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Effects Of Organizational Culture On Organizational Performance In The Hospitality Industry

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ABSTRACT : *The Problem Of This Research Was To Determine If The Organizational Culture Has An Effect On Organizational Performance In The Hospitality Industry With An Aim Of Establishing If It Can Be Further Exploited And Invested In By Players In The Hospitality Industry To Achieve Sustainable Competitive Advantage. This Research Involved Analysis Of Effects Of Six Elements Of Organizational Culture I.E. Control Systems, Organizational Structure, Power Structures, Rituals And Routines, Symbols, Stories And Myths On The Organization's Performance. The Target Population Is The Hospitality Sector In Kakamega County. This Study Has Verified That Certain Elements Of Organization Culture Are Positively And Significantly Correlated To Organizational Performance. It Also Proves That There Is Strong Significant Correlation And Predictability Of Control Systems, Organization Structure And Rituals And Routines On Organizational Performance. There Is Also Weakinsignificant Correlation And Predictability On Organization Performance. The Study Also Covers A Detailed Analysis On The Effect Of Moderating Variables, Technological Innovation And Profile/Strategic Direction On The Organization's Performance. There Was A Decline In Strength Of Correlation And Predictability Between The Dependent Variable And The Moderated Independent Variables.*

KEY WORDS : *Organizational Culture, Organizational Performance, Hospitality*

I. INTRODUCTION

In Kenya Tourism is the second largest contributor to the economy after agriculture. According to Muriithi Ndegwa, managing director ofKenya Tourism Board (June 2013)tourism revenues are expected to rise from Shs.69 billion in 2012by 4% to Sh100 billion. The Hotel industry has flourished because Kenya is one of the foremost tourist destinations in Africa. Tourism arrivals are expected to rise 10% to 1.4 million visitors up from 1.2 million in 2013. There is heightened competition in the hospitality industry in Kenya as globalization has exposed customers to highly differentiated products and services.Organizational culture is the collective behavior of humans who are part of an organization and the meanings that the people attach to their actions. Culture includes the organization values, visions, norms, working language, systems, symbols, beliefs and habits. It affects the way people and groups interact with each other, customers and stakeholders. Ravasi and Schultz (2006) state that organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for various situations.Corporates of the world agree that culture and performance are interwoven but the relationship is so complicated and not so obvious for executives to act upon. Many research projects are trying to find out the secret behind some company's superior performance over a period of time when compared to not so successful companies operating in the same industry. Softer aspects of business such as values, beliefs and management philosophies are seen to be the underlying difference between the two.The target population is the hospitality sector in Kakamega County. Sample is taken from two hotels Golf Hotel Kakamega and Friends Hotel. This research will prove very useful for players in the Hotel industry who are looking to improve performance so as to remain relevant and command targeted market share.

II. STATEMENT OF THE PROBLEM

The Hospitality industry like other industries in Kenya is characterized with stiff competition and dynamic business strategies in the face of globalization which has exposed customers to highly differentiated products and services.Barney (1986) and others argues that organizational culture must be 'valuable, rare, in-imitable and not substituitable' so as to serve a source of sustained competitive advantage. Pfeffer (1994) notes that many of the earlier identified sources of competitive advantage such as economies of scale, technological innovation, financial resources etc. have diminished in significance as a result of de-regulations, shorter product life cycles and need of flexibility in production as a result of more fragmented markets. Analysis and description of culture remains difficult as most management texts provide only superficial descriptions of culture.

The problem of this research is to determine if the organizational culture has an effect on organizational performance in the Hospitality industry with an aim of establishing if it can be further exploited and invested in by players in the Hospitality industry to achieve sustainable competitive advantage.

III. RESEARCH OBJECTIVES

General objective

- To establish if there is a significant effect of organizational culture on organizational performance.

Specific objectives

- To assess how the prevailing organizational culture in an organization contributes to the employees loyalty and commitment to achieve the organization's goals.
- To analyze the role of organizational culture in an organization's performance improvement strategies.

IV. RESEARCH QUESTIONS

- Is the relationship between organizational culture and performance of the organization positive or negative? Weak or strong?
- What is the effect of organizational culture on employee delivery in relation to the organizations desired results?
- Can an organization improve performance without influence of organizational culture?

V. LITERATURE REVIEW

5.1 Organizational culture

Culture represents the personality of an organization, having a major influence on both employee satisfaction and organizational success. It expresses shared assumptions, values and beliefs and is the social glue that holds an organization together (Trevino & Nelson 1999).Tichy (1982) also defined organizational culture as the "normative glue" that holds an organization together.Forehand and von Gilmer (1964) suggest that culture is the set of characteristics that describe an organization and distinguish it from others. Schein (2011) defines organizational cultures as shared philosophies, ideologies, beliefs, assumptions, expectations, attitudes, norms and values.Central to the culture definition is the idea that culture must be learned and shared (Titiev, 1959).According to Hofstede (1984) culture is "the collective programming of the mind which distinguishes the members of one human group from another".

He identified the main dimensions of culture that affect work practices in different countries as power distance, uncertainty avoidance, individualism vs. collectivism, masculinity vs. feminist and long vs. short-term orientation.Organizational culture is defined as "The way things get done around here" Deal and Kennedy (1982). They created a model of culture that is based on four different types of organizations which focus on how quickly the organization receives feedback, the way members are rewarded, and the level of risks taken. These are Work-hard, play-hard culture, Tough-guy macho culture, Process culture and Bet-the-company culture.

5.2Organizational Performance

According to Richard et al. (2009) organizational performance encompasses three specific areas of firm outcomes: Financial performance (profits, return on assets, return on investment, etc.) Product market performance (sales, market share, etc.) and Shareholder return (total shareholder return, economic value added, etc.).Adkins and Caldwell (2004) found that job satisfaction was positively associated with the degree to which employees fit into both the overall culture and subculture in which they worked.

A perceived mismatch of the organization's culture and what employees felt the culture should be, is related to a number of negative consequences e.g. lower job satisfaction, general stress and turnover intent.Culture supports employee's values, which are considered to be rational assets, whose logical participation result to individual and subsequently organization learning, new knowledge formation and readiness to share with others(Dasanayaka and Mahakala 2008)Brooks (2006) stated that complete knowledge and awareness of organizational culture helps to improve the ability to examine the behavior of the organization which assists in management and leadership.According to Stewart (2010), norms are invisible but have a strong effect on those attached with the organization and if the organization wants to improve employee performance and profitability they should start at norms. Adoption of the organizational culture by employees helps them to become effecient and effective at the same time which in turn leads to enhancement of net profit of the organization (Gallagher, Brown and Brown,2008)

However, not all scholars agree that organizational culture plays a pivotal role in the organization's performance. Johnson and Scholes (1999) have pointed out, that significant value of society change which greatly influences culture, is becoming more and more complex and thereforedecisions or strategies, which were acceptable and successful in the past, may not be used today.

5.3 Conceptual framework

Johnson and Scholes (1988) described a cultural web, identifying a number of elements that can be used to describe or influence organizational culture. The Cultural Web identifies six interrelated elements that help to make up what Johnson and Scholes call the "paradigm" – the pattern or model of the work environment.

- Control Systems: The processes in place to monitor what is going on.
- Organizational Structures: Reporting lines, hierarchies, and the way that work flows through the business.
- Power Structures: Who makes the decisions, how widely spread is power, and on what is power based?
- Symbols: These include organizational logos and designs, but also extend to symbols of power such as parking spaces and executive washrooms.
- Rituals and Routines: Management meetings, board reports etc.
- Stories and Myths: about people and events, and convey a message about what is valued within the organization.

This research is based on the conceptual framework of the Cultural Web (Johnson and Scholes 1988). This framework consisted of six independent variables and one dependent variable.

Dependent variable Y = Organizational performance

Independent variables X_1= Control systems

X_2 = Organizational structures

X_3 = Power structures

X_4 = Rituals and routines

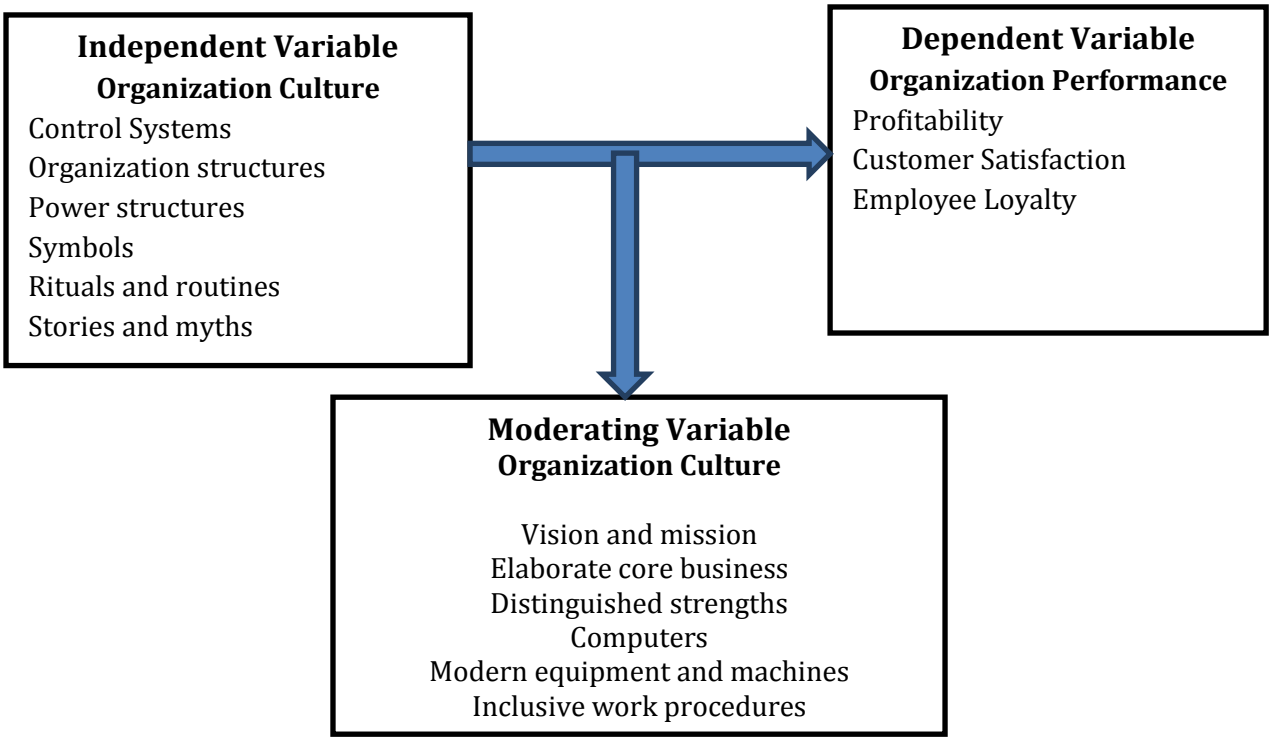
X_5 = Symbols

X_6 = Stories and myths

The multiple regression equation estimated from sample data will most likely take the following form.

$Yi = a + b_1X_1i + b_2X_2i + \ldots\ldots\ldots\ldots\ldots + b_8X_8i,$

5.4 **Conceptual framework diagram**



VI. RESEARCH METHODOLOGY

This research has adopted the descriptive design. The target population is two hotels, Golf Hotel Kakamega and Friends Hotel in Kakamega County. Stratified random sampling technique is used as the staff population in the hotels' is not homogenous. Employees are divided into three strata: management staff, supervisors and junior staff then staff are selected from each stratum based on simple random sampling. Primary data was used for this research.Structured qquestionnaireswith definite, concrete and predetermined questions were administered to the respondents sampled. Data collected from the questionnaire was processed and analyzed using SPSS analysis tool. For the descriptive analysis included gender, age, education level, experience, department and employment category, SPSS crosstab was generated and percentages generated. Inferential statistics on the other hand included factor analysis of moderating variables, correlation and regression analysis of the independent and dependent variables.

Organizational Culture measures

Variable	Symbol	Measure (on employee's)
Control systems	CS	Understanding of the hotel's culture, methods used for evaluation and appraisal, existing reports, rewards and punishments.
Organizational structures	OS	Lines of authority, hierarchy, collaboration
Power structures	PS	Relationship with boss, other subordinate staff, power use and abuse
Symbols	S	Status symbols, specific jargon, dresscode, rolemodels, logo
Rituals and routines	RR	Staff meetings, training program, documented standard working procedures
Stories and myths	SM	Existingstories told to people who join the company, heroes and villains, nature of reputation communicated by your customers and other stakeholders positive or negative

Organizational performance measures

Variable	Symbol (PELC)	Measure (of hotel)
Profitability	P	Sales targets met indepartments, operations within budget
Employee loyalty	EL	Employees motivated, long employment period for most employees
Customer satisfaction	C	Large percentage of repeat customers, guest complaints are handled promptly

Moderating variables

Variable	Symbol	Measure
Strategic direction/ Profile of hotel	PRO	Distinct strengths, elaborate core business, clear mission and vision
Technology	TECH	Computer literacy, modern equipment and machines

VII. RESULTS

7.1 Descriptive Analysis

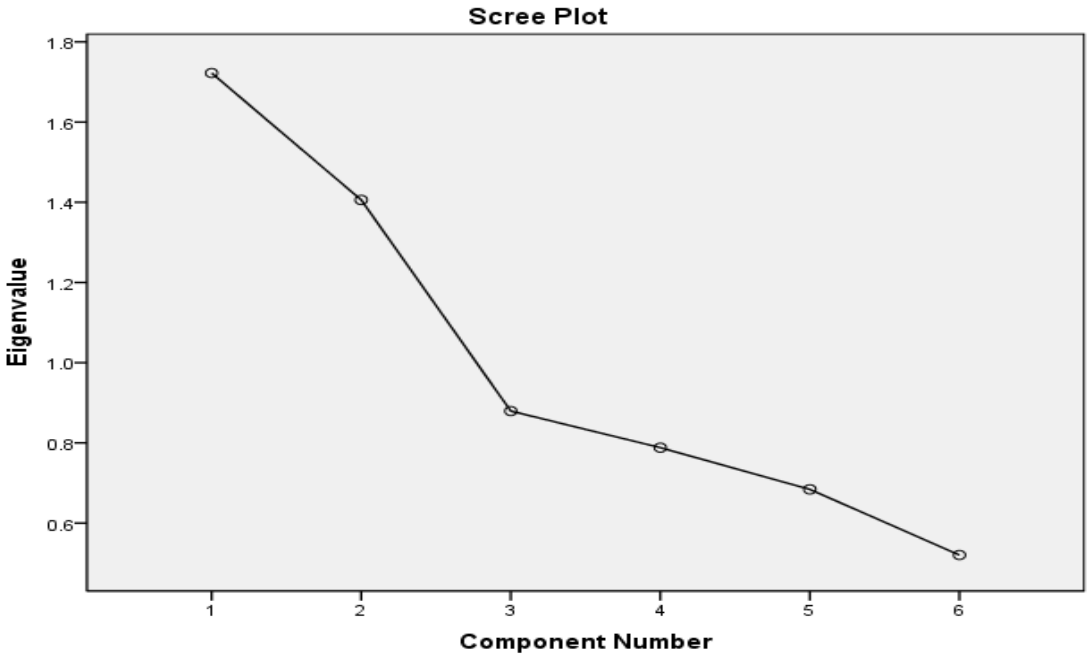
Descriptive statistics for the data collected was carried out to find out demographic characteristics of respondents from the two hotels within the area of study. These include the gender of the respondent, age, education level, experience, the department and lastly employment category. Using SPSS, crosstabs were generated and used to generate frequencies and percentages for each characteristic under study.

7.2 Factor Analysis of moderating variables

Factor analysis was carried out to find the interconnectedness and overlapping of moderating variables as well as decreasing the number of variables in the test to minimum possible.

7.2 .1 Factors Loading

Out of six initial moderating variables, two factors or components were extracted. These were variable whose Eigen values were more than 1.0 as shown in the scatter plot below



7.2 .2 Total Variance Explained and test Significance

From table 1 it shows all factors extracted from the analysis and their respective Eigen values. These two factors extracted account for more than 50% of cumulative variance. From table 1, the first component had a percentage variance of 28.704% while the second component had a percentage variance of 23.432% the cumulative variance was 52.136%. The remaining four factors were not retained as their Eigen values were less than 1.0.

Table 1: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.722	28.704	28.704	1.722	28.704	28.704
2	1.406	23.432	52.136	1.406	23.432	52.136
3	.879	14.656	66.792			
4	.788	13.135	79.927			
5	.684	11.400	91.327			
6	.520	8.673	100.000			

7.2.3 Rotated Component Matrix Explained

Table 2;Rotated Component Matrix

	Component	
	1	2
EMPLOYEE INVOLVED IN SETTING UP PROCUDURES	.760	-.060
COMPUTER LITERACY FOR EMPLOYEES	.646	.244
MODERNIZED EQUIPMENT AND MACHINES	.776	-.115
DISTINGUISHED STRENGTH THAT MAKES HOTEL STAND APART	-.278	.711
WELL ELOBORATED AND UNDERSTANDABLE CORE BUSINESS	.206	.585
WELL DEFINED VISION AND MISSION	.024	.697

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 3 iterations.

Table 2 shows the loading of variables and the two components/factors. The higher the value of the loading, the more the factor contributes to the variable. Each number shows the correlation between the variable and the rotated factors.

The idea of rotation is to reduce the number factors on which the variables under investigation have high loadings. Rotation does not actually change anything but makes the interpretation of the analysis easier. From table 2 Employee involved in setting up procedure had a loading value of 76.0%, Computer literacy for employees had a loading value 64.4%, and modernized equipment and machines had a loading factor of 77.6% are substantially loaded on Factor (Component) 1 which is all about **technology been employed by the hotel during its operations**, while distinguished strength that makes hotel stand apart had a factor loading of 71.1%, well elaborated and understandable core business had a factor loading of 58.5%, and well defined vision and mission had a factor loading of 64.9% are substantially loaded on factor (component) 2 which are **related to hotel'sstrategic direction**. These two factors extracted from the analysis can be used during correlation and regression analysis later in the chapter.

7.3 Correlation Analysis

The objective of the study was to find out the effects of organizational culture on organizational performance in the hospitality industry. The variables of measure under organization culture were control systems, organizational culture, power structures, ritual and routines, stories & myths and symbols while the dependent variable was organization performance. Two moderating variables were extracted from factor analysis which will be used for moderation. The study used SPSS to find out two tailed Pearson (r) correlation coefficient to determine the strength and direction of correlation between independent variables (Organization culture) and dependent variable (organization performance). The result of analysis is as shown in Table 3

TABLE 3: PEARSON CORRELATION

		OC_CS	OC_OS	OC_PSR	OC_RR	OC_S	OC_SM	OP_PELC
OC_CS_R	Pearson Correlation							
	Sig. (2-tailed)							
	N							
OC_OSR	Pearson Correlation	.619**						
	Sig. (2-tailed)	.000						
	N	50						
OC_PSR_R	Pearson Correlation	.297*	.266					
	Sig. (2-tailed)	.036	.062					
	N	50	50					
OC_RR_R	Pearson Correlation	.506**	.573**	.288*				
	Sig. (2-tailed)	.000	.000	.043				
	N	50	50	50				
OC_S_R	Pearson Correlation	.602**	.590**	.349*	.504**			
	Sig. (2-tailed)	.000	.000	.013	.000			
	N	50	50	50	50			
OC_SM_R	Pearson Correlation	.545**	.539**	.276	.546**	.429**		
	Sig. (2-tailed)	.000	.000	.053	.000	.002		
	N	50	50	50	50	50		
OP_PELC_R	Pearson Correlation	.814**	.784**	.365**	.679**	.791**	.593**	
	Sig. (2-tailed)	.000	.000	.009	.000	.000	.000	
	N	50	50	50	50	50	50	

		OC_CS	OC_OS	OC_PSR	OC_RR	OC_S	OC_SM	OP_PELC
OC_CS_R	Pearson Correlation							
	Sig. (2-tailed)							
	N							
OC_OSR	Pearson Correlation	.619**						
	Sig. (2-tailed)	.000						
	N	50						
OC_PSR_R	Pearson Correlation	.297*	.266					
	Sig. (2-tailed)	.036	.062					
	N	50	50					
OC_RR_R	Pearson Correlation	.506**	.573**	.288*				
	Sig. (2-tailed)	.000	.000	.043				
	N	50	50	50				
OC_S_R	Pearson Correlation	.602**	.590**	.349*	.504**			
	Sig. (2-tailed)	.000	.000	.013	.000			
	N	50	50	50	50			
OC_SM_R	Pearson Correlation	.545**	.539**	.276	.546**	.429**		
	Sig. (2-tailed)	.000	.000	.053	.000	.002		
	N	50	50	50	50	50		
OP_PELC_R	Pearson Correlation	.814**	.784**	.365**	.679**	.791**	.593**	
	Sig. (2-tailed)	.000	.000	.009	.000	.000	.000	
	N	50	50	50	50	50	50	

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

From table 3, it can be deduced that there exist a significant very strong positive correlation between organization performance and organizationculture; control systems (OC_CS) ($r=.814^{**}$, $p<0.01$), organizational structure (OC_OS) ($r=.784^{**}$, $p<0.01$) and symbols (OC_S) ($r=.791^{**}$, $p<0.01$). This shows that hospitality organization with good control system like proper staff appraisal and proper financial controls like stock taking, elaborated organizational structure that encourages collaborations and symbols like good role models, specific jargons will result to increase in organization performance.

There also exists significant positive correlation, though not as strong as in the above three, between organization performance and organization culture; rituals and routines (OC_RR) ($r=.679^{**}$, $p<0.01$) and stories & myths (OC_SM) ($r=.593^{**}$, $p<0.01$).This shows that hospitality organization with proper rituals and routines like regular staff meetings, standard working procedures and good stories and myths that communicate positive reputation of the firm will result to substantial increase in organization performance.

However there exists a significant weak positive correlation between organization performance and organization culture, powerstructures (OC_PS) ($r=.365^{**}$, $p<0.01$). This shows that hospitality organization with proper power structures where power is directed at improvement of the hotel and good relationship amongst employees will result to slight increase in organization performance. However some employees will assume complacency and anarchy during working hours thereby jeopardizing performance hence the weak correlation.

7.4 Regression Analysis

The regression analysis was done to test the relationship between dependent variable, organization performance and several independent variables under study. Multiple regressionswere employed since several organization culture variables affect organization performance.

7.4.1 How well model Fits

Table 4 How well model Fits (Model Summary)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig f	Durbin Watson
1	.940[a]	.883	.867	.22402	54.209	0.000	2.069

a. Predictors: (Constant), CS,OS,PS,S,SM,RR

From table 4, R value represents the correlation strength between dependent variable and independent variables.The value 0.940 as indicated in the table 4 shows very strong correlation between variables tested. The R Square shows how much of dependent variable can be accounted for by the independent variables. For our study 88.3% of variance in the dependent variable can be accountedfor by the change ofindependent

variables that leaves paltry 11.7% unaccounted for. The adjusted R Square 86.7% also indicates that the regression model used is suitable to explain the relationship between dependent variable and independent variables. The standard error is minimal with a value of 0.22402 meaning the model used in the study will have minimal effects of errors associated with it.

The Durbin Watson test was used to detect the presence of autocorrelation between the variables tested and if the value is less than 3 there is no presence of autocorrelation in the regression model otherwise there is autocorrelation. As from table 4, Durbin Watson value is 2.069 which show there was no autocorrelation.

7.4.2 Statistical Significance of the test

Table 5 Statistical Significance (ANOVA TABLE)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.322	6	2.720	54.209	.000[a]
	Residual	2.158	43	.050		
	Total	18.480	49			

a. Predictors: (Constant), OC_SM, OC_PS, OC_S, OC_RR, OC_CS, OC_OS

b. Dependent Variable: OP_PELC

The Table 5 above shows whether the test carried out was statistically significant for the regression model used in the study using ANOVA –analysis of variance and degree of variability. Since the Sig<0.0005, the model is good fit of the data tested i.e. the independent variables Control systems (OC_CS), organizational Structure (OC_OS), Power Structures (OC_PS), Rituals and Routines (OC_RR), Symbols (OC_S) and Stories and Myths (OC_SM) statistically significant predict the dependent variable organization performance - Profitability, Employee loyalty and Customer satisfaction (OP_PELC) and there is significant linear relationship between independent variables and dependent variable F(6,43)=54.209, P<0.0005).

7.4.3: Regression Coefficients

Table 6: Regression Coefficients Table

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.944	.225		4.202	.000		
	OC_CS	.364	.077	.354	4.727	.000	.484	2.065
	OC_OS	.220	.064	.260	3.425	.001	.472	2.118
	OC_PS	.019	.044	.024	.426	.672	.851	1.176
	OC_RR	.155	.064	.169	2.430	.002	.559	1.789
	OC_S	.269	.060	.321	4.460	.000	.526	1.903
	OC_SM	.022	.062	.024	.349	.729	.579	1.728

a. Dependent Variable: OP_PELC

Table 6 shows the regression coefficient of the independent variables, constant values and standard error. B0 represents the coefficient value of 0.944 with a standard error of 0.225 and value is significant since Sig<0.01. Organization culture involving control systems B1, Organizational Structures OS B2, rituals and routines RR B4, and symbols S B5 are better predicator of organization performance since P<0.01 than stories and myths SM B3 with p values of 0.729 and power Structures PS B6 with P values of 0.672 as they are insignificant i.e. P>0.01. The value of VIF i.e. Variance Inflation Factor which test Multicolinearity of variable is less than 10 for all independent variables under study meaning none of the independent variables are highly correlated.

7.4.4 Estimated Model Coefficients (Coefficient Tables)

The unstandardized coefficient (B) indicates how much the dependent variable varies with the independent variable when all other independent variables are held constant. From table 6, the constant, B0 has a value of 0.944 meaning when all other independent variables are held at zero the rate of performance will be

0.944.The independent variables coefficients B1,B2, B4 and B5 representing control systems, organizational structure, rituals and routines and symbols respectively gave statistically significant results with P values less than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the B coefficient value.The independent variables coefficients B3 and B6 representing power structures and stories and myths respectively gave statistically insignificant results with P values greater than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the B coefficient value.
The general form of the model to predict Organization Performance OP from CS, PS, S, SM, OS and RR is predicted OP=0.944+ (0.364) OC + (0.220) OS + (0.019) PS + (0.155) RR + (0.269) S + (0.22) SM as obtained from coefficients table (Table 6)

7.5Correlation Analysis with Technology as a Moderating Variable
Table 7: Pearson Correlation with technology as a moderating variable

CSTECH	Pearson Correlation							
	Sig. (2-tailed)							
	N							
OSTECH	Pearson Correlation	.871**						
	Sig. (2-tailed)	.000						
	N	50						
PSTECH	Pearson Correlation	.719**	.685**					
	Sig. (2-tailed)	.000	.000					
	N	50	50					
RRTECH	Pearson Correlation	.845**	.845**	.735**				
	Sig. (2-tailed)	.000	.000	.000				
	N	50	50	50				
STECH	Pearson Correlation	.844**	.810**	.726**	.784**			
	Sig. (2-tailed)	.000	.000	.000	.000			
	N	50	50	50	50			
SMTECH	Pearson Correlation	.827**	.819**	.724**	.793**	.726**		
	Sig. (2-tailed)	.000	.000	.000	.000	.000		
	N	50	50	50	50	50		
OP_PELC_R	Pearson Correlation	.557**	.539**	.265	.464**	.572**	.377**	
	Sig. (2-tailed)	.000	.000	.063	.001	.000	.007	
	N	50	50	50	50	50	50	

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

From table 7, it can be deduced that there exist a significant strong positive correlation between organization performance and moderated organization culture; control systems (CSTECH) (*r=.557****, p<0.01),*organizational structure (OSTECH) (*r*=.539***, p<0.01)* and symbols (STECH) (*r=.572****, p<0.01).*This shows that hospitality industry which improves on one or all of the above elements of organizational culture and in addition innovation in technology will realize an increase in organization performance but the values represents a reduction in correlation for all the moderated variables from 0.814, 0.784 and 0.791.
There also exist a significantpositive correlation, but not as strong as in the above three, between organization performance and moderated organization culture; rituals and routines (RRTECH) (*r=.464****, p<0.01)*but like in the above case the value represents a reduction from 0.679 for unmoderated variable.
There exist insignificant weak positive correlation between organization performance and organization culture; powerstructures (PSTECH) (*r*=.265***, p>0.01)*and culture stories & myths (SMTECH) (*r=.377****, p<0.01).*
Thevalues also represent a reduction from 0.365 and 0.593 forunmoderated variables.

7.6 Regression Analysis using Technological advancement as moderating variables
The regression analysis for moderated independent variables (using technological advancement) was done to find out the effect of technological advancement on independent variables and how it affects organization performance.

Table 8: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.389	.296		11.442	.000		
	CSTECH	.280	.210	.391	1.337	.008	.152	6.585
	OSTECH	.184	.188	.267	.983	.001	.176	5.681
	PSTECH	-.243	.126	-.363	-1.934	.060	.369	2.713
	RRTECH	.004	.171	.006	.022	.052	.211	4.744
	STECH	.318	.162	.460	1.970	.005	.239	4.192
	SMTECH	-.167	.160	-.241	-1.048	.301	.246	4.073

Dependent Variable OP_PELC

Table 8 shows the regression coefficient of the independent variables, constant values and standard error after moderating independent variables using Technological advancements. B0 represents the coefficient value of 3.389 which represent an increase from 0.944 of unmoderated variables with a standard error of 0.296 and value is significant since Sig<0.01. Organization culture involving control systems B1, Organizational Structures OS B2, and symbols S B5 are better predicator of organization performance since P<0.01 than stories and myths SM B3 with p values of 0.729, Ritual & routines with p value of 0.05, and power Structures PS B6 with P values of 0.672 as they are insignificant i.e. P>0.01. The value of VIF is less than 10 for all independent variables under study meaning none of the independent variables are highly correlated as shown in the table 8.

Estimated Model Coefficients (Coefficient Tables)

From table 8, the constant, B0 has a value of 0.944 meaning when all other independent variables are held at zero the rate of performance will be 0.944.

The independent variables coefficients B1, B2, B4 and B5 representing control systems, organizational structure, rituals and routines and symbols respectively gave statistically significant results with P values less than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the B coefficient. However the B coefficient values registered a decline when compared to results of unmoderated variables.

The independent variables coefficients B3 and B6 representing power structures and stories and myths respectively gave statistically insignificant results with P values greater than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the B coefficient. However the B coefficient values registered a decline when compared to results of unmoderated variables.

The general form of the model to predict Organization Performance OP from using technological advancement moderated variables CS, PS, S, SM, OS and RR is predicted OP=3.389+ (0.280) OCTECH + (0.184) OSTECH-(0.243) PSTECH + (0.004) RRTECH + (0.318) STECH- (0.167) SMTECH as obtained from coefficients table (Table 8)

7.8 Correlation Analysis with Hotel's Strategic direction/Profile of the hotel Moderating Variable

Table 9: Pearson Correlation with firm's as a moderating variable

		CSPRO	OSPRO	PSPRO	RRPRO	SPRO	SMPRO	PELC
CSPRO	Pearson Correlation	1						
	Sig. (2-tailed)							
	N	50						
OSPRO	Pearson Correlation	.837**	1					
	Sig. (2-tailed)	.000						
	N	50	50					
PSPRO	Pearson Correlation	.739**	.681**	1				
	Sig. (2-tailed)	.000	.000					
	N	50	50	50				
RRPRO	Pearson Correlation	.800**	.811**	.714**	1			
	Sig. (2-tailed)	.000	.000	.000				
	N	50	50	50	50			
SPRO	Pearson Correlation	.855**	.839**	.732**	.808**	1		
	Sig. (2-tailed)	.000	.000	.000	.000			
	N	50	50	50	50	50		

SMPRO	Pearson Correlation	.833**	.818**	.730**	.805**	.795**	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000		
	N	50	50	50	50	50	50	
OP_PELC	Pearson Correlation	.696**	.722**	.486**	.654**	.718**	.610**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	50	50	50	50	50	50	50

From table 9, it can be deduced that there exist a significant positive correlation between organization performance and moderated organization culture; control systems (CSPRO) (*r=.696****, p<0.01,)*,Organizational structure (OSPRO) (*r=*.772***, p<0.01)* and symbols (SPRO) (*r=.718****, p<0.01).*This shows that hospitality industry which improves on one or all of the above elements of organizational culture and is also focused on improving the hotel profile will realize an increase in organization performance. The values represents a reduction from 0.814 for unmoderated control systems and an increase from 0.557 of technological advancements moderated variable, a reduction from 0.784 for unmoderated organization structure and an increase from 0.539 of technological advancements moderated variable and a reduction from 0.791 for unmoderated control systems and an increase from 0.572 of technological advancements moderated variable.

From table 9, it can also be deduced that there exist a significant positive correlation between organization performance and organization culture Rituals and Routines (RRPRO) (*r=.654****, p<0.01).* This shows that hospitality industry with proper rituals and routines like good image of firm, standard working procedures and technological advancement will result to increase in organization performance but the values represents a reduction from 0.679 for unmoderated ritual and routines and an increase from 0.464 of technological advancements moderated variable.There exists a significant positive correlation between organization performance and organization culture; powerstructures (PSPRO) (*r=*.486***, p<0.01* and stories &myths (SMPRO) (*r=.610****, p<0.01).* However the values represent an increase from 0.365 for unmoderated power Structures and an increase from 0.265 of technological advancements moderated variableandincrease from 0.593 for unmoderated stories and Myths and an increase from 0.0.377 of technological advancements moderated variable.

7.9 Regression Analysis using Hotel's Strategic direction/Profile of the hotel as moderating variable

Table 10: Regression Coefficients of moderated independent variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.124	.220		14.196	.000		
	CSPRO	.042	.039	.246	1.080	.002	.184	5.448
	OSPRO	.056	.034	.352	1.638	.009	.206	4.852
	PSPRO	-.031	.026	-.191	-1.206	.234	.382	2.618
	RRPRO	.021	.034	.124	.632	.001	.247	4.051
	SPRO	.053	.034	.343	1.553	.008	.196	5.104
	SMPRO	-.019	.033	-.116	-.565	.575	.225	4.442

Dependent Variable OP_PELC

Table 10 shows the regression coefficient of the independent variables, constant values and standard error after moderating independent variables using firm's profile. B0 represents the coefficient value of 3.124 which represent an increase from 0.944 of unmoderated variables but a decrease from 3.124 for technological advancement moderated variables with a standard error of 0.220 and value is significant since Sig<0.01. Organization culture involving control systems B1, Organizational Structures OS B2, rituals & routines B4 and symbols S B5 are better predicator of organization performance since P<0.01 than stories and myths SM B3 with p values of 0.234, and power Structures PS B6 with P values of 0.575 as they are insignificant i.e. P>0.01. The value of VIF is less than 10 for all independent variables under study meaning none of the independent variables are highly correlated as shown in the table 10.

Estimated Model Coefficients (Coefficient Tables)

From table 10, the constant, B0 has a value of 3.124 meaning when all other independent variables are held at zero the rate of performance will be 3.124

The independent variables coefficients B1, B2, B4 and B5 representing control systems, organizational structure, rituals and routines and symbols respectively gave statistically significant results with P values less than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the

B coefficient. However the B coefficient values registered a decline when compared to results of unmoderated variables and an incline when compared to technological advancement moderated variable.
The independent variables coefficients B3 and B6 representing power structures and stories and myths respectively gave statistically insignificant results with P values greater than 0.01. Any one unit increase in any of the variables results to an increase in performance equivalent to the B coefficient. However the B coefficient values registered a decline when compared to results of unmoderated variables and an incline when compared to technological advancement moderated variable.
The general form of the model to predict Organization Performance OP from using firm's profile moderated variables CS, PS, S, SM, OS and RR is predicted OP=3.124+ (0.442) OCPRO + (0.656) OSPRO - (0.031) PSPRO + (0.567) RRPRO + (0.810) SPRO - (0.019) SMPRO as obtained from coefficients table (Table 10)

VIII.CONCLUSION

The working force in the hospitality industry is mainly drawn from the middle age i.e. between ages 25 to 50 years with years of experience ranging between 3 to above 25 years. Both genders are well represented. Contrary to belief that employees in the hotel industry lack formal education there is concrete evidence of secondary and degree level qualifications.Control systems, organization structures and symbols were found to be positively and strongly related to organization performance. Rituals and routines, stories and myths emerged significant but not as strong as the preceding three. This can be explained by the fact that the working environment may at times call for ingenuity instead of routine as it involves service to people from diverse backgrounds while stories and myths might not be taken very seriously. This is consistent with the findings of Adkins and Caldwell (2004) who found that job satisfaction was positively associated with the degree to which employees fit into the culture they worked as one of the elements being measured under dependent variable organizational performance was employee loyalty.Power structures were found to have a weak relationship. This can be attributed to forces of rebellion and anarchy likely to arise from subordinates towards superiors especially where power is negatively perceived or is expected to be abused.

Using regression analysis the research model was confirmed to fit the study as R^2 was 88.3% which is the percentage by which organization's performance can be explained by control systems, stories and myths, organizational structures, power structures, symbols, rituals and routines.There is also significant linear relationship between independent and dependent variables meaning if effort is put into enhancing control systems, organization structures or any of the other variables there will also be an improvement in the organization's performance. This is consistent with the findings ofStewart (2010) who stated that if the organization wants to improve employee performance and profitability they should start at norms.However control systems, organization structures, rituals and routines and symbols are more predictive of organizational performance than stories and myths and power structures.VIF testing multicollinearity of variables was less than 0 for all variables meaning none of the independent variables are highly correlated. Therefore an improvement in for example control systems does not necessarily result to an improvement in power structures as the two variables are not highly correlated. Hence if an organization is striving to improve performance it must enhance each of the six elements separately.To help the organization be able to prioritize on which elements they should work on enhancing first in order to enhance performance at a faster rate, regression analysis test was carried out of estimated model coefficients B, which indicates how much the dependent variable, varies with the independent variable when all other variables are held constant. The leader in significance was control systems with 0.364, followed by symbols at 0.269, organization structures 0.220 and finally rituals and routines at 0.155. Power structures and stories and myths proved insignificant at 0.19 and 0.22 respectively with sigma P greater than 0.01.Factor analysis was used on the moderating variables and two factors that account for more than 50% of the variance were extracted. This is to allow for testing to the minimum possible. These were technology advancement and profile / strategic direction of the organization. Correlation and regression analysis was carried out incorporating each of the moderating variables.Correlation analysis with technology as a moderating variable resulted to a decline in strength of correlation between the dependent and the moderatedindependent variables. This explains that a significant effect on organizational performance can be attributed by technological innovation. Correlation analysis with profile/strategic direction of the organization as a moderating variable also resulted to adecline in strength and significance of correlation between the dependent and the moderated independent variables but an increase in the same compared to moderation with technology. This shows that a significant effect on organizational performance can be attributed to profile/ strategic direction of the organization but by a less percentage than technology.Regression analysis with moderating variables, technological advancement and profile of the organization led to a decline in the estimated model coefficients B, and hence a decline in the predictability of the moderated independent variables to the dependable variable. This means that both moderating variables have some predictability on the dependent variable, organizational performance.Not all scholars agree that organizational culture plays a

pivotal role in the organization's performance. Johnson and Scholes (1999) have pointed out society change to have which great influences on culture. This research has confirmed that technology innovation and strategic direction do have a significant effect on organization's performance.

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