Organizational Learning and Performance of Hospitality Industry in Kenya: A Case Study of Sarova Whitesands Beach Resort and Spa

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ABSTRACT

Organizational learning has been viewed by several researchers as a key concept essential for ensuring the survival and continuity of organizations in the ever-changing business environment. Research has revealed the various benefits towards enhanced performance that are accrued through the effective establishment of organizational learning. With this information as a basis, this study sought to determine the relationship between organizational learning and performance of Sarova Whitesands Resort. The general objective was to establish the organizational learning in Sarova Whitesands and its influence on performance. The specific objectives were to determine the influence of team learning, mental models, personal mastery and a shared vision on performance of Sarova Whitesands. The study was guided by organizational learning theory, human capital theory and resource based view theory. The study adopted a descriptive research design. The target population of the study was the staff of Sarova Whitesands Beach Resort and Spa. The study’s total number of respondents was 300 employees who were sampled using stratified proportionate sampling method to obtain a sample size of 171 respondents. Questionnaires were used as a data collection instrument and the data collected from the field was analysed using descriptive statistics and regression analysis. The study established that personal learning, mental models, shared vision and team learning had a positive and significant influence on organizational performance. The study concludes that personal mastery enables an employee to search for their life direction and purpose, identify their strengths and weaknesses and become responsible of their action. Mental models leads to advantages of scale in that which refers to an idea that as an organization performs more and more of the same type of work it will tend to acquire efficiencies over time and as an organization becomes more efficient at a task it often gains a competitive advantage as a result improved organizational performance. Shared vision acts as a unifying force, has a positive impact on organizational performance and provides the guidance employees need to make the right decisions and that team learning allows individual participants to work through the content at their own pace. The study recommends that the organization should help their employees to know how to deal with difficult and challenging situations, develop self-confidence and self-esteem, accept imperfection and build on one’s strength. The organization should offer different kinds of mental models to help their employees make sense of the real world and be able to understand and interpret the environment and themselves. The organization’s shared vision should offer a unified framework for the organization’s success so as to encourage the top managers to collaborate and to resolve conflicts creatively arising from the organization and that the organization should establish a climate for learning in the team because taking time to establish the environment and the processes for learning is the prerequisite for rapid learning and effective team performance in the future.
INTRODUCTION

Organizations must be constantly alert to competitive pressures and adjust their business strategies accordingly. Even the best businesses can be knocked off their pedestals by a new market entrant or a major industry innovation (Ondoro, 2015). Almatrooshi, Singh and Farouk, (2016) observe that companies continue to adjust to their markets by remaining dynamic and changing their strategies as changes in their environments dictate. Timely response is critical to avoid adverse effects or missed opportunities. Proper identification and management of organizational capabilities leads to organizational performance. The survival and success of an organization occurs when the organization creates and maintains a match between its strategy and the environment and also between its internal capability and its strategy (Grant, 2012). Winter (2013) argue that organizational capability is essentially constituted by the high-level organizational practices used to coordinate the productive activities of the firm. These practices represent a distinctive set of solving problems or competencies that organizations can rely upon when pursuing key goals. The benefits of organizational learning are all ultimately evaluated by their contribution to organizational performance. Organizational performance is a subset of organizational effectiveness that covers operational and financial outcomes (Santos & Brito, 2012). According to Margarida, Maria and Madalena (2016) the firm’s success depends upon the creation, development, and implementation of a given organization’s unique resources and capabilities. The authors further indicate that the importance of the choice of the business strategy as a partial mediator between the organizational capabilities and the organizational performance is crucial in understanding the success of a given organization and how resources and capabilities contribute to the performance.

Organizational learning is the company’s capability to maintain or improve performance based on experience (Simonin, 2017). The author further shows that organizational learning involves the acquisition of explicit and tacit knowledge, knowledge sharing and knowledge use and such learning facilitates behavioral change that leads to improved performance. Mutindi, Namusonge and Obwogi (2013) state that organizational learning helps firms obtain sustainable competitive advantage through the development of its unique learning knowledge resources and capabilities. Personal mastery is the capability to grow and learn on a personal level. It concentrates on the aspects of learning in the learning organization that belong to the individual. It enables us to delve deeper into our personal vision, into what we truly desire, concentrating all our efforts on developing our personal and professional skills and capabilities (Senge, 2010). Gardiner and Whiting (2017) indicate that organizations should produce wealth but should also enable personal development and values in the organization’s human resources who include workers, middle management, upper management as these are the foundation and starting point of all entrepreneurial competencies. Mental model is mechanism whereby humans generate descriptions of system purpose and form, explanations of system functioning and observed system states, and predictions of future system state (Back and Robert (2015). According to
Casey (2016) shared mental models produce a common understanding by individuals within an organization and support learning and act as the context for new organizational knowledge development and achieves alignment when it gains wide acceptance within the organization and the members of the organization strive with a common purpose toward the same goals. Additionally, the author indicate that individuals build and modify mental models based on their experiences, assumptions, and cultural norms.

Shared vision is a process formed and shaped by team members. Creating shared vision is considered to be one of the most important mission of 21st century leaders (Pearce & Ensley, 2014). Shared vision is based on the idea that an organization has a unique aim and destiny. Randhawa and Kaur (2014) indicate that a vision statement articulates that purpose and provides a beacon of clarity for strategic action. However, a shared vision is frequently built on top of unexplored, unarticulated assumptions about the present and the future. A comprehensive understanding of team learning in organizations serves to assist practice in fostering team learning through the acquisition of necessary skills and adoption of norms to realize effective team work (Argyris, 2011). Bunderson and Sutcliffe (2013) observe that learning contributes to organizational effectiveness by enabling teams to create knowledge between team members, create knowledge with others external to the team, and to interact with the environment to enable adaptation to changing situations. Therefore, team learning leads to improved performance within the team which is further translated into organizational performance. Wang and Wang (2012) refer organization performance as its capacity to accomplish its task by using competitive management, authority and an unrelenting commitment to attaining goals. The author projected that organizations through offering services must expand on their review of their form output from predictable driven organization point of view. This expanded strategy could assist in settling disputes or use of combination linking service improvement and increasing service output. Burke and Litwin (2012) point that organizational performance can be evaluated by quality service and products, satisfying customers, market performance, service innovations, and employee relationships. The author also state that organizational performance can be appraised by return of investment, margin on sales, capacity utilization, customer satisfaction and product quality. The return on investment, sales and market growth, and profit are important factors that can be measured by organizational performance.

Organizational performance depends on the employee development because employee development enhances knowledge base of the organization (Nwuche & Awa, 2011). The author further indicates that organizational learning has positive effect on organization performance. Barney (2011) notes that people working in organizations can be a source for competitive advantage unlike any other resource, in the way that they can be rare and hard to imitate by competitors. In Sub-Saharan Africa, many nations consider the hospitality industry as an important source of economic diversification. Analysis of businesses within this industry therefore becomes a significant research issue. There are various factors that influence these industries, both internal and external, affecting performance and therefore must be studied. Kenya Tourism earnings, which are a key source of foreign exchange earnings, declined by 1.9 percent, from 97.9 billion in 2011 to stand at 96 billion in 2012 (KNBS, 2013). This research attributes the decrease to a slow-down in the global economy as well as travel advisories due to security concerns. Over the years, Kenya has witnessed several developments within its tourism industry with the government promoting development of large scale tourism and hospitality projects such as high-rise hotels, beach resorts, restaurants and lodges (Sindiga, 2010). The main
tourist attractions include environmental attractions such as game parks and reserves, beach and marine leisure and sightseeing (Dluzewska, 2009).

Changes in consumer tastes and preferences, increased competition, increased cost of living, and a demand for better quality and higher standards has seen a shift in the market, with customers demanding more value for money. This has seen, for example, apartments receiving more market that traditional hotels and resorts. According to research by the Kenya Tourism Board in 2009, Kenya has 2228 licensed hotels with 72665 beds, majority of which are privately owned and managed, 6% of which are 3 star hotels. 20% of the hotels in Kenya are found in the Coast region making up 39% of total beds. This significant portion of Kenya’s market has bolstered the growth of the tourism industry within the coast, hosting 46% of Kenya’s hotels that are 3 stars and above. Majority of the hotels and resorts in the Coast are privately owned, enjoying free competition and encouraging further growth in the sector. This has also led to improvement in quality of service as investment in upgrading stock stems from competition (KTB, 2009). Sarova Whitesands Beach Resort is rated as 3-stars. Mutindi, Namusonge and Obwogi (2013) highlight the origins of the development of hotels as being from the Coast region with the settlement of Arab traders and construction of the Railway line. The first hotel to be built was the Grand Hotel, later changing its name to the Manor Hotel. This has since, been closed down. Utalii College was later opened, in the 1960’s as an institution meant for training hotel staff.

Hotels have continuously grown since then, driven by tourism and the increasing and significant share of foreign exchange the tourism sector earns. This growth has not been without challenges faced due to the need to meet international standards. Research has therefore been necessitated to study how these hotels, and other types of hospitality organisations drive performance through organizational learning. Sarova Whitesands Beach Resort and Spa (SWBR), is one of the properties that are grouped under the Sarova Hotels, Resorts and Game Lodges. The Sarova Hotels group is one of the largest chains of hotels and lodges in Kenya as well as East Africa. Sarova Hotels, Resorts and Game Lodges has over 1000 rooms across eight hotels in East Africa, with employees totaling over one thousand in number (Sarova Hotels, 2013). Sarova Whitesands Beach Resort and Spa is located in the North Coast and lies on one of the longest beach fronts, on 23 acres landscaped gardens with ponds and swimming pools. The resort features Lamu style architecture with a total of 335 rooms, differing in categories. The resort also houses three different restaurants, a beach bar and disco, a spa, a children’s club called the Ozone Children’s club and many other amenities for guest leisure and recreation (Sarova Hotels 2013).

2. STATEMENT OF THE PROBLEM

Organizational learning allows a hospitality organization to take full advantage of one of its major resources, human resource, to enhance performance, turning it into a powerful asset and giving it a competitive advantage. According to Drejer (2000), the competitiveness, and ultimately performance of a firm rests on the competences that the firm possesses. Competence development therefore becomes essential. He argues that organizational learning becomes, therefore, key to understanding competence development and becomes an essential tool in building these competences. Building on these competences provides an avenue for sustainable performance enhancement. Mzera (2012) highlights some of the challenges facing the hospitality industry, and affecting performance, as including operational challenges such as human resources (staff shortages, unqualified staff and high staff turnover), marketing issues such as market segmentation and guest sophistication, economic issues such as globalization and technological issues such as data mining and data security. Additional challenges include
security, poor infrastructure, lack of finances and government support. As hotels in Kenya seek to improve performance, they must additionally control and conquer these challenges to make the improvements sustainable and remain relevant. Sarova Whitesands is not unique in this respect, being one of the hotels on the Kenyan coast.

The research study performed by Mutindi, Namusonge and Obwogi (2013) focused on the effect of various strategic concepts on performance of a sample group of hotels in the Kenyan Coast, among which organizational learning was found to have a positive influence on performance, emphasizing its ability to improve performance when utilized efficiently by the hotels. Although not focusing on hotels, research by Hernaus, Skerlavaj and Dimovski (2008) on the relationship between organizational learning and organizational performance of 202 companies in Croatia revealed a strong, positive relationship between organizational learning and performance. Sampe (2012) researched on the influence of organizational learning on performance in Indonesian SMEs, with a focus on organizational culture, transformational leadership and empowerment. His findings revealed that the three aspects of focus influenced the level of organizational learning an organization would attain and this in turn influenced the level of performance. Halawi, Aronson and McCarthy (2005) studied the resource-based view of knowledge management for competitive advantage, knowledge management utilized to facilitate organizational learning. Their study revealed in what manner and why knowledge management could be used to create a competitive advantage from the resource-based view of the firm. Their research highlighted the key role that organizational learning played in strengthening the core competences of the firm for competitive advantage and better performance.

Kenya has witnessed challenging times in regards to organizational practices, resulting in generally low profits in the economy. The tourism industry has not been spared in this regard (Namusonge, Kabare & Mutua, 2012). The decline in world tourism has affected hotel sales and posed a threat to hotel operators because Kenyan hotels largely depend on the international tourism market (Oketch, Wadawi, Brester & Needetea, 2010). Focus has been turned toward enhancing performance in this industry, ensuring improvements in foreign exchange earnings. Previous studies have focused on the enhancement of performance through utilization of the concept of organizational learning in various types of organizations. Few have been applied to the hospitality industry and more specifically, the hotels at the Kenyan coast. Research by Mutindi, Namusonge and Obwogi (2013) discussed the effect of various aspects of organizational management and their effect on performance of hotels on the Kenyan coast. They discussed the importance of focusing on performance in sustaining growth in hospitality organizations. They described a number of aspects, termed as strategic management drivers, of which organizational learning is one of them. A study by Kamica (2015) asserted that Sarova Group of Hotels, of which Sarova Whitesands is a part, employs various strategic steps that involve learning and adapting to its environment and the challenges it faces. This way, the organisation is able to improve performance and meet its strategic goals. Few studies have assessed the real world applications of how performance may be enhanced through organizational learning, its adaptations depending on unique individual influencing factors and any additional challenges faced by these establishments. This research paper seeks to fill this gap by investigating organizational learning and performance with a real world application of Sarova Whitesands Beach Resort and Spa.

3. OBJECTIVES OF STUDY
The general objective of the study is to investigate organizational learning and performance of hospitality industry in Kenya: A case of Sarova Whitesands Beach Resort and Spa.

The specific objectives of the study were:

i) To establish the influence of personal mastery on performance of hospitality industry in Kenya.

ii) To determine the influence of mental models on performance of hospitality industry in Kenya.

iii) To examine the influence of a shared vision on performance of hospitality industry in Kenya.

iv) To establish the influence of team learning on performance of hospitality industry in Kenya.

4. Theoretical Literature Review

4.1 Organizational Learning Theory

Organizational learning has been a subject of interest, with extensive research done on its usage and application in management. According to Burnes, Cooper and West (2003), this interest, especially in the business world, stemmed from two major concerns: the rapidly-changing nature of the world we live in; and the increasingly competitive environment in which firms operate. Schulz (2002) stated that the field of organizational learning has grown considerably, branching into diverse directions, becoming a vibrant, active, rapidly expanding and immensely rich field. Schulz believed that the concept featured three traits which are its focus on dynamics, focus on traits and continuous and inspired leadership. Its focus on dynamics indicates the adaptive nature of behavior, aspirations, routines and organizational knowledge. According to Schulz (2002) this trait makes organizational learning a primary contender for explanations of social and organizational change and stability. The second trait which is a focus on models highlights the utilization of simulations models used by learning researchers to capture extensively, the complexity of learning with appropriate symbolic representations. The third trait emphasizes the importance of continuous and inspired leadership for learning organisations.

According to Wang and Ahmed (2002), current organizational learning practices are maintained at a single and double-loop level. They determine that single-loop is connected to error detection and correction, involving knowledge accumulation, dissemination and retention. Double-loop learning on the other hand indicates a higher level with a certain degree of proactiveness, focusing on error prevention and a dedication to zero-defect quality, as well as knowledge refinement and creating through incremental changes. They assert therefore, that both lead to quality control and total quality which are essential in providing continuous improvement, leading to competitive advantage. Ramalingam (2008) underscores single-loop learning as undertaken in line with the explicit practices, policies and norms of behavior whereby learning would involve the detection and correction of deviations from the set standards. Double-loop learning involves the conscious reflection on the appropriateness of the underlying practices, policies and norms. This learning ensures that different situations do not receive the same response but are treated according to their uniqueness. In addition to the above, he points out that triple-loop learning represents the highest form of organizational self-examination. He also believed that the organisations needed to practice triple-loop learning, being the most effective, to be most successful. This would involve questioning the entire rationale of an organisation and
can lead to radical transformations in internal structure, culture and practices as well as in the external context.

Jackson (2000) highlighted five disciplines considered essential for successful organizational learning to take place. These include personal mastery, mental models, building a shared vision, team learning and systems thinking. Wang and Ahmed (2002) identified these as the five factors, not differing greatly from Jackson’s research, which would influence an organization’s ability to learn. These are organizational culture and learning environment, the level of individual learning adopted by employees, the organization’s processes and systems, knowledge management policies and systems and policies on continuous improvement. These factors, when managed efficiently, create a positive environment for successful and continuous organizational learning. According to Senge (1990) in Torlak (2011), organizations might get rid of certain ‘learning disabilities’ and become capable of learning if they master the five disciplines. Senge believed that systems thinking provides a conceptual framework, and underpins and combines all the other disciplines, stating that organizational learning can only occur through systems thinking. In his studies, Senge believed that organizational learning could not thrive unless all five disciplines were present. The following discusses these five disciplines that would influence performance levels within an organization.

4.2 Human Capital Theory

The theory of human capital is rooted from the field of macroeconomic development theory (Schultz, 1993). According to human capital theory the characteristics of an individual are linked to its productivity and productive individuals are an asset leading to increased firm performance (Becker, 2009). Singh, Terjesen and Vinnicombe (2008) emphasize that men and women have different human capital, that is, knowledge, skills and experiences, leading to a competitive advantage through diversity. This gender diversity can be found in different educational and work-related experiences as well as in management and risk-taking behaviors thus, one assumption is that team success can be enhanced when different skills, experiences and behaviors are combined. The essence of human capital theory is that investments are made in human resources so as to improve their productivity and therefore their earnings. Organizations must invest necessary resources in developing human capital which tend to have a great impact on performance (Becker, 2009). Organizations seek to optimize their workforce through comprehensive human capital development programmes not only to achieve business goals but most important is for a long term survival and sustainability. To accomplish this undertaking, firms will need to invest resources to ensure that employees have the knowledge, skills, and competencies they need to work effectively in a rapidly changing and complex environment. McCracken (2016) observes that if human capital is managed well, it can increase the likelihood of investment and potentially attract new talent to the organization. Furthermore, organisations with enhanced human capital may improve their corporate reputation by illustrating their commitment to employee-led corporate social responsibility initiatives. This theory was relevant to the study as it explains how an organization can measure the impact of learning initiatives on performance and identifies skill gaps, areas for future improvement through enhancing their organizational learning capabilities towards better performance.

4.3 Resource Based View Theory

This study will be based on Resource Based View (RBV) theory by Grant (1991). According to Grant (1991) the resource-based view (RBV) is a managerial framework used to determine the
strategic resources with the potential to deliver comparative advantage to a firm. These resources can be exploited by the firm in order to achieve sustainable competitive advantage. During the 1990s, the Resource-Based View (RBV) of the firm became the dominant paradigm in strategic planning. RBV can be seen as a reaction against the positioning and its somewhat prescriptive approach which focused managerial attention on external considerations. In contrast, the emergent resource-based view argued that the source of sustainable advantage derives from doing things in a superior manner; by developing superior capabilities and resources. This theory shows that, the organizations must ensure that they have adequate resources in for effective organizational learning. The resource-based view gave this study a basis for appreciating organization learning and how they relate to organizational performance. It proceeds to show that firms possess some resources that enable them to achieve competitive advantage and some that lead to superior long-term performance.

5. CONCEPTUAL FRAMEWORK

Independent Variables

- **Personal mastery**
  - Capacity building
  - Employee development
  - Sense of direction

- **Mental Models**
  - Interaction
  - Problem solving
  - Strategic thinking

- **Shared Vision**
  - Orientation
  - Goal focus
  - Empowerment

- **Team Learning**
  - New skills and knowledge
  - Team work
  - Socialization

Dependent Variable

- **Organizational Performance**
  - Market Share
  - Customer Satisfaction
  - Efficiency

*Figure 1: Conceptual Framework*

Figure 1 shows that relationship between variables. The independent variables are personal mastery, mental models, shared vision and team learning and the dependent variable is the organization performance.
6. RESEARCH METHODOLOGY

The study adopted a descriptive research design. Through the use of descriptive research the researcher was able to collect data from a larger population cheaply and faster with the use of questionnaires and get conclusive findings. The target population of the study was the staff of Sarova Whitesands Beach Resort and Spa. This included all the management and regular employees of the resort. According to the Human Resource manager, there are approximately 300 employees. These employees were from the sales and marketing department, purchasing department, Finance department, Human Resource department, Front Office department, Housekeeping, Engineering and Maintenance, Food and Beverage department, Administration, Information Technology, Security, Entertainment and Animations and the Tulia Spa. The 300 employees therefore make up the target population of the study. The management was selected for its role in formulation and implementation of various strategic decisions. The regular employees were selected for their role in carrying out said strategies and actions aimed at improving performance. Below is a tabular representation of the target population.

The study used stratified sampling method to ensure that all cases are well represented and use simple random sampling method to select the respondents. The study used a sample size formula by Taro Yamane (1967) assuming an error term of 5%. The sample size was 171 respondents which represent a 57.0% of the target population. The proportionate distribution of sample size was obtained using a 0.57.

Questionnaires were used as data collection instruments because those who were involved were literate thus minimal interpretations of what is contained in the questionnaires. The questionnaires were structured into 5 sections ranging from A to F whereby section A collected data regarding the respondents demographic information, section B was based on personal mastery variable, section C mental models variable, section D shared vision variable, section E team learning variable and section F collected data on dependent variable organizational performance. The questions followed a likert scale whereby the respondents were required to rate questions as per their level of agreement. In addition, there was an open ended question after each study variable to enable the respondents to add more information regarding the influence of the independent variable on dependent variable. Data collected from the questionnaires was organized into a meaningful format and coded for easy analysis. Descriptive statistical analysis such as mean and standard deviation was used to analyse quantitative and presented in terms of tables, frequencies, graphs and charts. This was made possible by use of Statistical Package for Social Sciences (SPSS) version 20.0.

7. RESEARCH FINDINGS

Regression analysis was used to model, examine, and explore the relationships between the dependent variable against the four independent variables used for the study. The findings are shown in Table 1.

The four independent variables (Team Learning, Mental Models, Personal Mastery, Shared Vision) that were studied, explain 50.6% of the performance of hotel industry in Kenya as represented by the adjusted R square. This therefore means that other factors not studied in this research contribute 49.4% of the organizational performance. Further studies should be carried out address this gap.
Table 1: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>F Change</td>
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<td></td>
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<td>df1</td>
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<td></td>
<td></td>
<td>df2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sig. Change</td>
</tr>
<tr>
<td>1</td>
<td>.343a</td>
<td>.518</td>
<td>.506</td>
<td>.746</td>
<td>.118</td>
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<td></td>
<td></td>
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<td>5.332</td>
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<td>4</td>
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<td>160</td>
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<td>.000</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Team Learning, Mental Models, Personal Mastery, Shared Vision

Analysis of Variance (ANOVA) was used to determine the linear relationship among the variables under investigation. Using this method, the sum of squares, degrees of freedom (df), mean square, value of F(calculated) and its significance level was obtained. The results are shown in Table 2.

Table 2: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>11.868</td>
<td>4</td>
<td>2.967</td>
<td>5.332</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>89.041</td>
<td>160</td>
<td>.557</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.909</td>
<td>164</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Team Learning, Mental Models, Personal Mastery, Shared Vision

The significance value is 0.000a which is less that 0.05 thus the model is statistically significant in predicting how team learning, mental models, personal mastery, shared vision influenced the performance of Hotel industry in Kenya. The F calculated at 5% level of significance was 5.332. Since F calculated is greater than the F critical (p value = 2.967, this shows that the overall model was significant.

Table 3: Determination of Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.594</td>
<td>.576</td>
</tr>
<tr>
<td>Personal Mastery</td>
<td>.706</td>
<td>.154</td>
</tr>
<tr>
<td>Mental Models</td>
<td>.619</td>
<td>.202</td>
</tr>
<tr>
<td>Shared Vision</td>
<td>.800</td>
<td>.075</td>
</tr>
<tr>
<td>Team Learning</td>
<td>.787</td>
<td>.068</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Organizational Performance

The established regression equation by the study was:

\[ Y = 0.594 + 0.706X_1 + 0.619X_2 + 0.800X_3 + 0.787X_4 \]
Where Y = Organizational Performance, X_1= Personal Mastery, X_2= Mental Models, X_3= Shared Vision, X_4= Team Learning. From the above regression model, holding all the independent variables studied constant, performance of the hotel industry in Kenya would be 0.594. As shown in table 4.11 team learning, mental models, personal mastery, shared vision had a positive and significant effect on organizational performance as indicated by t-values. The relationships (p < 0.05) are all significant with personal mastery (t= 2.497, p < 0.05), mental models (t = 1.579, p < 0.05), shared vision (t = 2.657, p < 0.05) and team learning (t = 2.750, p < 0.05). Shared vision was found to have a greater (80.0%) on the performance of the hotel industry in Kenya compared to team learning at 78.7%, personal mastery (73.1%) and mental models (61.9%). Mutindi, Namusonge and Obwogi (2013) states that organizational learning helps firms obtain sustainable competitive advantage through the development of its unique learning knowledge resources and capabilities. Randhawa and Kaur (2014) indicate that a vision statement articulates that purpose and provides a beacon of clarity for strategic action. Bunderson and Sutcliffe (2013) observe that learning contributes to organizational effectiveness by enabling teams to create knowledge between team members, create knowledge with others external to the team, and to interact with the environment to enable adaptation to changing situations. Mental model is mechanism whereby humans generate descriptions of system purpose and form, explanations of system functioning and observed system states, and predictions of future system state (Back and Robert (2015). Gardiner and Whiting (2017) indicate that organizations should produce wealth but should also enable personal development and values in the organization’s human resources who include workers, middle management, upper management as these are the foundation and starting point of all entrepreneurial competencies.

8. CONCLUSIONS

The study concludes that personal mastery enables an employee to search for their life direction and purpose, identify their strengths and weaknesses and become responsible of their action. With high level of personal mastery enables employees to lay their loyalty to their organizational success as they are able to work effectively together with their colleagues. Mental models leads to advantages of scale in that which refers to an idea that as an organization performs more and more of the same type of work it will tend to acquire efficiencies over time and as an organization becomes more efficient at a task it often gains a competitive advantage as a result improved organizational performance. Shared vision acts as a unifying force, has a positive impact on organizational performance and provides the guidance employees need to make the right decisions. A clear, concise shared vision can be a powerful tool and motivator when it is highly visible within the organization. Employees can rally behind a common goal that clearly benefits themselves and the organization. Team learning allows individual participants to work through the content at their own pace. This helps to overcome the problem of different skill levels and helps people to work more efficiently in groups and support collaborative working, even when teams are spread out.

9. RECOMMENDATIONS

The study recommends that the organization should help their employees to know how to deal with difficult and challenging situations, develop self-confidence and self-esteem, accept imperfection and build on one’s strength. The organization should offer different kinds of mental models to help their employees make sense of the real world and be able to understand and interpret the environment and themselves. These models should include categories, concepts, identities, prototypes, stereotypes, causal narratives, and worldviews. The organization’s shared
vision should offer a unified framework for the organization's success so as to encourage the top managers to collaborate and to resolve conflicts creatively arising from the organization. The organization should establish a climate for learning in the team because taking time to establish the environment and the processes for learning is the prerequisite for rapid learning and effective team performance in the future.

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