore, I request you to fill in the research questionnaire. The information you will provide will be treated with utmost confidence and will be used purely for academic reasons and your identity will remain anonymous. The findings of this study will be made available to you upon request.

Your cooperation is highly appreciated.

Yours Sincerely,

Paul Thumbi Njoroge

## Appendix VI: Questionnaire

### Introduction

The purpose of this questionnaire is to collect data on the relationship between organizational learning and employee's performance in classified hospitality firms in Kenya. This is an academic exercise and will only be used as such. The information you will provide will be treated with confidentiality and the anonymity of the respondent is guaranteed. The guidelines for answering the questions is provided.

### Section A: General Information

Kindly tick the appropriate option

1. Indicate your gender

Male [ ] Female [ ]

2. What is your age bracket

20 Years and below [ ] 21 – 29 Years [ ] 30 – 39 Years [ ]

40 – 49 Years [ ] 50 – 59 Years [ ] 60 years and above [ ]

3. Indicate your highest level of education

Diploma [ ] Bachelor's Degree [ ] Master's Degree [ ] Doctorate [ ]

4. How long have you worked in this firm?

Below 4 Years [ ] 5- 8 Years [ ] 9 - 13 Years [ ] 14 Years and above [ ]

5. In which department or section do you work in?

Human Resources [ ] Food and Beverage [ ] Conferencing and Accommodation [ ]

Other [ ]

6. Indicate the Classification or rating of your organization

5 Star [ ] 4 Star [ ] 3 Star [ ] 2 Star [ ] 1 Star [ ]

**Section B: Knowledge Acquisition**

7. To what extent do you agree with the statement given below? Tick the appropriate option:

Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

<b>Statement</b>	<b>SA (5)</b>	<b>A (4)</b>	<b>M (3)</b>	<b>D (2)</b>	<b>SD (1)</b>
The employees are informed of the history of the firm, its mission and its philosophy of work					
The employees are informed of the changing culture, norms, traditions and values of the organization					
As a result of the experience acquired in the course of time the employees are more efficient in exercising their responsibilities					
Employees are encouraged to openly discuss mistakes in order to learn from them.					
New ideas and approaches to work performance are experimented					
The organization undertakes research and development activities					
We seek for new knowledge to improve our processes					
We search for information and ideas to refine our processes					
We search for new solutions to respond to existing problems					
We look for expertise from sources outside the organization when we do not have internal capacity					
We compare our level of knowledge with our competitors to stay ahead					
We introduce technology that is also used by competitors					

8. Indicate the extent to which knowledge acquisition influences the following

<b>Statement</b>	<b>Very high (5)</b>	<b>High (4)</b>	<b>Moderate (3)</b>	<b>Low (2)</b>	<b>Very Low (1)</b>
Employees' performance					
Work engagement					

9. In what ways can knowledge acquisition be managed to improve employees' performance? Kindly explain

.....

.....

.....

.....

**Section C: Information Distribution**

10. To what extent do you agree with the statement given below? Tick the appropriate option:

Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

Statement	SA (5)	A (4)	M (3)	D (2)	SD (1)
The general objectives of the organization are communicated to all employees					
Changes in the organization are communicated to employees promptly					
Vital information is transmitted quickly to all the employees					
Employee are informed of newest technology and best practices through training					
Employees collaborate to solve problems					
Proposals made by the employees are incorporated and distributed internally					
Inter-departmental meetings are held to integrate the existing information					
Time is devoted for employees to discuss the organization's future needs					
The organization has formal mechanisms for knowledge sharing					
There exists integrated joint projects across departments					
There exists informal networks for employees to interact					
There is an atmosphere of trust and collaboration among the personnel of the company					

11. Indicate the extent to which information distribution influences the following

Statement	Very high (5)	High (4)	Moderate (3)	Low (2)	Very Low (1)
Employees' performance					
Work engagement					

12. In what ways can information distribution be managed to improve employees' performance? Kindly explain

.....

.....

.....

.....

**Section D: Information Interpretation**

13. To what extent do you agree with the statement given below? Tick the appropriate option: Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

Statement	SA (5)	A (4)	M (3)	D (2)	SD (1)
The company is interested in providing the employees with a global view of the operation of the company					
All members of the organization share the same vision mission and objectives to which they feel committed					
Opinion about the business environment is examined and updated					
Significant information is discussed for a uniform understanding					
There are frameworks that guide decision making					
Before a decision is taken the different alternatives are thoroughly analyzed					
Concise reports are generated to avoid excess information that may limit our capacity to interpret it adequately					
proper channels are utilized to avoid information overload Information					
Information is addressed in order of priority					
Existing information is updated periodically					
Obsolete information does not influence decision making					
Employees are encouraged to discard information that is no longer useful					



14. Indicate the extent to which information interpretation influences the following

Statement	Very high (5)	High (4)	Moderate (3)	Low (2)	Very Low (1)
Employees' performance					
Work engagement					

15. In what ways can information interpretation be managed to improve employees' performance? Kindly explain

.....

.....

.....

**Section E: Organizational Memory**

16. To what extent do you agree with the statement given below? Tick the appropriate option:

Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

Statement	SA (5)	A (4)	M (3)	D (2)	SD (1)
Operational procedures have been developed to guide work activities					
Operational procedures are meant to ensure employees work efficiently					
New employees are inducted on operational procedures					
The organization has expertise in the most essential aspects of the operations					
Capacity to solve problems is not affected by staff turnover					
There is a pipeline of specialist in the core areas of our operations					
Skills inventory is maintained for employees with specific abilities and experience					
My organization maintains an up to date database of its knowledge inventory					
There is access to the organization's databases and documents through a reliable network					
The skills of existing staff are developed through training programs					
Capacity development programs are updated to incorporate new knowledge					
Development programs are aligned to the learning needs of the employees					

17. Indicate the extent to which organizational memory influences the following

Statement	Very high (5)	High (4)	Moderate (3)	Low (2)	Very Low (1)
Employees' performance					
Work engagement					

18. In what ways can organizational memory be managed to improve employees' performance? Kindly explain

.....

.....

.....

.....

**Section F: Work Engagement**

19. Indicate the extent to which you agree with the statements below? Tick the appropriate option: Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

Statement	SA (5)	A (4)	M (3)	D (2)	SD (1)
Employees who work with intensity record better performance					
Employees who strive to excel in their work record a higher quality output					
Employee who devote a lot of energy in their work have a higher quantity of output					
Employees who are enthusiastic about their work are more willing to take up additional responsibilities					
Employees who are proud of their work are more loyal					
Employees who take their work as positive challenge are able to solve work related problems					
Employees who are focused on their work are able to meet their performance standards					
Employees pay a lot of attention to their work make fewer mistakes					
Employees who are absorbed in their work have lower intentions to leave the organization					

20. Indicate the extent to which the following forms of work engagement influences employees' performance.

Statement	Very high (5)	High (4)	Moderate (3)	Low (2)	Very Low (1)
Physical engagement (vigour, energy, effort)					
Emotional engagement (dedication and attachment to work)					
Cognitive engagement (job focus and absorption)					

21. In what ways can work engagement be managed to improve employees' performance? Kindly explain

.....

.....

.....

.....

**Section G: Organizational Culture**

22. To what extent do you agree with the statement given below? Tick the appropriate option: Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

Statement	SA (5)	A (4)	M (3)	D (2)	SD (1)
The organization encourages the generation of new ideas					
The management values and rewards innovative employees					
The management provides resources for the implementation of new ideas					
The management is more concerned about the results rather than the process					
Every employee is held accountable for his performance					
A reward system has been put in place to reward high achievers					
The organization recognizes employees as significant to the success of the organization					
There are effective systems to address employees' grievances					
There are adequate employee welfare support programs in the organization					

23. In what ways, do you think organizational culture affects organizational learning process and employee’s performance in your organization? Kindly explain

.....

.....

.....

.....

.....

.....

**Section H: Employee Performance**

24. To what extent do you agree with the statement given below? Tick the appropriate option:

Strongly Agree (SA), Agree (A), Moderate (M), Disagree (D) and Strongly Disagree (SD)

<b>Statement</b>	<b>SA (5)</b>	<b>A (4)</b>	<b>M (3)</b>	<b>D (2)</b>	<b>SD (1)</b>
The quality of service offered by our employees is satisfactory					
Employees deliver services to customers on time					
Employees performance is measured against the set service standards					
Employees understand the standard requirements of their roles					
Employees make very few mistakes in their operations					
Employees are able to solve problems related to their work					
Employees collaborate with co-workers in execution of tasks					
Employees demonstrate commitment to realizing team goals					
Employees are involved in leading team efforts					
Employees are actively involved in assisting co-workers					
Employees follow rules and regulations of the organization					
Employees contribute constructively in affairs of the organization					

25. In what ways, in your opinion, can employee's performance be improved in your organization? Kindly explain

.....

.....

.....

.....

.....

**THANK YOU FOR YOUR COOPERATION**

**Appendix VII: List of Classified Hospitality Firms in Kenya**

<b>5 Star Firms</b>			
<b>No.</b>	<b>Firm</b>	<b>Region</b>	<b>County</b>
1	Villa Rosa Kempinski	Greater Nairobi	Nairobi
2	Hemingway's Nairobi	Greater Nairobi	Nairobi
3	Sankara Nairobi	Greater Nairobi	Nairobi
4	Fairmont The Norfolk	Greater Nairobi	Nairobi
5	Tribe Hotel	Greater Nairobi	Nairobi
6	The Sarova Stanley	Greater Nairobi	Nairobi
7	Radisson Blu Hotel Nairobi	Greater Nairobi	Nairobi
8	Dusit D2	Greater Nairobi	Nairobi
9	Crowne Plaza Nairobi Airport	Greater Nairobi	Nairobi
10	Intercontinental Nairobi	Greater Nairobi	Nairobi
11	The Boma Nairobi	Greater Nairobi	Nairobi
12	Medina Palms Suites and Villas	Coast	Kilifi
13	Leopard Beach Resort and Spa	Coast	Kwale
14	Swahili Beach Resort	Coast	Kwale
15	Lake Elementaita Serena Camp	South Rift	Nakuru
16	Mara Serena Safari Lodge	South Rift	Narok
17	Olare Mara Kempinski	South Rift	Narok
18	Enashipai Resort and Spa	South Rift	Nakuru
19	Segera Retreat Lodge	Northern	Laikipia

<b>4 Star Firms</b>			
<b>No.</b>	<b>Firm</b>	<b>Region</b>	<b>County</b>
1	Crowne Plaza Nairobi	Greater Nairobi	Nairobi
2	Ole Sereni Hotel	Greater Nairobi	Nairobi
3	House of Waine	Greater Nairobi	Nairobi
4	Weston Hotel	Greater Nairobi	Nairobi
5	Southern Sun Mayfair Nairobi	Greater Nairobi	Nairobi
6	Fairview Hotel	Greater Nairobi	Nairobi
7	Sarova Panafric Hotel	Greater Nairobi	Nairobi
8	Silver Springs Hotel	Greater Nairobi	Nairobi
9	Hilton Nairobi Limited	Greater Nairobi	Nairobi
10	Nairobi Safari Club	Greater Nairobi	Nairobi
11	Windsor Golf Hotel and Country Club	Greater Nairobi	Nairobi
12	Carnivore Restaurant	Greater Nairobi	Nairobi
13	Amboseli Serena Lodge	Greater Nairobi	Kajiado
14	Hilton Garden Inn Nairobi Airport	Greater Nairobi	Nairobi
15	Eka Hotel	Greater Nairobi	Nairobi
16	Executive Residency by Best Western.	Greater Nairobi	Nairobi
17	Pride Inn Lantana Apartments and Suites	Greater Nairobi	Nairobi
18	Leisure Lodge Beach & Golf Resort	Coast	Kwale
19	Baobab Beach Resort & Spa	Coast	Kwale
20	Msambweni Beach House and Private Villa	Coast	Kwale
21	Serena Beach Resort and Spa	Coast	Mombasa
22	Voyager Beach Resort	Coast	Mombasa
23	Marina English Point	Coast	Mombasa
24	Sarova White Sands Beach Resort and Spa	Coast	Mombasa
25	Diamond Dream of Africa	Coast	Kilifi
26	Turtle Bay Beach Club	Coast	Kilifi
27	Severin Sea Lodge	Coast	Mombasa
28	Diani Reef Beach Resort and Spa	Coast	Kwale
29	Silver Palm Spa & Resort	Coast	Kilifi
30	Lantana Galu Beach	Coast	Kwale
31	Lake Naivasha Sawela Lodge	South Rift	Nakuru
32	Keekorok Lodge	South Rift	Narok

33	Mara Explorer Camp	South Rift	Narok
34	Sarova Mara Game Camp	South Rift	Narok
35	Sarova Lion Game Lodge	South Rift	Nakuru
36	Lake Nakuru Sopa Lodge	South Rift	Nakuru
37	Sentrim Elementaita Lodge	South Rift	Nakuru
38	Masai Mara Sopa Lodge	South Rift	Narok
39	Olarro Lodge	South Rift	Narok
40	Governors' Ilmoran Camp	South Rift	Narok
41	Ashnil Mara Camp	South Rift	Narok
42	Mara Intrepids Camp	South Rift	Narok
43	Naivasha Kongoni Lodge	South Rift	Nakuru
44	DBA Mara West Tented Camp	South Rift	Narok
45	Little Governors' Camp	South Rift	Narok
46	Fairmont Mara Safari Club	South Rift	Narok
47	Mara Engai Wilderness Lodge	South Rift	Narok
48	Sunbird Lodge	South Rift	Nakuru
49	Acacia Premier Hotel	Western	Kisumu
50	White Rhino Hotel	Central & Mt. Kenya	Nyeri
51	Aberdares Country Club	Central & Mt. Kenya	Nyeri
52	Fairmont Mt. Kenya Safari Club	Central & Mt. Kenya	Nyeri
53	Boma Inn, Eldoret	North Rift	Eldoret
54	Sarova Shaba Game Lodge	Northern	Isiolo
55	Ashnil Samburu Camp	Northern	Isiolo
56	Sweetwater's Serena Camp & Ol Pejeta House	Northern	Laikipia
57	Samburu Intrepids Camp	Northern	Samburu
58	Saruni Safari lodge, Samburu	Northern	Samburu



<b>3 Star Firms</b>			
<b>No.</b>	<b>Firm</b>	<b>Region</b>	<b>County</b>
1	Pride Inn Raptha Nairobi,	Greater Nairobi	Nairobi
2	Azure Hotel	Greater Nairobi	Nairobi
3	Best Western Plus Meridian Hotel	Greater Nairobi	Nairobi
4	Fahari Gardens Hotel	Greater Nairobi	Nairobi
5	Amboseli Sopa Lodge	Greater Nairobi	Kajiado
6	Kibo Safaris Camp	Greater Nairobi	Kajiado
7	Maanzoni Lodge	Greater Nairobi	Machakos
8	The Clarion Hotel	Greater Nairobi	Nairobi
9	Ngong Hills Hotel	Greater Nairobi	Nairobi
10	The Heron Portico	Greater Nairobi	Nairobi
11	Utalii Hotel	Greater Nairobi	Nairobi
12	The Panari Hotel	Greater Nairobi	Nairobi
13	Marble Arch Hotel	Greater Nairobi	Nairobi
14	Kenya Comfort Suits	Greater Nairobi	Nairobi
15	Sportsview Hotel Kasarani	Greater Nairobi	Nairobi
16	Boma Inn Nairobi	Greater Nairobi	Nairobi
17	La Masion Royale	Greater Nairobi	Nairobi
18	Mnarani Club	Coast	Kilifi
19	Sandies Tropical Village	Coast	Kilifi
20	Crystal Bay Beach Resort	Coast	Kilifi
21	Bollywood Bites	Coast	Mombasa
22	Bahari Beach Hotel	Coast	Mombasa
23	Royal Court Hotel	Coast	Mombasa
24	Ashnil Aruba Lodge	Coast	Taita Taveta
25	Sentrim Tsavo East Camp	Coast	Taita Taveta
26	Isinya Resorts Limited	Coast	Mombasa
27	JacyJoka Apartments	Coast	Mombasa
28	Azul Margarita Beach Resort	Coast	Mombasa
29	Indian Ocean Beach Resort	Coast	Kwale
30	Diani Sea Resort	Coast	Kwale
31	Mara Simba Lodge	South Rift	Narok
32	Tipilikwani Mara Camp	South Rift	Narok
33	Sekenani Camp	South Rift	Narok
34	Hotel Cathay	South Rift	Nakuru
35	Lake Naivasha Sopa Resort	South Rift	Nakuru
36	Lake Nakuru Flamingo Lodge	South Rift	Nakuru
37	Sanctuary Olonana Camp	South Rift	Narok

38	Lake Naivasha Simba Lodge	South Rift	Nakuru
39	Hotel Nyakoe	Western	Kisii
40	Kisumu Hotel	Western	Kisumu
41	Sovereign Hotel	Western	Kisumu
42	Imperial Hotel	Western	Kisumu
43	The Vic Hotel	Western	Kisumu
44	Jambo Impala Eco-lodge	Western	Kisumu
45	Mountain Breeze Hotel Ltd	Eastern	Embu
46	Ikweta Safari Camp	Eastern	Meru
47	Green Hills Hotel	Central & Mt. Kenya	Nyeri
48	Outspan Hotel	Central & Mt. Kenya	Nyeri
49	Serena Mountain Lodge	Central & Mt. Kenya	Nyeri
50	Giraffe Ark Camp Lodge	Central & Mt. Kenya	Nyeri
51	Westwood Hotel	Central & Mt. Kenya	Nyeri
52	Kerio View Lodge	North Rift	Elgeyo Marakwet
53	Samich Resort	North Rift	Elgeyo Marakwet
54	The Noble Conference Centre	North Rift	Uasin Gishu
55	Samburu Simba Lodge	Northern	Isiolo
56	Borana Lodge	Northern	Laikipia
57	Mantis Mutara Tented Luxury Camp	Northern	Laikipia
58	Sportsman's Arms Hotel	Northern	Laikipia

**Source: Tourism Regulatory Authority (2019)**