

**STRATEGIC ORIENTATION AND ORGANIZATIONAL
PERFORMANCE OF OLE-SERENI HOTEL IN NAIROBI
COUNTY, KENYA**


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DECLARATION

This research project is my original work and has not been presented in any other institution.

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The research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

This study is dedicated to my Amazing Mother ,Tabitha Manwa, Siblings Anne, Stephen, Caroline, Sonia and Paskalia, your enduring love and encouragement have been my rock, providing unwavering support. To my late father, Anunda John,your wisdom and legacy continue to inspire every word written here. And to my dear son, Emmanuel Edward Manwa,you are my motivation and the embodiment of my dreams. This achievement stands as a testament to the love, wisdom, and support of God, family, mentor, and son, each playing an integral role in my academic journey.

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ABBREVIATION AND ACRONYMS

GDP	Gross Domestic Product
GoK	Government of Kenya
KAHKC	Kenya Association of Hotel Keepers and Caterers
SPSS	Statistical Package for Social Sciences
WTTC	World Travel and Tourism Council

ABSTRACT

The objective of this study was to investigate the influence of strategic orientations on the organizational performance of Ole Sereni Hotel, a prominent establishment in the hospitality industry located in Nairobi County. Specifically, the study aimed to explore how strategic orientations, including customer, competitor, product, and resource orientations, impact the hotel's overall performance. The study employed a qualitative research approach, utilizing in-depth interviews with 12 managers from key functional units within the hotel namely, Human Resources, ICT, Marketing, Finance and Accounts, Records, Procurement, and Communications. The theoretical framework of the study drew from two prominent theories: the Resource Advantage Theory of competition and the Dynamic Capabilities Theory, providing a foundation for understanding how the hotel's strategic orientations influenced its competitive position and performance outcomes. The findings of the study highlighted the significant influence of strategic orientations on Ole Sereni Hotel's organizational performance. Customer orientation emerged as a fundamental approach, emphasizing the importance of meeting and exceeding guest needs and expectations. The study also found that competitive product as well as resource, communication and technology orientations are important in hotel success. The study revealed that the hotel's strategic orientations was guided technology investments and digitalization efforts, leading to improved operational efficiency, enhanced guest experiences, information security, and data management. The study concluded that Ole Sereni Hotel's strategic orientations, including customer, competitor, product, resource, and technology orientations; significantly influence its performance in the hospitality industry. These orientations collectively contribute to the hotel's ability to deliver exceptional guest experiences, maintain a competitive edge, and adapt to changing market dynamics, ultimately leading to enhanced performance and success. Based on the study findings, it is recommended that policy makers consider promoting and incentivizing the adoption of strategic orientations within the hospitality industry to enhance guest satisfaction and overall competitiveness. Hotel managers should prioritize the alignment of strategic orientations with day-to-day operations, from recruitment to technology investments, to ensure that the hotel consistently meets its strategic goals. Additionally, encouraging a culture of adaptability and innovation is vital for hotels to remain competitive and maintain high levels of guest satisfaction. Further research is recommended to explore the comparative analysis of strategic orientations across different hotels and to investigate the long-term effects of these orientations on performance, including their adaptability to external disruptions.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic orientation plays a pivotal role as it leads to enhanced organizational performance. A company's strategy, as outlined by Dionysus and Arifin (2020), represents the managerial blueprint for governing business operations. The formulation of a strategy signifies a managerial commitment to pursuing specific courses of action, as articulated by Thompson et al. (2007). High-performing companies distinguish themselves through the development of high-quality strategic plans that encompass well-defined objectives and detailed implementation methodologies. These enterprises exhibit a strong customer and market focus, actively employing diverse tools like market surveys and focus groups, as advocated by Kotler and Armstrong (2008). The rapid evolution of technology has profoundly reshaped the corporate landscape, as observed by Lin and Tsai (2016). Heightened competition, breakthrough technological advancements, shifting demand dynamics, and other transformative factors have heightened the managerial responsibility to deliver superior performance and bolster shareholder value, as emphasized by Thourunroje and Racela (2013). The capacity of firms to effectively navigate external market uncertainties and adapt their strategies in alignment with market conditions can confer a competitive advantage, fostering long-term sustainability, as highlighted by Chen et al. (2017).

Bamel (2018) underscores that strategic adaptation in response to market demands represents a potent source of competitive advantages, including the top management's adeptness in navigating turbulent business environments. Neglecting these evolving conditions could prove detrimental for organizations. Consequently, companies are

diligently working toward augmenting their performance by formulating and executing effective business strategies that capitalize on market opportunities while leveraging their available resources and capabilities, in accordance with the insights of Adams, Freitas, and Fontana (2019).

The research drew upon support from the Resource Advantage Theory of competition and the Dynamic Capabilities Theory. Resource Advantage Theory primarily focused on harnessing internal resources and core competencies to establish a sustainable competitive advantage, leading to organizational growth, as articulated by Mahdi, Almsafir, and Yao (2016). On the other hand, Dynamic Capabilities Theory elucidates that due to the dynamic and ever-evolving nature of marketplaces and the business environment, as opposed to heterogeneity in a firm's resource endowment, it is the capabilities through which a firm acquires and deploys its resources to align with the evolving market environment that accounts for variations in inter-firm performance over time, in accordance with Teece, Pisano, and Shuen (2007).

The motivation behind the case study stemmed from the desire to explore and analyze the complex interplay between strategic and its orientations and how it influence the performance of the firms in the hospitality industry, with Ole-Sereni Hotel serving as a case study. The findings aimed to benefit both the hotel itself and the broader hospitality sector by offering practical recommendations and advancing knowledge in this field. The hospitality industry, including hotels, is a significant contributor to the economy of many countries, including Kenya. It generates employment, attracts tourists, and generates revenue (Crouch & Ritchie, 1999).

1.1.1 Strategic Orientation

Strategic orientation represents a comprehensive undertaking integral to a firm's growth and organizational performance. A singular focus on any one facet fails to encapsulate the intricacies of the managerial process, where managers exert efforts to influence and shape the activities of the organization, as posited by Al-Ansaari, Bederr, and Chen (2015). In the contemporary business landscape characterized by globalization, technological upheavals, heightened competition, and regulatory flux, organizations consistently engage in the development and execution of strategies aimed at bolstering their adaptability, long-term viability, and performance. Consequently, an organization's strategic orientation, as expounded by Krzakiewicz and Cyfert (2019), encapsulates the chosen strategic trajectory or direction that guides its actions and decisions. Nasir, Al Mamun, and Breen (2017) define strategic orientation as the process through which an organization formulates and shapes its strategy, guiding how it competes and operates in the market.

Hitt et al. (2000) further elaborates on the importance of strategic orientation by suggesting that it provides organizations with guidelines for continuous performance improvement. It reflects how an organization's leaders perceive and react to external environmental factors and developments. Strategic orientation can be dissected into several critical dimensions, encompassing customer orientation, competitor orientation, and product orientation. Customer orientation underscores an organization's steadfast dedication to the seamless incorporation of customer preferences within its product development and marketing endeavors, with the ultimate goal of proficiently addressing customer requirements.

Competitor orientation involves integrating competitor intelligence into these processes, while product orientation emphasizes the organization's dedication to innovation in its

product systems (Otache, 2019). In the specific context of this study focusing on Ole-Sereni Hotel in Nairobi County, Kenya, strategic orientation encompassed various facets, including but not limited to customer orientation, competitor orientation, and product orientation. Customer orientation denotes the organization's unwavering commitment to incorporating customer preferences and demands into its product development and marketing strategies, with the overarching objective of effectively satisfying customer needs. These dimensions were examined to understand how the hotel formulates its strategies, integrates customer preferences, responds to market competition, and innovates in its products and services. By analyzing these aspects, the study aimed to provide insights into how strategic orientation influences the hotel's organizational performance and competitiveness in the hospitality industry.

1.1.2 Organizational Performance

Organizational performance is a multifaceted concept that has been defined and understood in various ways by different scholars. Fwaya (2016) provides a comprehensive definition of performance as an evaluation formula that encompasses several parameters, including productivity, employee morale, and effectiveness. This holistic view of performance emphasizes the need for organizations to consider various dimensions beyond just financial outcomes. It also highlights the importance of sustainable competitive advantage as a key objective for organizations. In this context, organizational performance serves as a critical yardstick for measuring how well an organization aligns with the standards outlined in its vision, mission, and objectives.

Best (2009) further expands on the dimensions of organizational performance, particularly focusing on market-based measures. He noted that the views cover profit levels as well as

market power. This is important in evaluating how well an organization is positioned in the market. Market profitability, on the other hand, seeks to establish a relationship between profitability and the specific marketing strategies pursued by the organization. This can involve analyzing financial outcomes in relation to marketing efforts. Performance-based measures encompass a wide array of indicators, including customer attraction, outreach, retention and attrition rates, market shares, as well as levels and growth in turnover or sales.

In the context of the study on Ole-Sereni Hotel in Nairobi County, Kenya, organizational performance was assessed through a multifaceted lens, considering both financial and non-financial dimensions. The study aimed to investigate how the strategic orientation of the hotel, including market orientation, customer orientation, technological orientation, and entrepreneurial orientation, influences its overall performance. Therefore, performance was evaluated based on a combination of financial indicators, such as revenue growth and profitability, as well as non-financial measures like customer satisfaction, employee morale, and market standing. This comprehensive approach aimed to provide a well-rounded understanding of variables and how they relate.

1.1.3 Hotel Industry in Kenya

The sector is a vital and growing sector within the country's tourism and hospitality landscape. Kenya's diverse natural beauty, wildlife, cultural heritage, and strategic location have made it a popular tourist destination, attracting visitors from around the world (UNCTAD, 2017). As a result, the hotel industry plays a significant role in accommodating and serving these tourists, contributing to the country's economy (Kenya National Bureau of Statistics, 2020).

In the context of the study focusing on Ole-Sereni Hotel in Nairobi County, Kenya, it's important to note that the hotel industry's dynamics and competitive landscape will directly impact the hotel's strategic orientation and organizational performance. Understanding how Ole-Sereni Hotel navigated these industry-specific challenges and opportunities provided valuable insights into the broader relationship between strategic orientation and the performance of hotels in Kenya.

1.1.4 Ole Sereni Hotel

Located in Nairobi, the capital city of Kenya and the financial hub of East Africa, Ole Sereni Hotel finds itself in close proximity to a multitude of global organizations and corporations, as noted by Uzel (2015). Notably, Nairobi serves as the headquarters for the United Nations Environmental Program, solidifying its status on the international stage. Often referred to as the "City in the Sun," Nairobi attracts a diverse array of visitors hailing from every corner of the globe. This eclectic mix includes international entrepreneurs, tourists, diplomatic representatives from various nations, athletes, and performers spanning various industries and geographical regions, as highlighted by Hassan (2018).

Ole Sereni Hotel stands as a prominent luxury establishment within the competitive landscape of Nairobi's hotel industry in Kenya. Renowned for its state-of-the-art accommodations, transportation services, lush gardens, and expansive pools, as observed by Omondi (2015), the hotel occupies a strategic position alongside a game park, rendering it particularly attractive to a diverse clientele, as noted by the Tourism Regulatory Authority (2022). Kenya's thriving hotel industry has been keenly focused on capitalizing on the promising prospects of the tourism sector, as emphasized by the Kenya

In the vibrant hotel industry of Nairobi, Kenya, characterized by its high-quality services and excellent facilities, the competition for resources and market share has reached unprecedented levels. Furthermore, customer expectations and preferences are continually evolving and becoming increasingly demanding (Ayele, 2012). In response to these challenges, hotels, much like other businesses, are embracing strategic management performance drivers to position themselves for international acclaim. This recognition includes the attainment of standardization certificates, coveted company of the year awards, prestigious star ratings, and membership in esteemed professional organizations (Ongore & Kobonyo, 2011). Such strategic endeavors underscore the industry's commitment to excellence and continuous improvement to meet the dynamic demands of the discerning clientele and achieve global recognition.

1.2 Research Problem

Attaining strategic competitiveness posed formidable challenges within volatile and intricate market environments. These challenges become even more daunting when organizations lack a comprehensive grasp of the factors influencing their performance. At the core of the strategic management process lied the imperative goal of achieving performance outcomes that enable firms to sustain competitiveness over the long term (Boohene, 2018). To preserve their competitive edge, enterprises must possess the capacity to formulate a strategic framework and subsequently align it with their systems, organizational structure, human resources, leadership, values, management practices, and corporate culture (Otache, 2019). This strategic alignment was essential to meet the evolving demands of the competitive landscape and navigate the intricacies of contemporary markets effectively.

The realm of business strategy makes significant contributions in the realm of problem-solving, aiming to unearth novel opportunities and enhance a firm's competitive performance. It accomplished this by establishing a conducive framework that aids organizations and managers in making decisions, pooling resources, identifying promising avenues for delivering valuable products and services, and ultimately driving these offerings towards heightened profitability. In the pursuit of selecting the most suitable strategy, companies must harmonize their approaches. This harmonization serves the dual purpose of carving out niches within their respective industries and reinforcing their reservoirs of resources, skills, and capabilities to adeptly respond to both internal and external dynamics. Such strategic endeavors were crucial in achieving a sustainable competitive advantage and enhancing overall business performance (Chevrollier et al., 2020; Akter et al., 2021; Blaique et al., 2022; Cao et al., 2022; Huo & Li, 2022; Vlastic, 2022).

Several previous studies explored the relationship between strategic orientation and organizational performance, shedding light on various aspects of this crucial connection. However, these studies also revealed certain knowledge gaps that warrant the need for the present study, encompassing conceptual, contextual, and methodological aspects.

Firstly, while Song and Jing's (2017) study in the insurance industry in China provided valuable insights into the direct relationship between strategic orientation and performance, it primarily focused on technological orientations. The knowledge gap here was in the need to expand the scope of investigation beyond technological aspects to encompass other dimensions of strategic orientation, such as market, entrepreneurial, or customer

orientation. This broader perspective offered a more comprehensive understanding of how various dimensions of strategic orientation collectively influence performance.

Secondly, Valos and Bednall's (2010) research identified strategy as a vital pillar for organizational success, emphasizing its impact on an organization's structure, activities, investments, and market relations. However, the specific mechanisms through which strategic orientation translates into improved performance remain relatively unexplored. To address this knowledge gap, the current study aimed to delve deeper into the nuanced processes and strategies employed by organizations, such as Ole-Sereni Hotel, to align their strategic orientation with enhanced performance outcomes. Additionally, previous studies by Nzioka and Njuguna (2017), Obeidat et al. (2016), and Han and Verma (2012) have established a positive link between strategic orientation and firm performance. Nonetheless, these studies predominantly focused on different industries and geographic regions. Therefore, there exists a contextual knowledge gap concerning the hotel industry in emerging markets, particularly in Nairobi County, Kenya. By conducting research in this specific context, the present study sought to provide insights that are directly applicable to the local hospitality sector, thus addressing the contextual gap.

Lastly, methodologically, prior research has often employed quantitative approaches to examine the relationship between strategic orientation and performance. While quantitative studies offer valuable statistical insights, there was a need for qualitative research that delves into the intricate nuances of how strategic orientation is implemented and managed within organizations. Qualitative insights provide a richer understanding of the mechanisms at play, thereby complementing the existing quantitative literature. The knowledge gaps identified in previous research studies emphasize the need for the current

study to offer a more comprehensive, context-specific, and methodologically diverse examination of the relationship between strategic orientation and organizational performance, with a focus on the hotel industry in Nairobi County, Kenya.

The hotel industry, while being a pivotal pillar of the economy, encountered formidable challenges, akin to those experienced by other business entities, which have posed significant threats to its competitive positioning and, at times, even its survival. Furthermore, within the ever-evolving business landscape, companies invariably embark on quests to identify novel market opportunities that can serve as fertile ground for cultivating and sustaining their competitive edge, often with the aim of surpassing their rivals. Despite an extensive body of literature in the field, it remains unclear whether a discernible relationship exists between the strategic orientation adopted and the performance outcomes achieved by Ole Sereni hotel, located in Nairobi County, Kenya. This research endeavored to bridge the knowledge gap by addressing the following fundamental inquiry: To what extent does the strategic orientation exert influence upon the performance of Ole Sereni hotel in Nairobi County, Kenya?

1.3 Research Objective

The objective of this research was to determine the influence of strategic orientation on the performance of Ole Sereni hotels in Nairobi County.

1.4 Value of the Study

This study was of great benefit to Ole Sereni hotel and stakeholders with an interest in the hospitality sector. It explored the intricate relationship between strategic orientation and the performance of the hotel industry, using Ole-Sereni Hotel as a case study. This research

bridged the gap between theoretical concepts and practical implications for policy development in the hospitality sector.

The study delves into the concept of strategic orientation, emphasizing its significance in the hotel industry. It highlighted how a hotel's commitment to integrating customer preferences, competitor intelligence, and innovation into its product development and marketing processes can lead to improved performance. By focusing on the specific case of Ole-Sereni Hotel, located in Nairobi County, Kenya, the research provided valuable insights into how strategic orientation was tailored to suit the unique challenges and opportunities faced by hotels in emerging markets.

Furthermore, this study contributed to the development of actionable policies for the hotel industry in Kenya. It underscored the importance of aligning strategic orientation with market dynamics and competitive forces. By examining the strategic approaches employed by Ole-Sereni Hotel and other 5-star establishments in Nairobi, it offered policymakers a practical framework for fostering competitiveness, customer satisfaction, and innovation within the local hospitality sector. These insights informed policy decisions aimed at enhancing the performance and global positioning of Kenya's hotel industry.

The study served as a valuable resource for policymakers seeking to formulate evidence-based strategies for the hotel industry in Kenya. It underscored the pivotal role of strategic orientation in achieving sustainable growth and competitiveness, providing a foundation for informed policy development and implementation in the context of the evolving hospitality landscape.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter provided an overview of prior research and theories pertaining to strategic orientation and its impact on performance. It encompassed a theoretical review, which concentrated on theories elucidating the relationship between strategic orientation and performance. Additionally, it included an empirical review of studies conducted in the field of strategic orientation and performance.

2.2 Theoretical Framework

Resource-Advantage Theory and Dynamic Capabilities Theory will guide the study. These theories provided a solid theoretical framework for understanding and analyzing the dynamics in the hotel's context. The theories are presented below.

2.2.1 Resource Advantage Theory of competition

Founded by Shelby D. Hunt in 1990, the Resource Advantage Theory of competition is a prominent theoretical framework in the field of strategic management (Hall, Oliveira, Silva, & Gimenes, 2018; Seggie & Griffith, 2008). This theory posits that competitive advantage and firm performance are primarily contingent upon the acquisition, deployment, and leveraging of resources. It emphasized the critical role of valuable, rare, and non-substitutable resources in achieving a sustainable competitive advantage. In essence, the theory suggested that firms that effectively identify and exploit their unique resource advantages are more likely to outperform their competitors in the long run.

The Resource Advantage Theory made several key assumptions. First, it assumed that resources are heterogeneously distributed among firms, meaning that not all organizations possess the same set of resources (Hall, Oliveira, Silva, & Gimenes, 2018; Seggie & Griffith, 2008). Second, it assumed that firms are rational actors seeking to maximize their performance and that they have the capability to strategically deploy their resources to gain a competitive edge. Finally, the theory assumed that the external business environment was dynamic and that firms must adapt their resource strategies to respond to changing conditions.

While the Resource Advantage Theory offers valuable insights into the role of resources in achieving competitive advantage and firm performance, it had faced criticism. Some scholars argued that it oversimplifies the complexity of competition by focusing solely on resource-based factors and neglecting other important determinants of firm performance, such as market dynamics, industry structure, and environmental factors (Hall et al., 2018). Despite these critiques, the theory remains relevant to the topic of firm performance, as it highlighted the critical importance of strategic resource management in gaining a sustainable competitive advantage, a crucial aspect of overall firm performance in competitive markets.

2.2.2 Dynamic Capabilities Theory

The Dynamic Capabilities Theory, initially formulated by David J. Teece in 1997, was a pivotal concept in the field of strategic management (Teece, Pisano & Shuen, 1997). This theory posits that a firm's ability to adapt, evolve, and reconfigure its resources and capabilities in response to changing environmental conditions is the primary driver of sustainable competitive advantage and superior firm performance (Liu, Takeda, & Ko,

2014). Unlike static capabilities, which are inherent and relatively fixed, dynamic capabilities are characterized by their flexibility and capacity to sense, seize, and reconfigure resources to address dynamic market challenges effectively.

Zahra, Sapienza and Davidsson (2018) contend that the Dynamic Capabilities Theory is grounded in several key assumptions. First, it assumed that firms operate in a constantly changing and unpredictable business environment. Second, it posits that firms developed the ability to sense external changes, seize opportunities, and reconfigure their internal resources and capabilities strategically (Liu, Takeda, & Ko, 2014). Third, it assumed that the development and deployment of dynamic capabilities were not one-time events but continuous processes requiring ongoing adaptation and learning.

Critiques of the Dynamic Capabilities Theory often revolve around its abstract and somewhat vague nature, which can make it challenging to apply in practice (Helfat & Peteraf, 2009). Critics argued that it lacks clear guidelines on how firms can develop and nurture dynamic capabilities and that it may be too broad to offer specific actionable insights. However, its relevance to the topic of firm performance was undeniable. By emphasizing the importance of adaptability and resource reconfiguration in a rapidly changing business landscape, the theory underscored the significance of these dynamic capabilities in enhancing a firm's competitive position and, consequently, its overall performance over time (Helfat & Peteraf, 2009).

2.3 Strategic Orientation and Organizational Performance

Akter, Hossain, Lu, and Shams (2021) highlight the importance of organizations adapting to transformations in the business environment, including technological advancements and changing customer preferences. They argue that these changes necessitate the development

of new market approaches and capabilities. The combination of these capabilities was expected to lead to a competitive advantage and, ultimately, affect an organization's survival. This perspective was in line with the research by Watson et al. (2018), which emphasizes the impact of capabilities on business success. In the field of strategic orientation, numerous studies have explored various dimensions over the years.

A spectrum of dimensions within the realm of strategic orientation had been delineated, encompassing various facets. These dimensions encompass market orientation, entrepreneurial orientation, customer orientation, cost orientation, innovation orientation, competitor orientation, learning orientation, employee orientation, and interaction orientation. Noteworthy contributions to the identification and comprehension of these dimensions were made by eminent scholars, including but not limited to, Miller, Covin, Slevin, Atuahene-Gima, Verhees, Meulenbergh, Baker, Sinkula, Klomp, and Leewen. These scholars played a pivotal role in elucidating the intricacies and significance of these dimensions, thereby enhancing our understanding of strategic orientation.

According to Hitt et al. (2000), strategic orientation served as a guide for organizations to continuously improve their performance. It reflected the perception of managers within organizations regarding the external environment and how they respond to environmental changes. Prominent indicators of strategic orientation encompass dimensions such as customer orientation, competitor orientation, and product orientation. Customer orientation underscored an organization's steadfast dedication to assimilating customer preferences as integral elements in both product development and marketing endeavors. Competitor orientation, conversely, revolves around the strategic integration of competitor intelligence into these critical processes, thereby facilitating a more informed and competitive

approach. Furthermore, product orientation placed a focal emphasis on the strategic infusion of innovation throughout the product development and marketing phases, aiming to enhance the offerings' value and relevance in the market. These dimensions, together, constituted pivotal benchmarks for an organization's strategic orientation and decision-making processes in the competitive business landscape.

Moreover, companies required the development of new knowledge to drive their strategic vision and maintain competitiveness. This encompasses the capacity to craft a strategic plan and harmoniously synchronize diverse organizational facets, including systems, structure, human resources, leadership, values, management practices, and culture. Notably, in their research, Hakala and Kohtamaki (2011) discern and enumerate prevalent strategic orientations that have been widely documented in the academic literature. These orientations encompass technological focus, resource prioritization, entrepreneurial mindset, and market-centric outlook. Such strategic orientations collectively played an influential role in shaping an organization's approach to decision-making and its overall operational framework in the scholarly discourse. These orientations encompass the four dimensions considered as independent variables in the study.

In summary, Akter and colleagues stress the need for organizations to adapt to changes and promote their value in the market. The field of strategic orientation had seen extensive research into various dimensions, with a focus on their impact on organizational performance. The study also underscores the role of knowledge development and aligning organizational elements with strategic vision to maintain competitiveness.

Customer Orientation (CO) is a strategic approach focused on understanding, gathering, and utilizing information about customers. It emphasized delivering value to customers and streamlining internal processes for efficiency and effectiveness. Customer-oriented firms actively identify and meet customer needs, continuously striving to enhance satisfaction. This involved analyzing customer requirements and the organization's responsiveness to those needs, guiding the development of strategies. A customer orientation placed customers at the core of all marketing activities, with an organization's market competitiveness closely tied to customer satisfaction. Organizations aiming for a competitive edge are those capable of translating customer needs into products or services that surpass the desires of their competitors, ultimately achieving greater customer satisfaction. Customer orientation involves comprehending customers' value chains, both as they exist currently and how they might evolve in the future. It provides a strategic focus on encouraging behaviors that create superior customer value. This approach encompasses activities geared towards gathering customer information in the market and disseminating it throughout the organization. By transforming this customer information into knowledge, customer orientation was linked to understanding behaviors and fostering innovation capabilities.

Competitor Orientation, another component of strategic orientation, involves an organization's understanding and analysis of current and potential competitors, considering the technology required to meet customer needs. Firms with a high degree of competitor orientation tend to have a better grasp of essential elements in their competitors' strategies, the value chain of customers, and how these factors change over time. In the context of the hotel industry, where competition was intense, hotels employ various strategies to

differentiate themselves. Lower-tier hotels focus on offering "value for money," while mid-range hotels emphasize product quality and amenities. Higher-tier hotels distinguish themselves by providing superior products and personalized services. Given the dynamic economic environment, technological advancements, globalization, changing customer preferences, and heightened market competition, organizations must enhance their competitive performance. Innovation had become a cornerstone of survival for organizations, enabling them to satisfy current and potential customer needs and fulfill their responsibilities effectively. Product innovation, whether introducing entirely new products, improving existing ones, creating new processes, or enhancing existing ones, is a key strategy for achieving success and outperforming competitors.

In summary, customer orientation was essential for organizations seeking to excel in competitive markets by placing customer needs at the forefront of their strategies. Competitor orientation helped firms better understand their competition and customer needs. The hotel industry, like other sectors, adapted to competition by innovating and differentiating itself. This approach was crucial in the face of evolving economic and technological landscapes and changing customer demands.

2.4 Summary of Empirical Studies and Research Gap

The study references various empirical studies to understand the relationship between strategic orientation and organizational performance. These studies cover a range of aspects, including the categorization of performance measures, the introduction of performance evaluation models like the Balanced Scorecard, examinations of dimensions of strategic orientation, and investigations into the impact of differentiation strategies. These studies provided insights into how different dimensions of strategic orientation affect

business performance, especially in various contexts such as family businesses, small-medium enterprises (SMEs), and the hotel industry.

Despite the wealth of research in the field, the study highlighted a notable research gap specific to the hotel industry in emerging markets like Kenya. While many studies had examined strategic orientation and performance in different sectors and regions, there seems to be a lack of research focused on the hotel industry in Kenya. Additionally, the passage points out that most of the existing studies had concentrated on developed countries, indicating a need for research that addresses the unique challenges and opportunities of emerging markets like Kenya.

In summary, the study presents a collection of empirical studies that contribute to variables of value and orientation in strategic terms. However, it underscores the need for more research in the context of the hotel industry in Kenya, to fill this research gap and provide valuable insights for the hospitality sector in emerging markets.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Within this chapter, the methodological framework that governed the study's approach was presented. It also elucidated the procedures that steered the research process towards realizing the study's overarching objective. The chapter comprehensively outlined the research design, delineated the chosen methodologies for data collection, and expounded upon the strategies earmarked for data analysis. This methodological framework, meticulously designed, served as the guiding compass for the systematic pursuit of knowledge within the study's purview, adhering to rigorous academic standards.

3.2 Research Design

A case study approach was used in this study. Kothari (1990) referred to a case study as an approach that involves a cautious and effective analysis of the units of the study. Majority of case study research involved an in-depth analysis rather than just a study overview. It is imperative in in-depth understanding of the key patterns.

A case study design was deemed appropriate for this study as it sought to establish the effect of strategic orientation on Organizational performance. This design helped to answer the questions and gain more insights on the topic and context of the study. Case studies typically involved collecting wide array of data sources, including interviews, documents, and observations. This data richness enabled to gather diverse and comprehensive information to support analysis.

3.3 Data Collection

Through face-to-face interviews, Primary data was collected through guided Interview Guide. The interviews were essential for capturing the insights and viewpoints of participants. The respondents included four directors and eight senior managers responsible for overseeing key functional units at Ole Sereni Hotel, encompassing Human Resources, ICT, Marketing, Finance and Accounts, Records, Procurement, and Communications.

These high-ranking leaders were instrumental in shaping and implementing the hotel's strategic Orientation, rendering their contributions indispensable for addressing the central research question. They fully understood the topic and helped to acquire data. This was instrumental in achieving the study goal.

3.4 Data Analysis

The study adopted a content analysis approach in its data analysis. Thorough evaluation of the data was conducted to ensure completeness, consistency, and credibility. As advised by Saunders et al. (2015), qualitative research methods involve an extensive exploration of concepts to enrich our comprehension of the subject at hand. The utilization of qualitative data analysis holds paramount importance in illuminating the central concept under scrutiny within this study.

Through the application of content analysis, prevalent themes and recurring patterns were systematically unearthed within the responses. The identified themes and patterns were methodically organized into coherent categories, thereby facilitating the examination of how strategic orientation impacts the organizational performance of Ole-Sereni Hotel in Nairobi, Kenya. The adoption of content analysis streamlined our data analysis process,

rendering it more efficient and conducive to categorizing information based on distinct thematic areas and subject matter.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This provides analysis. The chapter includes various demographics, the key findings and the discussion. This is based on information picked from the participants. The analysis of the findings is shown below.

4.2 Response Rate

The research was carried out among 12 managers at the Ole Sereni Hotel. This included four directors and eight senior managers responsible for overseeing key functional units at the hotel. Specifically, the researcher managed to interview all the managers from Human Resources, ICT, Marketing, Finance and Accounts, Records, Procurement, and Communications.

The study managed to achieve a 100% response rate. According to Holton (2008), a response rate above 54% is acceptable. This means that the study response rate is highly acceptable. Table 4.1 depicts the response rate.

Table 4.1-Response Rate

Response	Frequency	Percent
Responded	12	100
Un-responded	0	0
Total	12	100.0

Source: Research Data (2023)

4.3 Demographic Characteristics of Respondents

The analysis reveals different results associated with the participants. This covers their education. It also includes their work years. This is well presented below.

4.3.1 Respondent's Education Level

The analysis included review of the education. The table 4.2 depicts the findings.

Table 4.2: Education Level

Level	Frequency (f)	Percentage (%)
Certificate	1	8.5
Diploma	1	8.5
Bachelors	6	50
Masters	4	33
Others	0	0
Total	12	100

Source: Research Data (2023)

Based on the table 4.4, it is true that majority of the workers in the hotel had bachelor's degree at 50% followed by masters at 33%. However, only 8.5% of the respondents had diploma and certificate. From the review, it seems majority of the workers have attained bachelor's level of education. This is important since they have degrees and can understand strategic issues in the workplace.

4.3.2 Years worked in the Hotel Industry

From the analysis of the respondents' years working in the hotel industry, it was evident that majority of the managers in the hotel have worked for 3-6 years at 50%. The managers who worked for the hotel for 6-10 years were only 4 at 33%. The managers who have

worked for more than 10 years were only 2 at 8.5%. However, some have worked for 3 years and below at 8.5%. This is well illustrated in the table 4.3.

Table 4.3: Years worked

Level	Frequency (f)	Percentage (%)
Below 3 years	1	8.5
3-6 years	6	50
6-10 years	4	33
More than 10 years	1	8.5
Total	230	100

Source: Research Data (2023).

4.4 Strategic Orientations

Various orientations were shown to be part of the activities within the hotel. The respondents noted that customer, competitors as well product orientations were part of their company operations.

The inquiry noted that the strategic orientations in the hotel were based on different aspects. This includes the aspects of customer orientations. The product orientations models and the analysis of the views on the competitors' levels of orientations.

4.4.1 Customer Orientations

The respondents noted that customer orientation is a fundamental strategic approach that plays a pivotal role in determining the performance of their hotel. It is based on the principle that the customer is at the heart of all business decisions, and the hotel's success is contingent upon meeting and exceeding their needs and expectations. They argued that

customer orientation drives guest satisfaction and loyalty. One of them noted that when they focus on understanding and meeting the specific preferences and desires of their guests, this process consistently deliver experiences that lead to high levels of satisfaction. Satisfied guests are more likely to return and recommend the hotel to others, leading to repeat business and positive word-of-mouth marketing. This, in turn, enhances the hotel's financial performance through increased revenue and profitability. One of the managers noted that they are a company that is fully oriented and work with what customers wants. They also work day and night with the aim of meeting our customer's value and expectations.

Moreover, it was evident that customer orientation leads to operational excellence. This is because it helps them to align their processes and services with the needs and expectations of guests and this help them to reduce inefficiencies and streamline their operations. This not only improved their quality of service but also helps control costs. The process is also associated with innovation and continuous improvement and the managers noted that it helps them to anticipate their customer needs and foster a positive organizational culture. This confirms that customer orientation is a driving force behind a hotel's performance. It influences guest satisfaction and loyalty, operational efficiency, innovation, and organizational culture, all of which have a direct impact on financial results and competitiveness. The management used it to create a pathway to sustained success in the hotel industry. Another manager noted the company feels valued when customers' needs are met. Their customers are number one priority and this is seen in everything they do.

4.4.2 Competitors Orientation

On the competitor orientation, the majority of the respondents noted that in the context of a hotel, this process involves a strategic focus on understanding and monitoring the actions, strengths, and weaknesses of competitors in the industry. They noted that competitor orientation has provided them with valuable insights that inform their strategic decision-making. This is because by closely studying competitors, they are able to identify gaps in the market, opportunities for differentiation, and potential threats. This intelligence allows the hotel to make informed choices regarding pricing, services, and marketing strategies. One of the managers stated they work in a dynamic world where they must be alert on what competitors do. Their service needs to be different from others. This is why they provide extra services above their rival. This has been a key important factor in their success.

Moreover, some of the managers noted that competitor orientation helped them to drive continuous improvement, excellence and innovation. This is because it encourages benchmarking against industry leaders, which motivate the hotel to enhance its offerings, improve service quality, and stay ahead of the competition. This constant pursuit of improvement leads to increased customer satisfaction and loyalty, ultimately positively impacting the hotel's performance. This also improved the hotel market share as well as fosters adaptability and agility in their major operations.

The findings also indicated that the competitor orientation plays a critical role in the hotel's performance. It provides strategic insights, encourages continuous improvement, helps capture market share, and fosters adaptability. It helps them to be aware of and responsive to the actions of competitor and to learn from their experiences leading to improved financial and operational performance. Another manager argued they fully believe that

competitors are reviewing our services and programs, and they have to be aloof to ensure that they are not left behind.

4.4.3 Product Orientations

On analysis of the views of the managers on product orientation, the managers noted that this is a strategic approach in which they focus on the quality and features of its services and products. The managers argued that product orientation lead to the development of unique and high-quality services and facilities. For example, they have invested in invest in luxurious accommodations, exceptional dining options, and top-notch amenities. This helped to set the hotel apart and attract discerning guests who seek specific services and features, leading to premium pricing and potential profitability. One of the respondent managers indicated that as a company that thrives to attract new customers, they must and always deliver unique products. When customers see that products align with their needs, they can refer and support our activities. This is what has been driving their success in the last five years. Their products and services are desirable, and you can see around.

However, some of the managers noted that the success of a product-oriented hotel is contingent upon its ability to accurately target and attract the right customer segment. The challenge lies in ensuring that the product aligns with the desires of the chosen target audience. They also argued that product-oriented approach creates a strong brand identity based on its exceptional products, and the hotel has been leveraging this in its marketing efforts.

4.4.4 Resource Orientations

From the analysis, it was evident that Ole-Sereni Hotel appears to have adopted an effective strategic orientation that is centered on achieving its goals and objectives. Their approach

seems to be one of customer-centricity and service excellence, which is common in the hospitality industry. The respondents noted that by focusing on delivering exceptional guest experiences, the hotel aims to differentiate itself and establish a strong brand reputation. This strategic orientation emphasizes the importance of recruiting and retaining talented individuals who can deliver high-quality service. In this regard, recruitment and talent management strategies are designed to identify and nurture the skills and qualities required to enhance organizational performance. One of the managers stated they are a company that value resource management since they have to hire talented employees. They sometime train new hires despite lack of resources. Their plan is to offer the best services and meet value in customers. This is only possible when resources are aligned with the industry specifications.

Moreover, the analysis confirmed that the strategic orientation of Ole Sereni Hotels directly impacts its approach to recruitment and talent management. The emphasis on providing exceptional guest experiences necessitates hiring employees with the right skills, attitude, and dedication. The hotel has invested in rigorous selection processes to identify individuals who align with its customer-centric culture. Furthermore, talent management strategies likely focus on continuous development and engagement to ensure that employees can meet performance goals and deliver exceptional service. In this way, the strategic orientation influences recruitment, training, and talent development to enhance organizational performance.

The managers also noted that employee training and development programs at Ole Sereni Hotels are heavily influenced by the company's strategic orientation. The focus on delivering excellent guest experiences mostly requires ongoing training to ensure that

employees have the necessary skills and knowledge to meet the hotel's service standards. Additionally, these programs include elements of cultural alignment to reinforce the organization's values and customer-centric approach. The respondents noted that such alignment with the company's strategic orientation helps in supporting the achievement of performance goals by ensuring that employees are well-equipped to deliver on the hotel's promises. One manager indicated that the company value employees and they work with all workers from all levels to ensure that job satisfaction is high

The hotel is also associated with a positive workplace culture and high employee engagement. The employees noted that a customer-centric culture that values employees as critical assets help to contribute to higher job satisfaction and engagement in the hotel. The firm also supports recognition programs and performance appraisal systems that align with this culture, reinforcing the strategic orientation by acknowledging outstanding employee contributions and motivating the workforce to maintain exceptional service standards.

4.4.5 Technology Orientations

The managers noted that technology orientation plays a critical role in enhancing the performance of Ole-Sereni Hotel by aligning its strategic goals with digitalization efforts and efficient operations. The hotel's strategic orientations guide technology investments to improve operational efficiency and enhance the guest experience. Some of the technology that have been adopted has been helpful to the hotel in providing seamless check-in experiences and personalized services, technology investments may include mobile check-in apps, keyless entry systems, and guest data analytics. The respondents noted that these

investments not only streamline operations but also cater to the demands of modern travelers, leading to higher guest satisfaction and repeat business.

Moreover, the respondents agreed that information security and data management are essential components of technology orientation that support the hotel's strategic goals for organizational performance. Protecting guest data and ensuring data integrity are paramount in the hospitality industry. A strong emphasis on information security is essential to maintain guest trust and comply with data protection regulations. Data management has allowed the hotel to harness the power of guest information for personalization and targeted marketing, ultimately improving guest satisfaction and revenue generation.

It was also evident that Ole-Sereni Hotel ensures that its IT infrastructure and systems align seamlessly with its strategic orientation. This alignment is crucial for delivering a consistent guest experience and maintaining operational efficiency. The property management system, customer relationship management software, and other IT solutions are tailored to support the hotel's unique goals, whether it's enhancing guest engagement, optimizing room inventory, or implementing eco-friendly practices. This alignment ensures that technology complements the hotel's strategy rather than becoming a hindrance based on the manager's views. One Manager Indicated as a company, they value modern digital innovations and technology is one of the driving forces in our operations. This can be seen in sales, revenue and marketing activities that they do. With belief in new models of technology and they are currently investing in modern technology to attract more customers.

Some of the managers in the ICT department also noted that in recent years, Ole-Sereni Hotel has pursued strategic initiatives aimed at leveraging emerging technologies and innovations. This forward-looking approach ensures the hotel remains competitive and responsive to changing market dynamics. It has been effective in adopting artificial intelligence for chatbots and guest service automation, implementing IoT devices for energy management, or integrating virtual reality for virtual tours. These initiatives are instrumental in enhancing guest experiences and operational efficiency, contributing to overall performance of the hotel based on ICT manager views.

4.4.6 Market and Financial Orientations

It was noted that market and financial orientations are crucial elements in promoting the performance of Ole-Sereni Hotel. The managers noted that the Ole-Sereni Hotel's strategic orientation significantly impacts its marketing strategies. Depending on its target market and competitive positioning, the hotel emphasized different aspects of its offerings. It includes luxury travelers and marketing efforts adopted in the market are exclusive amenities and personalized services. These tailored marketing campaigns help attract and retain customers who align with the hotel's strategic vision, ultimately impacting financial performance by increasing occupancy rates, ADR, and revenue per available room (RevPAR).

One manager noted that the Company is fully aware of changes in the environment, and they market to suit our customers' needs. Their marketing team understands both local and international client value and this is depicted in their marketing platforms.

The managers also agreed that financial planning and budgeting are intricately linked to the organization's strategic goals for profitability and growth. The strategic orientation

guides the allocation of financial resources to various initiatives, such as property upgrades, marketing campaigns, and staff training. This alignment ensures that the hotel invest in areas that directly support its strategic priorities, resulting in better financial performance and sustainable growth.

However, measuring the effectiveness of marketing campaigns is vital for Ole-Sereni Hotel. According to the managers, the key performance indicators, such as the return on marketing investment (ROMI), customer acquisition cost (CAC), and revenue generated from marketing activities, help assess the impact on revenue generation. By tracking these metrics, the hotel is able to optimize its marketing strategies and ensure that its investments result in a positive financial return.

Moreover, the managers agreed that pricing strategies and revenue management are integral aspects of financial performance of the hotel. The hotel's strategic orientation guides these practices by determining whether it will adopt dynamic pricing, loyalty programs, or other revenue optimization techniques. The management always ensure that strike the right balance between maximizing revenue and offering competitive prices to attract and retain customers aligned with the hotel's strategic positioning. There are also risk management and financial sustainability in the hotel and this is helping in identifying and addressing potential risks, such as economic fluctuations, changes in travel trends, or natural disasters.

4.4.7 Customer Communication Orientations

The review of the respondent's views confirmed that customer communication orientation plays a pivotal role in enhancing the performance of Ole-Sereni Hotel by guiding various aspects of the organization's operations and strategy. The managers noted that strategic

orientation influences records management and data retention policies to support organizational performance and compliance. A customer-centric approach emphasizes the importance of safeguarding guest information, ensuring privacy, and adhering to data protection regulations. These policies contribute to guest trust and help the hotel avoid potential legal and reputational issues, thus promoting long-term performance. One manager noted they believe that customers only understand their services and products when they communicate to them. They have information sharing platforms and customers usually get to know our prices and programs through those communication channels.

The managers argued that the strategic focus of Ole-Sereni Hotel influences both internal and external communications to enhance its reputation and stakeholder relationships. Internally, the emphasis on guest satisfaction and service excellence guides employee communications and training, fostering a customer-centric culture. Externally, the hotel's strategic orientation shapes its marketing and public relations efforts, ensuring that the message conveyed to potential guests aligns with the customer experience they can expect, thus enhancing reputation and guest satisfaction.

The managers also noted that there is integration of records, procurement, and communications functions to promote the hotel performance and efficiency. Effective integration ensures that the hotel operates cohesively, with data from various departments supporting decision-making, procurement practices aligning with customer requirements, and communications conveying consistent messages. This streamlines operations and enhances performance by reducing conflicts and improving information flow. The hotel currently has various systems that aim at promoting contactless check-in, enhancing sustainability practices, and offering unique experiences to cater to changing guest

preferences. These trends have been integrated into its strategic planning to stay competitive and meet evolving customer needs.

One manager also noted that the hotel's strategic orientation and organizational performance contribute to the local community and economy in Nairobi County, Kenya, by creating job opportunities, supporting local suppliers and services, and attracting tourists to the area. It also engages in corporate social responsibility initiatives that benefit the community, further strengthening its reputation and relationships with local stakeholders. In addition, the hotel adapts to changes in the external business environment by remaining agile and responsive to market dynamics. This adaptability influences its strategic decisions by allowing it to pivot as needed to address emerging challenges or opportunities, ensuring that the hotel's performance remains robust even in the face of change.

4.4.8 Procurement Orientations

From the analysis of the manager's views, the procurement orientations play a vital role in promoting the performance of Ole-Sereni Hotel by influencing the hotel's strategic decisions, operations, and its approach to customer satisfaction, human resource management, and overall performance. They also noted that Ole-Sereni Hotel measures and assesses its performance using a set of key performance indicators (KPIs) related to occupancy rates, average daily rate (ADR), revenue per available room (RevPAR), customer satisfaction scores, employee turnover, and cost-control measures. Regularly monitoring these KPIs allows the hotel to gauge its financial and operational health, ensuring that it is on track to meet its performance goals. One manager argued they source products from different markets and have suppliers from different parts of the country. This helps them to maintain revenue stream since their arrangements are flexible.

Moreover, it was evident that the hotel has taken several steps to enhance customer satisfaction and guest experiences. These initiatives include staff training programs, upgrading facilities and amenities, implementing technology solutions for streamlined services, and personalizing guest interactions. In the hotel, the managers argued that procurement orientations influence the sourcing of high-quality products and services that directly impact guest experiences, aligning with the hotel's commitment to delivering exceptional service.

It was also evident that managing human resources effectively is critical to supporting organizational performance and customer service. Procurement orientations extend to talent acquisition and retention and the hotel has invested in hiring and retaining skilled staff to ensure a high level of service quality. Additionally, human resource management practices, such as training and development, performance appraisal, and employee engagement efforts, are aligned with the hotel's strategic orientation for service excellence. However, they argued that the hotel has experienced notable improvements in performance due to successful strategic initiatives, such as renovations that enhanced guest experiences and the implementation of cost-effective procurement strategies. They noted that challenges in performance in the company have arisen from factors like economic downturns, competitive pressures and external events, but these challenges are met with strategic adaptations and problem-solving by the top management. The hotel's strategic decisions and orientations are closely aligned with its day-to-day operations and activities in terms of guest services, employee training, and procurement of high-end amenities.

Some of the specific strategic initiatives that have had a significant impact on the hotel's performance include technology investments like a mobile check-in system, marketing

campaigns that promote unique guest experiences, or sustainable procurement practices that align with the hotel's environmental responsibility goals. It was also evident that changes in strategic direction have led to notable improvements in the hotel's performance.

4.5 Strategic Orientations and Performance of Ole Sereni Hotel in Nairobi County

Based on the views of the managers, it was evident that strategic orientations play a crucial role in enhancing the performance of the hotel. They noted that it provides a framework for aligning organizational goals and actions. Some of the managers noted that market orientation is one of the key strategic orientations, allowed their hotel to understand and respond to customer needs effectively. One manager indicated that Ole Sereni has managed to achieve market orientations by continuously gathering and analyzing customer feedback and market trends and the hotel is currently able to tailor services to meet evolving preference and achieve high success.

Some managers also noted that the customer-centric approach has led to increased loyalty, positive reviews, and repeat business, all of which contribute to improved overall performance. This means that the firm value customer's orientations, market orientations and other technology support systems that have improved their success. The managers confirmed that orientations which are strategic are important in promoting the firm value. It was also noted that technology and innovation orientation is vital for the hotel to stay competitive and relevant in the dynamic hospitality industry. The managers argued that embracing innovation in services, amenities, and operational processes allowed the hotel to differentiate themselves from competitors. Whether it's adopting cutting-edge

technologies, introducing unique guest experiences, or implementing sustainable practices, an innovation-oriented strategy has allowed the hotel to attract new customers, boost brand image, and ultimately drive financial performance for hotels.

Some of the managers also argued that customer and learning orientation is instrumental in fostering a culture of continuous improvement within the hotel. It was evident that the hotel always prioritizes learning investment in employee training and development programs, keeping staff members updated on industry trends, service standards, and emerging technologies. This commitment to learning not only enhances employee skills and knowledge but also translates into improved service delivery, operational efficiency, and ultimately contributes to positive financial outcomes for hotels.

The managers also noted that issues of resource orientation and customer orientation that focuses on building strong, long-lasting relationships with guests improved their performance. One of the managers noted that beyond simply meeting customer needs, the hotel had a customer orientation that strives to exceed expectations, creating memorable experiences that lead to positive word-of-mouth marketing. This led to more customers and it was true that satisfied customers are more likely to become brand advocates, recommending the hotel to others and contributing to increased bookings and revenue. One manager indicated that their hotel values various orientations and issues of market focus, innovation, learning, and customer-centricity has collectively promoted the overall performance and success of the hotel in a competitive hospitality landscape.

4.6 Discussion of the Findings

The study on the influence of strategic orientation on the organizational performance of Ole Sereni Hotel in Nairobi County revealed significant findings. The response rate of 100% from the 12 managers interviewed indicates a high level of participation and engagement in the research, enhancing the credibility of the findings. In terms of the demographic characteristics of the respondents, it was evident that the majority of managers at the hotel held bachelor's degrees (50%) and master's degrees (33%), showcasing the high level of education among the leadership team. This well-educated workforce is likely to contribute to the hotel's ability to execute its strategic orientation effectively.

Regarding the years worked in the hotel industry, the findings indicate that the majority of managers had worked for 3-6 years (50%), while some had 6-10 years of experience (33%). This mix of experience levels suggests a balance of fresh perspectives and seasoned expertise within the leadership team, which can be advantageous for implementing and adapting to strategic changes.

The study also delved into the strategic orientations adopted by Ole Sereni Hotel, specifically focusing on customer, competitor, product, and resource orientations. The findings revealed that customer orientation plays a pivotal role in the hotel's approach. It emphasizes the importance of exceeding guest expectations and fostering loyalty through personalized services and experiences. This strategic orientation directly influences guest satisfaction, loyalty, operational efficiency, innovation, and organizational culture, ultimately contributing to financial success.

Moreover, the competitor orientation was identified as another key strategic focus. Understanding and monitoring competitors in the hotel industry provides valuable insights for informed decision-making. It aids in identifying market gaps, differentiation opportunities, and potential threats, encouraging continuous improvement and excellence. Competitor orientation is associated with benchmarking against industry leaders, promoting market share, and enhancing adaptability.

Product orientation was also evident in Ole-Sereni Hotel's approach, emphasizing high-quality services and facilities. This approach has led to the development of luxurious accommodations, dining options, and amenities, which attract discerning guests willing to pay premium prices for unique experiences. However, effective targeting of the right customer segment is crucial for the success of this orientation. In addition, resource orientation was identified as a strategic orientation that emphasizes customer-centricity and service excellence, aligned with the hotel's goals and objectives. It influences recruitment and talent management strategies, focusing on identifying and nurturing the skills and qualities necessary for organizational performance.

The analysis also reveals that innovation plays a significant role in Ole-Sereni Hotel's strategic approach. By embracing technological innovations, eco-friendly practices, or unique guest experiences, the hotel has differentiated itself from competitors and attracts a diverse clientele. This innovation contributes to enhanced performance outcomes by broadening the customer base and driving revenue growth.

However, the main challenges and obstacles encountered in implementing the strategic orientation in the hotel include shifts in market demand, increased competition, economic

uncertainty, or unforeseen disruptions like the COVID-19 pandemic. Adapting to these challenges is complex, requiring flexibility and the ability to pivot as necessary.

4.6.1 Link to Other Studies

This study was similar to past analysis and confirmed the views of Racela and Thoumrungroje (2019) who noted that technology orientation is vital aspect of hotel management. It revealed that technology investments in areas such as mobile check-in apps and data analytics have contributed to improved operational efficiency and enhanced guest experiences. Information security and data management were recognized as essential components, ensuring data protection and personalization for increased guest satisfaction. The study also confirmed the report by O'Dwyer and Gilmore (2018) who noted that market and financial orientations are part of marketing strategies to attract and retain customers, optimize financial performance, and ensure transparent and ethical procurement practices in the hotel industry. The hotel measures performance through key indicators related to occupancy rates, ADR, RevPAR, customer satisfaction, employee turnover, and cost control. These orientations align with day-to-day operations, contributing to financial and operational excellence (Neneh, 2018).

Further, it also supported Nzioka and Njuguna (2017) findings who argued that the customer communication orientation is where effective records management, data retention policies, and integrated functions ensure compliance and organizational performance. The communication orientation fosters a customer-centric culture and enhances reputation, contributing to the local community and economy. The hotel's adaptability to changes in the external business environment allows it to pivot as needed, ensuring continued performance success (Dionysus & Arifin, 2020).

4.6.2 Link to Theories

The study supported the theoretical framework, and it was evident Resource Advantage Theory (RAT) of competition is effective in strategic orientations in leveraging and optimizing organizational resources. According to RAT, firms gain a competitive advantage by effectively deploying and managing their resources in alignment with market opportunities. In the context of the hotel industry, the strategic orientations discussed in the study, such as market orientation, innovation orientation, and learning orientation, directly contribute to the effective utilization of resources (Otache, 2019) This was evident in the study and it was true that a market orientation allows hotels to allocate resources based on customer preferences, while an innovation orientation helps them invest in cutting-edge technologies and unique services, both of which are crucial aspects of resource advantage in a competitive market.

Furthermore, the study aligns with the Dynamic Capabilities Theory by highlighting the adaptability and flexibility embedded in strategic orientations. Dynamic Capabilities Theory suggests that organizations with the ability to dynamically adjust and reconfigure their resources in response to changing environments gain a sustainable competitive advantage (Adams et al., 2019). The strategic orientations discussed in the study, particularly innovation and learning orientations, reflect dynamic capabilities by emphasizing continuous adaptation and improvement. Hotels that embrace innovation can swiftly respond to market trends, and those with a learning orientation can adapt their strategies based on evolving customer expectations, thus enhancing their overall dynamic capabilities to navigate the competitive landscape effectively (Otache, 2019)

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter consists of summary of the research findings, a discussion of the findings and then the recommendations based on the research findings. This research was guided by the objective of the study. This is well illustrated below.

5.2 Summary of the Findings of the Study

This study conducted at Ole Sereni Hotel in Nairobi County aimed to investigate the influence of strategic orientations on the hotel's organizational performance. The findings revealed a significant impact of strategic orientations on the hotel's success. Customer orientation emerged as a cornerstone of the hotel's approach, emphasizing the importance of placing the guest at the center of all business decisions. This approach led to high levels of guest satisfaction and loyalty, ultimately boosting the hotel's financial performance through increased revenue and profitability. Customer orientation also drove operational excellence, reduced inefficiencies, and promoted innovation, contributing to a positive organizational culture.

Competitor orientation was another crucial aspect of Ole Sereni Hotel's strategy. By closely monitoring competitors in the industry, the hotel gained valuable insights that informed its strategic choices. This intelligence allowed the hotel to identify market gaps, opportunities for differentiation, and potential threats, leading to increased customer satisfaction and loyalty. Competitor orientation also encouraged benchmarking against industry leaders,

motivating the hotel to enhance its offerings, improve service quality, and stay ahead of the competition.

Product orientation was identified as a significant driver of the hotel's success, as it focused on the quality and features of its services and products. By offering luxurious accommodations, exceptional dining options, and top-notch amenities, Ole Sereni Hotel attracted discerning guests willing to pay premium prices for unique experiences. However, the study noted that the success of a product-oriented hotel depended on its ability to accurately target and attract the right customer segment, ensuring that the product aligned with the desires of the chosen audience. Typically, the study findings emphasized that strategic orientations played a pivotal role in the hotel's performance, influencing guest satisfaction, operational excellence, competitive advantage, and product differentiation.

5.3 Conclusions

The study concluded that the strategic orientations adopted by Ole Sereni Hotel have a profound impact on its organizational performance. It was noted that the hotel's customer orientation, which places the guest at the center of all business decisions, plays a pivotal role in driving guest satisfaction and loyalty. By focusing on understanding and meeting the specific preferences and desires of guests, the hotel consistently delivers experiences that lead to high levels of satisfaction. This, in turn, leads to repeat business and positive word-of-mouth marketing, ultimately enhancing the hotel's financial performance through increased revenue and profitability. The study further revealed that customer orientation is not limited to guest satisfaction but also leads to operational excellence by aligning

processes and services with guest needs, reducing inefficiencies, and fostering a positive organizational culture.

Moreover, the study found that competitor orientation is crucial for the hotel's strategic decision-making. By closely monitoring competitors in the industry, Ole Sereni Hotel gains valuable insights that inform its strategic choices, such as pricing, services, and marketing strategies. This intelligence enables the hotel to identify market gaps, opportunities for differentiation, and potential threats, ultimately contributing to increased customer satisfaction and loyalty. Competitor orientation also encourages benchmarking against industry leaders, driving continuous improvement and innovation. By staying ahead of the competition, the hotel achieves a competitive edge, captures market share, and fosters adaptability and agility in its operations.

The study also concluded that product orientation is a vital component of the hotel's strategic approach. By focusing on the quality and features of its services and products, the hotel has developed unique and high-quality offerings, such as luxurious accommodations and exceptional dining options. This has allowed Ole Sereni Hotel to attract discerning guests who seek specific services and features, leading to premium pricing and potential profitability. However, the success of a product-oriented hotel depends on its ability to accurately target and attract the right customer segment, ensuring that the product aligns with the desires of the chosen audience. The study highlighted that Ole Sereni Hotel's strategic orientations have a direct and significant impact on its performance, encompassing customer satisfaction, operational excellence, competitive advantage, and product differentiation.

5.4 Implications of the Study

Based on the study findings that highlight the influence of strategic orientations on the organizational performance of Ole Sereni Hotel, several recommendations can be made to policy makers and hotel managers. To begin with, the policy makers should consider promoting and incentivizing the adoption of strategic orientations in the hospitality industry. Encouraging hotels to develop customer-centric, competitor-aware, and product-oriented strategies can lead to enhanced guest experiences, improved financial performance, and greater overall competitiveness. These incentives could include tax breaks for investments in technology, staff training, and sustainability initiatives that align with strategic goals. Moreover, policymakers should encourage hotels to conduct regular assessments of their strategic performance by setting industry standards for measuring the impact of various orientations. By doing so, hotels can continually adapt and improve their strategies to better serve their guests and contribute to the economic growth of the region. For hotel managers, the study findings emphasize the need to consistently align strategic orientations with day-to-day operations. This alignment should extend from recruitment and talent management to procurement and marketing strategies. Managers should prioritize ongoing employee training and development to ensure that their staff is well-equipped to deliver on the hotel's strategic promises. Additionally, they should invest in technology that not only streamlines operations but also enhances guest experiences and supports data security. By measuring key performance indicators and continually assessing the impact of strategic orientations, hotel managers can make data-driven decisions and adapt to changing market dynamics. Notably, promoting a culture of adaptability and

innovation is essential for hotels to remain competitive and maintain high levels of guest satisfaction.

5.5 Limitations of the Study

One limitation of the study was the relatively small sample size, which included interviews with 12 managers at Ole Sereni Hotel. This limited sample size could potentially restrict the generalizability of the findings to a broader context within the hospitality industry. To address this limitation, the study incorporated diverse perspectives by interviewing managers from various key functional units within the hotel, including Human Resources, ICT, Marketing, Finance and Accounts, Records, Procurement, and Communications. While the sample size was small, the inclusion of managers from these different units allowed for a more comprehensive exploration of the hotel's strategic orientations and their impact on organizational performance. Additionally, future research with larger and more diverse samples from different hotels could help confirm and generalize the study's findings across the industry.

5.6 Suggestions Further Studies

Further studies in this area could explore the comparative analysis of strategic orientations across different hotels within the same region or chain, examining how variations in strategic approaches influence their respective performances. Additionally, investigating the long-term effects of specific strategic orientations on the financial and operational performance of hotels, including their ability to adapt to external disruptions such as economic downturns or global crises, would provide valuable insights for the hospitality

industry. Understanding the dynamics of strategic orientations over time and their correlation with performance could help hotels develop more resilient and adaptable strategies.

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APPENDICES

Appendix I: Letter



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October 11, 2023

National Commission for Science, Technology and Innovation
NACOSTI Headquarters
Upper Kabete, Off Waiyaki Way
P. O. Box 30623- 00100
NAIROBI

RE: INTRODUCTION LETTER: ANUNDA VANESSA MONG'INA

The above named is a registered Masters of Business Administration candidate at the University of Nairobi, Faculty of Business and Management Sciences. She is conducting research on "***Strategic Orientation and Organizational Performance of Ole-Sereni Hotel in Nairobi County, Kenya.***"

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the Project.

The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.



PROF. JAMES NJIHIA
DEAN, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES

Appendix II: Interview Guide

This research seeks to determine the influence of strategic orientation on the organizational performance of Ole Sereni hotels in Nairobi County.

General Questions

1. What is your current position in the company?
2. What is your level of education?
3. How long have you worked for this organization?
4. How many years of experience do you have in the hotel industry?

Human Resources Managers:

1. Can you describe the Ole-Sereni Hotel's overall strategic orientation or approach to achieving its goals and objectives?
2. How does Ole Sereni hotels' strategic orientation impact recruitment and talent management strategies to enhance organizational performance?
3. Can you describe how the company's strategic orientation influences employee training and development programs to support the achievement of performance goals?
4. How does the organization's strategic orientation align with its efforts to promote a positive workplace culture and employee engagement?
5. In what ways does the strategic orientation affect performance appraisal systems and the recognition of outstanding employee contributions?

6. How does Ole Sereni hotels' strategic focus impact workforce diversity and inclusion efforts as they relate to organizational performance?
7. Can you discuss the process of formulating and implementing the hotel's strategic plans? Who is involved in these processes?

ICT Managers:

1. How do the hotel's strategic orientations guide technology investments and digitalization efforts to improve operational efficiency and guest experience?
2. Can you elaborate on the role of information security and data management in supporting the hotel's strategic goals for organizational performance?
3. How does the IT infrastructure and systems align with the strategic orientation to ensure seamless operations and guest services?
4. What initiatives are in place to leverage emerging technologies and innovations as part of the strategic orientation for performance improvement?
5. How does the strategic orientation consider the scalability and adaptability of IT solutions to meet future performance needs?
6. What are the key strategic priorities or initiatives that Ole-Sereni Hotel has pursued in recent years?
7. How does the hotel differentiate itself from competitors in terms of its strategic positioning?

Marketing and Finance Managers:

1. How does the strategic orientation of Ole Sereni hotels impact marketing strategies to attract and retain customers, ultimately influencing financial performance?
2. Can you describe how financial planning and budgeting align with the organization's strategic goals for profitability and growth?
3. How does the hotel measure the effectiveness of its marketing campaigns and their impact on revenue generation?
4. In what ways does the strategic orientation factor in pricing strategies and revenue management to optimize financial performance?
5. How does the strategic orientation address risk management and financial sustainability as key elements of organizational performance?
6. What role does innovation play in the hotel's strategic approach, and how has it influenced performance outcomes?
7. What are the main challenges and obstacles that Ole-Sereni Hotel has encountered in implementing its strategic orientation and improving performance?
8. How does the hotel plan to address these challenges and sustain or enhance its organizational performance in the future?

Communications Managers:

1. How does the strategic orientation guide records management and data retention policies to support organizational performance and compliance?
2. Can you explain the role of procurement strategies in achieving cost efficiencies and quality assurance as part of the strategic orientation?
3. How does the organization's strategic focus influence internal and external communications to enhance reputation and stakeholder relationships?
4. What measures are in place to ensure transparent and ethical procurement practices align with the strategic orientation?
5. How does the strategic orientation consider the integration of records, procurement, and communications functions to improve overall organizational performance and efficiency?
6. Are there any emerging trends or opportunities in the hospitality industry that the hotel intends to leverage in its strategic planning?
7. How does Ole-Sereni Hotel's strategic orientation and Organizational performance contribute to the local community and economy in Nairobi County, Kenya?
8. How does the Ole-Sereni Hotel adapt to changes in the external business environment, and how does this influence its strategic decisions?

Records and Procurement Managers

1. How does Ole-Sereni Hotel measure and assess its performance? Are there specific key performance indicators (KPIs) that are monitored?
2. What steps has Ole-Sereni Hotel taken to enhance customer satisfaction and guest experiences?
3. How does the hotel manage its human resources to support organizational performance and customer service?
4. Have there been any notable improvements or challenges in the hotel's performance over the past few years, and what do you attribute these to?
5. How do the hotel's strategic decisions and orientations align with its day-to-day operations and activities?
6. Can you share examples of specific strategic initiatives that have had a significant impact on Ole-Sereni Hotel's performance?
7. Are there any instances where a change in strategic direction led to notable improvements or challenges in the hotel's performance?
8. How does the hotel communicate its strategic goals and orientations to employees and ensure alignment throughout the organization?

