

Managerial Perspective of Learning Process on the Performance of Registered Hotels in Nyeri County, Kenya

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ABSTRACT

Tourism and Travel sector is essential in growing the economies and social well-being of nations. One of the sub-sector in the center of advancing this course is hotel industry as it plays a major supportive role of ensuring comfortable stay for the visitors through meeting their gastronomical, lodging and other related auxiliary needs. However, the industry is usually faced with performance issues both from internal and external influences such as economic crisis and sparring operation costs. It thus adopts strategies to improve on its performance and mitigate on emerging issues and challenges. Value co-creation is one of such strategy which aims at promoting collaboration among parties involved in direct interactions so as to generate mutual value. It comprises different components among them the learning process where parties involved in value co-creation learn from each other thereby enriching the entire process. However most of researches in this area have focused on education sector possibly due to affinity between learning and education. It is such gaps that has informed the current study whose objective is to explore from a managerial perspective the effect of learning process on the performance of registered hotels in the Nyeri County. The research specifically focused on the sections of hotel that are deemed to be directly involved with the customer: F&B, Room Division and Sales and Marketing. The study used a descriptive research design and had a target population of the 61 registered hotels in the county of which only those with bed capacity of 25 and above (34 hotels) were considered as practically, they were the ones expected have been implementing the strategy. Census method was adopted in selecting the sample size due to the low number of registered hotels while purposive sampling was utilized in picking the respondents from the selected hotels. Questionnaires were used for data collection and were piloted to ensure validity and reliability during data collection. The Cronbach's Alpha coefficient for the instrument was 0.802 which was above 0.7 thus ascertaining that the instrument was reliable for the data collection process. Data collected was analyzed descriptively and inferentially with the aid of Statistical Package for Social Sciences (SPSS). Diagnostic test was carried out before multiple regression analysis was carried out to measure the relationship between the dependent variable and independent variables. The findings indicated that learning process ($\beta_1 = 0.533$ $p < 0.05$) had a positive relationship with significant effect on the performance of registered hotels and explained 45 per cent variance of the performance. Based on these findings, learning process was found to have a significant positive effect on the performance of registered hotels in Nyeri County thus concluding that hotels that promoted the process were likely to have better performance outcomes as this would maximize value co-creation activities.

Keywords: Learning Process, Value co-creation, Hotel performance.

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I. Introduction

Tourism and Travel has been hailed as one of the important sector in economic and social development of the countries of the world. Specifically the sector has contributed immensely in terms of wealth generation, creation of employment and foreign exchange earnings especially for developing nations. Statistics also gives credence to this in that for every four jobs created in the period between 2015 and 2019 one of them stemmed from the industry (WTTC, 2020). Condor Ferries (2020) notes that in year 2018, when there was no outlier effect of the Pandemic, the contribution of the sector was \$3.41 trillion and 173 million jobs to the global economy and employment respectively. Analysis of the same year revealed that 8.5% of Africa's GDP which was equivalent to \$194.2 billion was generated by tourism (Africa Travel and Tourism Association (ATTA), 2019). In

Kenya the industry features prominently especially in the development blueprint dubbed vision 2030, where it is targeted that tourism earnings will rise by 75% from the current figures of Ksh.99.7 Billion and bed-nights of local visitors by 85% from the current 3.5 million by year 2022.

The sector consists of an amalgamation of sub-sectors such as hotels, attraction sites. Precisely hotel industry plays a critical role of meeting guests' gastronomical, lodging and other related auxiliary needs. However the industry susceptibility to external influences such as economic crises and internal factors such as high operation cost and competition from new entrance, has to cushion itself through strategies that seek to boost performance. This strategies are usually customer oriented in line with the hotels philosophy that "Customer is the King". One such strategy is value co-creation, a process of collaboration by parties who are involved in direct interactions that is aimed at generating mutual value. Studies have shown that the process has a range of benefits to organizations and their customers in terms of enhancing market performance, stimulating innovativeness and customer loyalty (Roeffen & Scholl-Grisseemann, 2016). One of the component in the process is learning process where in collaborative generation of valuable offerings engaging of customers, bringing together resources and interactions of various actors, there is gaining of more skills and knowledge from each other making the process more effective and productive. It has however been observed that most of the studies on this aspect has leaned more on education sector which can be attributed to affinity between learning and education (Qi et al, 2020; Mollie et al., 2018; Elg et al., 2012). Furthermore previous research have concerned themselves more on the customer with few studies focussing on managers who are the drivers of business strategies in their organizations (González-Mansilla et al, 2019; Oyner & Korelina, 2016; Roeffen & Scholl-Grisseemann, 2016). This informed the importance of carrying the current study.

The objective of the study therefore was to assess the effect of learning process on the performance of registered hotels in the Nyeri County from the hotel managers' perspective. The findings were expected to be significant in enabling Kenya which is one of emerging economies in Africa to realize its national development goals while at the same time contributing to achievement of international goals as stipulated in Agenda 2030 and Agenda 2063. The findings could also go a long way in supporting Kenya Tourism Board accomplish its mandate of generating research, information and marketing data. In the scholarly world the findings are important in furthering knowledge in the area by addressing existing knowledge gaps and also enriching curriculums for hospitality students.

II. Literature Review

Social constructivism was the theory utilized in guiding the study in that it encapsulates how learning progresses by ascribing to the thought that in learning, the learners are not mere passive consumer of information but creators of their own knowledge from information received based also on their previous experiences. The Pioneers of constructivism such as Jean Piaget (1896–1980) and Dewey (1850-1953) argued that depending on their analysis of experiences learners can internally come up with their own construct. However, Vygotsky (1978) the main proponent of social constructivism argued that learning was a social process that occurs first at social stage and then progressing to personal level. Edvardsson, Tronvoll, & Gruber (2011) advanced the argument by stating that though co-creation is carried with the customer who is the determinant of value (contextualized value), it should not be lost that process where value is being created and exchanged is also influenced by social forces within the societal frameworks. This theory was therefore important in guiding this study that postulated that learning process has a significant effect on performance of registered hotels in Nyeri County.

Empirical literature reviewed on learning process revealed that as value co-creation occurs through customer engagement, resource integration and interaction of actors the different parties are able to learn from each other and from the activities resulting in an enriched process. Hibbert, Winklhofer & Temerak (2012) work based on the understanding that customers are not only value consumer but also resource integrators had one of the objective being identification of characteristics of learning context. The three characteristics identified were learning trigger events which represented opportunities available for learning but hindered by inadequate knowledge and skills. Secondly there was learning environment referring to support system provided in terms of openings and resources availed for learning and thirdly personal factors denoting individual traits that would enable the actors to learn in order to co-create. It was found that there was need for firms to identify learning contexts that facilitated customers with the necessary support to gain competencies to integrate resources for effective co-creating. In so doing the practitioners shall be able to learn from the customers in this interactive process-based learning thus enriching the entire process. The same position was held by (Elg, Engström, Witell & Poksinska, 2012) on their study that involved health system where it was found clients are participators in provision of capabilities and experiences necessary in developing health-care system revealing the importance of learning process if significant co-creation was to occur. The focus of both studies is not in hospitality industry with the former focussing on education sector and the later health sector. It is this gap that the current study sought to fill by exploring the effects of learning process in a hotel context. However the researcher utilized the

parameters identified by Hibbert, Winklhofer&Temerak (2012) to operationalize the study as shown in figure 1.1 below

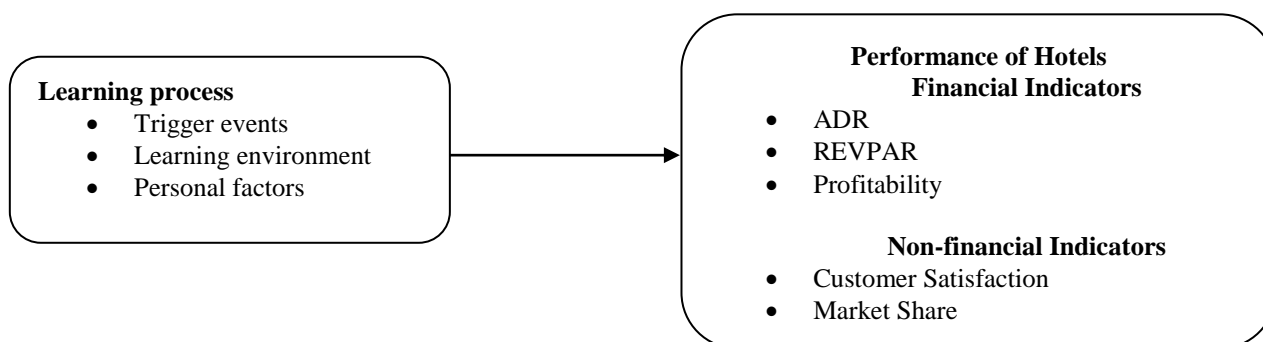


Figure 1. 1 Operational framework

III. Methods

III.1. Research design

Descriptive research design was utilized in this study as a roadmap or strategy to collect and analyse the data with the aim of solving the present research problem. This design was preferred as it is useful when the researcher wants to describe individuals, entities or situations without manipulating them. In so doing according to Kothari (2008), the researchers ensure there is objectivity as they are able to operate within defined parameters.

III.2. Target population

The study was carried in Nyeri County which is one of the 47 devolved governments in Kenya. The target population which refers to a set of units containing information needed to make comparable characteristics from which inferences can be drawn from (Krishnaswamy& Satyaprasad, 2010) was all 61 registered hotels in the County. The study also focussed on those registered hotels with bed capacity of 25 and above as this were the ones likely to have entrenched resource integration in their operations. This was informed by the fact that according to Statista(2020)hotel occupancy rate on average in Kenya is about 50%, hencebelow this capacity implementing this strategy might be impractical. This therefore yielded a total of 34 registered hotels that could provide useful data for the study.

III.3. Sampling techniques and size and data collection instrument

The study adopted the census technique in selecting the sample for the study due to the low number of registered hotels with bed capacity of 25 and above. The method is preferred when the target population is heterogeneous or small which would make carrying a sample survey not yield a representative of the population (Cooper & Schindler, 2010 & Kothari, 2008). Further purposive sampling was utilized to identify the respondents who are the managers or their equivalent of the departments in the hotel who deal directly with the customers.This technique is suitable where the researcher is interested in respondents who have comparable views and could provide relevant and knowledgeable information on the study variables (Etikan & Bala, 2017). Thesections were generally clustered as F&B section, Room Division section and Sales and Marketing section.The study appliedquestionnaire as the data collection instrument.

III.4. Validity and reliability

The Content validity was obtained through the development of the measurements of the concepts and their associated measurement, with these draft items being submitted for a review by the experts in the field of value creation at Dedan Kimathi University of Technology. According to Cooper and Schindler (2008) content validity can be achieved through the use a panel of experts who have the knowledge of the area of study to determine whether the measuring instrument sufficiently covers the content.

Cronbach's coefficient alpha was used to measure internal consistency of the data collection instrument. The Cronbach's Alpha coefficient for the instrument was 0.802 which is above 0.7 and thus it was established that the instrument was reliable.

III.5. Data analysis

The study utilized several techniques to analyse data. The data collected was edited, coded and entered into a Statistical Package for Social Sciences (SPSS) software. After these procedures were done, data was then analysed through descriptive and inferential statistics.

Descriptive analysis was used to describe the basic characteristics of the variable and summarize the variable data in a simple and understandable way through the use of frequency proportion (percentages) or frequency distribution which was in line with the suggestion by Zikmund et al (2010). On the other hand interval and ratio scaled data was analysed through measures of central tendencies.

Inferential statistics on the other hand was used to analyse the relationship between variable. Multiple regression was adopted as it is considered suitable where the direct relationship represents situations where both independent and dependent variables are linearly related according to Leung (2011). The model of fitness (R^2) was applied to ascertain the relationship of registered hotels performance that can be explained by variations in independent variable construct. ANOVA statistics consisting of F-Ratio and corresponding P-Value was generated and interpreted at significance level of 5% ($p < 0.05$). This was useful in establishing whether the regression model was statistically significant in predicting the dependent variable.

IV. Results and Discussions

IV.1. Response Rate

The response rate was 69 % as described in Table 4.1 below, which was considered sufficient according to Saunders, et al., (2009) who stated that a response rate of 50% and above was adequate.

Table 4. 1 Response rate summary

Respondents	Frequency	Percentage
Responsive	60	69%
Non Responsive	27	31%
Total targeted	87	100%

IV.2. Descriptive statistics on learning process.

The descriptive statistics indicated learning process was taking place among the registered hotels in the Nyeri County as indicated by partaking in ongoing learning process, providing conducive environment for mutual learning as well as encouraging staff to partake in the informal and formal learning, prioritizing staff awareness for customer learning opportunities, supporting learning customization process and sharing personal experiences with staff during their stay.

This was in consistent with the work of Hamidi, Shams Gharneh & Khajeheian (2019) who noted that in learning valuable knowledge/capabilities held by an individual or group is shared with others toward attaining certain goals with each individual having their knowledge perspective transformed resulting in changed consciousness. This is further cemented by Vargo and Lusch (2016) who viewed collaborative learning as a 'service-for-service' exchange via value co-creation practices thus its entrenchment having a bearing on the performance of an organization.

IV.3. Inferential statistics on learning process

The effect of resource integration on the performance of registered hotels in Nyeri County was assessed using a linear regression model as indicated in table 4.2 below.

Table 4. 2 ANOVA for Learning Process

	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.896	1	6.896	47.530	.000 ^b
Residual	8.415	58	.145		
Total	15.311	59			

a. Dependent Variable: hotel performance

b. Predictors: (Constant), learning process

ANOVA statistic, $F(1, 58) = 47.530$, $p < 0.05$ showed that that the regression equation could be used to predict hotel performance as it was statistically significant. Therefore, learning process explained the variations in performance of the registered hotels in Nyeri County.

Table 4. 3 Model Summary of Learning Process

R	R Square	Adjusted R Square	Std. Error of the Estimate
.671 ^a	.450	.441	.3809082

a. Predictors: (Constant), , Learning Process

The coefficient of regression, R, 0.671 indicated the existence of relation between learning process and performance hotel that was positive and linear. R² value of 0.450 implied that Learning Process explained approximately 45 % of variations in hotel performance.

Table 4. 2 Coefficients for Learning Process

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.847	.293		6.300	.000
Learning process	0.533	.077	.671	6.894	.000

a. Dependent Variable: Hotel performance

Beta coefficients of learning process, $\beta_1 = 0.533$ ($t = 6.894$, $p < 0.05$), revealed the importance of the regression equation in determining the influence of learning process on performance as it was statistically significant.

The linear regression equation fitted using unstandardized coefficients is thus;

$$Y = 1.847 + 0.533 X_1 \text{ where}$$

4.159 is the constant

X_1 learning process.

Two implication are deducible from the equation that keeping the independent variable construct at zero, the growth in performance of the registered hotels would be 1.847 units; and that a unit change in learning process would lead to a 0.533 change in hotel performance.

These findings from a managerial viewpoint that the independent variable construct (learning process) has a significant positive effect on the performance of the registered hotels in Nyeri County concurs with the previous studies that learning process has a positive effect on performance of hotels (Järvi, 2018). This is the same position held by Hibbert, Winklhofer & Temerak (2012) that learning contributes to competency development that is manifested in the employee's behavior helping in identification of the traits, knowledge, skills, and abilities that make high performing employees successful in their jobs.

IV.4. Conclusions

Learning Process was found to have a significant positive effect on the performance of registered hotels in Nyeri County. The conclusion then was that these hotels should continue to have a purposely driven learning process in their activities as this would maximize on co-creating resulting in enhanced performance. Further learning is an ongoing process and thus in light of the changing business environment in hospitality industry, it would be useful in leveraging intangible resources so as to facilitate a purpose-relevant learning, application of knowledge, competences and resources for the benefit of all parties.

IV.5. Recommendations

Hotels should seek ways to improve the learning outcomes for its staff and customers as they would gain from the learning curve thus enhancing performance. Hotel managers should also seek to unravel the intangible capital resources possessed by their organizations by incorporating learning process in their operations as means of encouraging innovativeness.

IV.6. Areas for further studies

The current study was carried in Nyeri County which is in Mt Kenya region, researchers could also undertake studies in other regions such as Coast or Rift Valley to ascertain whether the results of the current study can be generalized. This would be useful to the policy makers and the hotel practitioners in making informed decisions on integrating resources to enhance performance in other parts of the Country.

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