

**MANAGEMENT PERCEPTION OF THE INFLUENCE OF ORGANIZATIONAL
LEARNING ON STRATEGY DEVELOPMENT AT SAROVA HOTELS
LIMITED, KENYA**

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DECLARATION

This research Project is my original work and has not been presented for examination in any university.

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This research Project has been submitted for examination with my approval as the University supervisor.

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DEDICATION

The research is dedicated first to my dear parents, who were a great source of inspiration to my education and without their foresight, sacrifice and support I would not have gone this far. Secondly, to my beloved Gerald who stood by me all times and whose encouragement kept me going up to the end.

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ABSTRACT

Many organizations are faced with the challenge of remaining relevant in a highly competitive business environment. It is becoming increasingly important to be able to keep up with the current trends in strategy development or risk becoming irrelevant. One of the key interventions being explored is organizational learning and many key organizations, Sarova Hotels Limited included, have found the importance of developing a learning culture to be able to keep up with the demands of their trade. The study purposed to bring to light the management perception of the influence of strategy development at Sarova Hotels Limited and was guided by two key objectives. These being, to establish the Management Perception on the influence of Organizational Learning on Strategy development and to determine the factors that influences Management Perception of Organizational Learning at Sarova Hotels Limited. The study adopted a cross-sectional census survey. The target population comprised of 143 managers in total and was spread out across the various hotels. The data collected was primary and quantitative in nature that was collected using a self-administered questionnaire. The findings were that, the management team of Sarova Hotels Limited perceive organizational learning to be consciously structured as a learning process; management systems for accounting assist learning from the consequences of decisions made needed during strategy development; employees with external contact function as environmental scanners, collecting information to pass on to other staff; information collected externally is used by the organization as a platform for strategy development; information is deliberately shared so as to learn and benchmark with others giving a base for strategy development; high standards are maintained in line with the strategic development needs of the company and resources and facilities are accessible to everyone in order to encourage self-development. The external factors that influenced management perception involved the amount of work and time it takes for results to materialize, the benefits of strategic direction of the company; recognition of input; action by competitors and continuous training and development for staff regarding the process. The conclusions made from the study were The study made recommendations based on the study findings that the aim of the management team in organizations should be to encourage processes that unlock the knowledge and potential of individuals, encouraging them to share information and knowledge they have learnt so that every individual can become aware of the various changes that are occurring around them. All employees and managers should be involved in the process of finding new ways of attracting clients, launching new marketing campaigns and ensuring their presence is felt. Organizational learning should be brought out to influence strategy development and the policies should be put in place in the organization as guiding principles to enable the learning culture thrive.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The business environment is ever changing and it has become increasingly important for any business to keep up with the current trends or risk becoming obsolete. There is indeed constant pressure facing modern organizations and according to Kings (2001) the concept of organizational learning will obviously be more attractive to companies operating in sectors or markets facing heavy competition. According to Otara (2011) in organizations, perceptions of the various leaders, management staff and all employees shape the efficiency and effectiveness of the working environment in any organization and the senior leadership must realize that all individuals have differing perceptions. He goes on to add that people are not necessarily successful by attempting to serve their values, they do not do what serves their values, what they actually do is what they feel will serve their values.

The theory of the firm by Coase (as cited in Braendle 2004) gives a broader view of the studies of the strategy development process as, firms exist because they reduce the transaction costs that emerge during production and exchange, capturing efficiencies that individuals cannot. Cummins and Worley (2008) tell us that Organizational Learning is one of the most widespread and fastest growing interventions in the theory of Organizational development and that this theory is oriented to improving organizational effectiveness.

In his study on the theory of cognitive psychology and perception, Fulcher (2003) found that perception is mostly concerned with how we make sense of the world we can see and since we make contact with the world through our various senses, the

question which arises is whether we actually see reality or whether what we are indeed seeing is guided by our various expectations of the world.

Sarova Hotels Limited exists in the highly competitive hospitality industry as Kenya is one of the world's most popular destinations. This is one of the companies tasked with ensuring that they are able to remain relevant in the ever growing sector. As do other hotels and resorts in this industry, this company may face challenges with cost cutting, need for improved quality of services offered, and being able to develop new products and services at a faster speed than the rest. Due to all these dynamics, the value of human capital is even greater in this sector. A key factor in tapping this capital is through encouraging them to learn. The management team across the company is tasked with ensuring that key strategies are developed to keep the company moving forward. These managers are the policy developers and influencers and their level of expertise gives them the responsibility to give strategic guidance therefore, their perception on key policies matters.

1.2 Organizational Learning

Scholars have proposed a range of definitions of organizational learning. Argyris and Schon (1996) in their studies on the topic defined organizational learning as being the process of detecting and correcting errors that arise in the system and processes. Organizational learning according to Lyles (as cited in Wang & Ahmed, 2002) can also be defined as the change in the state of knowledge and involves acquisition of knowledge, dissemination of the information learned, and refinement of the same information, creation of facts and issues and implementation of what has been learned. All the scholars mentioned agree that organizational learning emphasizes on knowledge building and ensuring that one moves to a better state than they were before through correcting faults in the system.

According to Kim (1993) all organizations learn, whether they purposely choose to learn or not, and this is due to the fact that learning is a basic requirement for their long term existence. Theories of individual learning are crucial for understanding organizational learning because organizations ultimately learn through the various individuals. Fiol and Lyles (1985) in their findings had stated that, organizations differ from individuals in that they develop and maintain learning systems that not only influence their immediate members, but are later transmitted to others by such means as an organization's history and norms. According to Probst and Büchel (1997), organizational learning takes place through the medium of individuals and their interactions, which together constitute a different whole, with its own capabilities and characteristics.

An organization has to adapt defensively to an environment that is constantly changing and this adjustment can only occur when they develop strategies that are able to match these changes. When an organization embraces learning, they are able to gain the knowledge required to be able to develop the competencies needed. The learning culture enables organizations to be able to match the standards in the environment when they are developing their strategies.

1.3 Strategy Development

Wheelen and Hunger (2008) define strategy development as being the development of long term plans that enable effective management of opportunities and threats found in the environment, in light of organizational strengths and weaknesses. This includes defining the corporate mission, specifying objectives that are achievable and setting policy guidelines.

Before a company develops a strategy, it must first analyze and understand where it is, what exactly it wants to do and the direction they want to take. According Johnson, Scholes and Whittington (2008) strategic development of organizations is better described and understood typically in terms of continuity or momentum of strategy and tends to develop from and within that strategy rather than basically changing direction. The notion of punctuated equilibrium is described by Wheelen and Hunger (2008) as the tendency of strategies to develop incrementally with periodic transformational change. It is important that leaders of established and even companies that are just starting up understand the processes by which strategies are created, in order to guide their companies in the right direction.

Organizational learning is a critical component of competitiveness in a dynamic environment. Marquardt (2003) in his study found that unless an organization continuously adapts to the environment through speedy, effective learning, it will die. Organizational learning is therefore one of the keys needed during the strategy development process to enable the company remain relevant in the environment.

1.1.3 Management Perception

Perception is the process by which human beings interpret and organize sensations to produce a meaningful experience of the world as found by Lindsay and Norman, (1977). This therefore means that, when a person is confronted with a situation, they interpret it into something meaningful to them based on prior experiences. However, what an individual interprets or perceives may be different from reality. Management perception therefore denotes how managers perceive and interpret issues.

Perception is influenced by various sets of factors which can either be the characteristics of the person or the object that is being perceived. Psychologists

distinguish between two types of processes in perception: bottom-up processing and top-down processing. McLeod (2007) summarizes these two processes by saying bottom-up processing is also known as data-driven processing because perception begins with the motivation itself. Top-down processing, he adds is the use of related information in pattern recognition.

The aim of the management team in organizations should be to encourage processes that unlock the knowledge and potential of individuals, encouraging them to share information and knowledge they have learnt so that every individual can become aware of the various changes that are occurring around them. They can also contribute to the identification of the opportunities and required changes (Johnson, Scholes & Whittington, 2008).

1.1.4 An overview of The Hospitality Industry in Kenya

Over 500 hotels exist in Kenya and the figures are growing rapidly as there has indeed been a rise in the need for hospitality services across the country. According to the World Travel & Tourism Council (WTTC), tourism is responsible for 14 % of Gross Domestic Product (GDP) and 12% of total employment. It is also an industry that WTTC predicts will continue to grow at 3.7% per annum for the next decade (“Kenya market Outlook 2014,” 2014).

This industry has however faced major setbacks in recent times. More than 900 tourists cut short their vacations since the warning issued on May 14 2014 by Britain regarding insecurity in the country (“Kenya Tourism,” 2014). The low business being witnessed now in 2014 is similar to what transpired during the post-election violence that the country experienced in the years 2007 and 2008.

The organizations that are found in this industry therefore need to start the process of developing new strategies to cater to the challenges that come with low business during such a downtime. They need to understand what is going on in not only their country but keep themselves educated on the global issues affecting other companies and countries. Competition to attract the few local and international tourists who still decide to travel will definitely be on the rise among the key players in the industry. All employees and managers should be involved in the process of finding new ways of attracting these clients, launching new marketing campaigns and ensuring their presence is felt.

1.1.5 Sarova Hotels Limited

Sarova Hotels in Kenya commenced operation in 1974 by purchasing the Ambassador Hotel which was later sold in 1999. In 1976 Whitesands on the North Coast of Mombasa became the second Sarova property. In 1978, the Sarova Group purchased the Stanley hotel. Sarova Mara Game Camp, a tented camp in the Maasai Mara game reserve, was opened in 1984. In 1986, Sarova Lion Hill Lodge in the heart of the Rift Valley in Lake Nakuru National Park joined the Sarova group. Sarova Shaba Lodge in the Shaba game reserve, eastern Kenya, was opened in 1989. In 1991 Sarova Hotels Limited bought The Panafric Hotel from African Tours & Hotels and in April 2007, they took over the management of the Sarova Saltlick and Sarova Taita Hills game Lodges. Today, 40 years later, Sarova Hotels Limited has over 1,000 rooms across the eight hotels, with an over 1,400 total staff (“About Sarova,” 2014).

The Sandy Vohra Centre for Learning and Development was a creation of the owners and managers of Sarova Hotels Limited and this centre was formed with a distinct mission to develop talented, skilled individuals and building high performance teams

in both its internal and external community (“About Sarova”, 2014). This is an indication of a company that is interested in developing a learning culture. The company should therefore use this as a platform to roll out learning of its members through setting up the appropriate processes and policies that can be felt within.

1.2 Research Problem

No company today can be able to pride themselves on maintaining an advantage on other competitors if they are not able to display a certain level of originality and innovation during the process of strategy development as this is what shapes the direction the organization is going. Wilson (2010) found that organizational learning enhances competitiveness, productivity, and innovativeness in an uncertain technological environment. Strategy development is the responsibility of top management and whether intended or emergent, the process has to be managed well. Understanding management perception on the kind of influence organizational learning has on strategy development is therefore important.

Sarova Hotels Limited exists in the highly dominated and competitive hospitality industry. The company therefore needs to create a niche for itself by striving to ensure that the services offered by their employees meet expectations of their mostly travelled and exposed clients. It is important to ensure that a learning strategy keeps pace with the rate of change in the business. This can only be successful if the management perceives this learning culture as beneficial to development of the company’s strategies. If not, they can fail to offer the support that is needed like motivating their employees to learn and also supporting the departments whose responsibility is developing policies that support learning.

Management perception is a concept that has been widely researched by many students both locally and internationally but there has not been any major attempt to link it with the variables of organizational learning and strategy development into one research topic. Kiguri (2010) undertook a study on adoption of the learning organization concept. He based his study on Hotels in the hospitality industry in Nairobi but he however did not research on the influence this had on strategy development and focused on many hotels and not one. Kurui (2010) did a research on the management perception of performance contracting but he however did a case study of the University of Nairobi. There arises a gap in the methodology used as this research was a survey. Another research was done by Maingi (2013) that focused on the perception of management on the relationship between motivation and performance management. It is similar to the research in that it attempted to study the perception of managers on a causal relationship but the choice of variables was different.

From the international front, a research conducted by Newberry (2008) was on the perception of organizational learning by managers and he linked this survey with leadership and culture and its impact to change. Hasson, Tafvelin & Schwarz (2013) conducted a research that compared employees and managers perceptions of organizational learning, but they however included health and work performance and not strategy development. Manuel (2012) studied on maritime risk and organizational learning and attempted to find the perception of all levels of staff and not just managers. All these research papers focusing on perception and organizational learning did not bring about this influence on strategy development.

The relative lack of research which proposes and documents a link between organizational learning, strategy development and management perception motivated

this study. This research sought to find out what is the management perception on the influence of Organizational Learning on Strategy development at Sarova Hotels Limited?

1.3 Research Objectives

The objectives of the research were:

1. To establish the Management Perception of the influence of Organizational Learning on Strategy development.
2. To determine the factors that influences Management Perception of Organizational Learning at Sarova Hotels Limited.

1.4 Value of the Study

The findings of the research were found to be valuable in building onto the theories that have been brought out in the research project and how they interrelate. These are the theories pertaining to organizational development, the firm and cognitive psychology. This will also build onto studies that have been done to show the relationship between the organizational learning and strategy development and a deeper understanding on what influences management perception.

The research was also valuable in highlighting the various policies that can be introduced in the organizational learning and strategy development functions in a firm. This research should be able to bring out how organizational learning is perceived to influence strategy development and what policies should be put in place in the company as a guiding principle to enable the learning culture thrive. By having

documented policies, there is also the assurance of continuity of various processes once policies are documented.

Organizations will also be able to understand the importance of instilling a learning culture. This will come from the understanding brought about the research on the influence organizational learning has on strategy development. No company can survive without input of proper strategy development practices. In turn they will embrace the process and be motivated to instill a learning culture.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter highlighted the review of various literatures in the fields that the study was based on. It is divided into different sections. The first section features the various theories that give strengths to the study. These are the theories of organizational development, theory of the firm and theory of cognitive psychology. Also featured is an in depth look at the concepts of organizational learning and strategy development, together with how management perceives their influence. Last but not least, this chapter features the factors that influence management perception.

2.2 Theoretical Underpinnings of the Study

Robbins (2003) views Organization Development as a collection of planned-change interventions built on humanistic-democratic values that seek to improve Organizational effectiveness and employees' well-being. According to Ivanko (2013) the study of organizational development came out of studies of human relations from as early as 1930s during the time where psychologists realized that various organizational structures and processes actually influence work behavior and motivation. Organizational Development has created interventions for assessing an organization's competitive situation and making relevant changes in strategy if necessary.

The theory of the firm not only tries to answer why businesses are organized in firms but how the relationships within the firm as well as between the firm and society at

large look like. According to Porter (1991) the reason for firms' success or failure is the central question in strategy development and any effort to understand success must rest on an underlying theory of the firm and an associated theory of strategy. This therefore means that for a company to be successful, they have to go back to the basics of why they exist in the first place and what strategies they have in place to ensure continued existence. Only by going back to the basics and fully understanding their mission and vision can they know what action to take with regards to strategy development.

The modern development of cognitive psychology was due to the World War two (WWII) focus on research on human performance and attention, developments in the computer science field, especially those in what is known as artificial intelligence, and also the renewal of interest in the field of linguistics (Cognitive Processes Classes, 1997). According to McLeod (2007) cognitive psychology revolves around the notion that if we want to know what makes people tick then we need to understand the internal processes of their mind as cognitive psychology focuses on not only the way humans process information, but also how they treat this information that comes in to them, and how this treatment then leads to their response.

2.3 Organizational Learning and Strategy Development

Argyris and Schön (1996) in their studies found that organizational learning occurs in different levels. These levels are, single-loop learning, double-loop learning and deuterio-learning. According to Cummings and Worley (2008), Single Loop learning occurs when members are able to reduce any errors or gaps between the kind of conditions they desire and the kind of conditions that are existing in the company, Double loop learning is aimed at changing the current status of processes in the

organization and deuterio-learning where learning is directed to the learning process itself and seeks to improve both single and double-loop learning in the organization.

Intended and emergent strategies are the two broad explanations of strategy development. Intended strategies come about as a result of careful consideration typically associated with top management decisions and Emergent strategies are those strategies that tend to emerge in organizations over time (Johnson, Scholes and Whittington 2008).

2.4 Management Perception of Organizational Learning and Strategy Development

According to Otara (2011) psychological investigation of human behavior began with the study of perception by Wilhelm Wundt in Germany, in 1879. Since that time it has been significant in understanding human behavior. It is important to note that no two individuals ever experience and interpret atmospheres, situations, or their own feelings the same way. Johnson, Scholes and Whittington (2008) state that management perception of how strategies develop was seen differently because senior level managers tend to see strategy development more in terms of intended, rational, analytic, and planned processes whereas middle level managers see strategy development more as the result of cultural and political processes. Here, it is clear that these managers base their perceptions on their level of management and on experiences learned in the process.

All firms exist in environments and according to Weick (1995) the strategic choice and psychosocial views of these firms suggest that cognitive limits prevent managers from developing a complete understanding of the environments they are in. Nadkarni

and Barr (2008) gave us two forms of representations that top managers develop about the environments they exist in. These are attention focus and environment-strategy causal logics. Attention focus are the aspects of the environment that are central to top managers' individual representations of their environments while environment-strategy causal logics are the order of the perceived causal relationship between the external environment and firm's strategy (Nadkarni & Barr, 2008).

Almost all of those concerned with organizational learning usually find leadership vital in creating an organization that plans for, encourages and values learning. The challenge facing many organizational learning specialists is to move leaders and managers from being submissive acceptors to zealous promoters of learning by demonstrating its tangible results and benefits (Wright 2004). One of the reasons why managers may be unwilling to support the idea of organizational learning is that some of them usually view it as a potential threat to their authority. In the end, learning is actually about organizational change and those who may feel they are the ones who have potentially most to lose in any change that may occur are those with overall responsibility for the organization.

2.5 Factors that Influence Management Perception

Luthans (2006) stated that learning occurs when some cognitive pointers associated with the choice point may eventually lead to a goal or a reward. This is argued to have had a great impact on the early human relations movement. According to the studies done by Rao (2008) a number of factors operate to shape and sometimes alter our perception. These factors can reside in the perceiver in the object or target being perceived, or in the particular situation in which this perception is made. Rao (2008) adds that, when an individual looks at an object or process and attempts to interpret

what he sees, then that interpretation is heavily influenced by their personal characteristics.

The internal factors or personal characteristics that affect perception according to Mullins (2005) include, a person's attitude, personality motives, interest in the subject, past experiences with the subject, and the kind of expectations you would have on the subject. Other personal characteristics according to Rao (2008) include, our cultures and self-perceptions also influence the way we perceive things. If we have low self-esteem that comes from cultural or family factors, then we our perceptions may be biased in far more negative or restrictive ways. Rao (2008) adds that our knowledge, education and sensual experiences will affect our perceptions. Perceptions can also be affected by our advanced abilities of empathy, our needs to rationalize or show concern and outer emotional and even physiological responses to events and messages.

Otara (2011) gives other internal factors that influence the perceptual process including the perceiver's habits, degree of specialization in their current role, learning and the perceiver's social background. A socially developed employee will have a more positive attitude towards certain processes more than one who is not socially developed. Characteristics of the target being observe also have a tendency to affect what is perceived. These according to Mullins (2005) are also known as external factors and they are the nature and characteristics of the stimuli. Loud people for example are more likely to be noticed in a group than quiet ones. Rao (2008) adds that because objects are not looked at in seclusion, the relationship of an object to its environment also influences perception as does our propensity to group things that are close and similar together. The circumstance in which we see targets or events is also

usually important. Also, the time at which an object or event is seen can influence attention, as can location, intensity or any number of other situational factors.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter detailed how the proposed study was carried out. It explored the research design that was used in this survey which is the cross sectional survey, it featured a description of the population of this study and where they are based. The data collection and data analysis methods that were employed by the study were introduced with justification given on why they were chosen. In making these decisions, consideration was made based on the objectives of the study, time available, topical scope and the specific issues that were involved.

3.2 Research Design

The research took the form of a cross-sectional census survey. A cross sectional survey according to Zikmund, Babind, Carr and Griffin (2010) is the study in which various segments of the population are collected at a single moment in time. Surveys provide quick, inexpensive, efficient and accurate means of assessing information about a population. A major benefit of conducting cross-sectional surveys is that they allow researchers to compare many different variables at the same time.

In some instances, cross sectional surveys attempt to go further than just providing information on the frequency or level of the attribute of interest in the study population by collecting information on both the attribute of interest and potential risk factors. Cross-sectional surveys are also useful in assessing practices, attitudes, knowledge and beliefs of a population in relation to a particular event.

3.3 Population of the Study

In this study, the population was the management team of Sarova Hotels Limited. As at the time of the research, the managers were 143 in total and were spread out across the various hotels (“About Sarova,” 2014). They comprised of the managers in all levels, these are the lower level managers, middle-level and senior level managers across the eight hotels.

This population was not sampled as the numbers were found to be sufficient enough for data to be collected. All the members of the population were included in the research to enable accurate data. This type of survey is known as a census survey. A census according to Medhi (2006) implies complete enumeration of each and every element of the source.

3.4 Data Collection

The data collected was primary in nature and quantitative. This was collected using a self-administered questionnaire. In this questionnaire according to Zikmund et al. (2010) the respondent takes the responsibility of reading and answering the questions himself.

It was administered to the sample chosen through the “drop and pick” method for the respondents accessible in Nairobi and through email for the respondents outside Nairobi. The researcher visited and after obtaining permission to conduct the survey, dropped the questionnaire to the respondents who are the management of Sarova Hotels Limited based in Nairobi and picked the filled questionnaires at a later date and followed up with those sent on email.

The questionnaire was divided into three sections. Section one featured questions that gave the demographic characteristics to enable the researcher understand the different

characteristics of the various respondents. Section two featured questions regarding the management perception of organizational learning and strategy development and the questions here were based on the questionnaire on the learning organization that was developed by Peddler et al (1991).Section three featured questions on factors that influence the management perception based on studies by Mullins (2005) and Rao (2008).

3.5 Data Analysis

The data was analyzed through descriptive statistics namely frequency distribution, one sample t test and also using Confirmatory Factor Analysis. Factor analysis according to Brown and Moore (2013) is a type of structural equation modeling that specifically deals with measurement models like the relationships between observed measures or indicators and latent variables or factors.

Confirmatory factor analysis according to Brown and Moore (2013), offers a very strong analytic framework for evaluating the equivalence of measurement models across distinct demographic groups such as sexes, ages, level of experience among others and that is why it was found to be suitable for this research. Albright and Hun (2009) had also indicated that, confirmatory factor analysis is a method that allows researchers to test hypotheses about a particular arrangement of factors. The results were then summarized and presented using frequency charts, graphs, and pie charts. This information will then be discussed, conclusions drawn and recommendations made.

3.5.1 Reliability and Validity Test

Reliability is a measure of degree to which an instrument yields consistent results or data after repeated trials. Reliability is concerned with estimates of the degree to

which a measurement is free of random or unstable error. It is important that the measurement instrument is reliable for it to measure consistently (Mugenda and Mugenda, 2003; Saunders, 2007; Cooper and Schindler, 2011). Reliability is therefore a measure of consistency as the correlation analysis tests the assumptions in order to avoid Type I and Type II errors (Osborne et al, 2001).

Cronbach coefficient was used to assess the internal consistency or average correlation of items within the test. The coefficient alpha value ranges from zero (no internal consistency) to one (complete internal consistency) were used. Cronbach's Alpha generally increases when association between variables increase.

Validity is the accuracy and meaningfulness of the inferences. It is a classic evaluation criterion used in science, referring to the extent to which conclusions drawn in a study provide an accurate description or explanation of what happened (Eriksson and Kovalainen, 2008). It is the ability of the research instrument to measure what it is supposed to measure (Aiken and West, 1991).

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter covers data analysis and presentation of results from these findings. In this chapter, the researcher has interpreted the results from the data analysis that was carried out and presented them using various tables and figures. This is in a bid to summarize the collective reactions and views of the various respondents. The chapter first highlights the response rate and validity of results from the data collected. Results from the three sections of the questionnaire were then analyzed and interpreted using the various statistical models being, one sample t test, factor analysis and frequency distribution.

4.2 Reliability and Validity Test

Pre testing for validity on the questionnaire was done by initially involving a few respondents from the study population to improve the instrument. Construct and criterion validity was carried out on the instrument by randomly pilot testing the 8 hotels using specialists as previously done (Cooper and Schindler, 2011). Test of reliability and validity was done to estimate the consistency of any measurement and the results were found to reliable as presented in Table 1.

Table 1: Reliability of results

Variable	No. of items	Cronbach's Alpha
Person's attitude	7	0.858
Personality motives	4	0.883
Interest in the subject	2	0.888
Past experiences with the subject	3	0.960
Expectations	4	0.833

This study adopted the alpha coefficients ranges in value from 0 (no internal consistency) to 1 (complete internal consistency) to describe reliability factors extracted from formatted questionnaires on Likert scale (rating from scale 1 to 5). The study used value of 0.70 and above as a quick rule. This was confirmation of reliability and validity of the data used to draw conclusions from theoretical concepts.

4.3 Response Rate

The targeted sample size was 143 participants. Those filled and returned questionnaires were 107 respondents bringing about a response rate of 74.83 %. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. This means that the response rate for this study was therefore more than sufficient enough for data analysis and interpretation.

Table 2: Response Rate

Questionnaires	Frequency	Percent (%)
Response	107	74.83
Non-response	36	25.17
Total	143	100.00

4.4 Respondents' profile

The first section of the questionnaire sought to establish the profile of the various respondents. The demographic information of the respondents included age, gender, duration of employment, departments where they work, management and education levels of the respondents. The aim of seeking this information was to understand the

difference in views of the various respondents and to observe if different respondents with similar characteristics may have had different or similar views.

The study found it paramount to determine the demographic information in order to get a proper description of the various subgroups the respondents belonged to. Some of these questions played a part in guiding the researcher on the views of different categories of respondents based on their characteristics.

4.4.1 Gender of respondents

The table displays demographic information according to gender.

Table 3: Gender of the respondents

Gender	Frequency	Percent
Male	82	76.64
Female	25	23.36
Total	107	100.00

Source: Researcher (2014)

The findings of the study are as shown in table 4.3 above. According to the analysis it was evident that majority of the respondents were male which represented 76.64% while 23.36% were female. It can therefore be deduced that males were the most dominant gender at Sarova Hotels Limited.

4.4.2 Duration of employment by Sarova Hotels Limited

The researcher sought to determine the duration the respondents had served as employees of Sarova Hotel Limited.

Table 4: Duration of employment by Sarova Hotels Limited

Duration of employment	Frequency	Percentage
Up to 2 years	15	14.02
3 – 5 years	21	19.63
6 – 10 years	28	26.17
More than 10 years	43	40.19
Total	107	100.0

Source: Researcher (2014)

The study findings revealed that the duration of employment by Sarova Hotels Limited by most of the respondents was more than 10 years. This was indicated by the majority of the managers who accounted for 40.19% with the least number depicted those who have been in Sarova Hotels limited up to 2 years at 14.02%. The study deduced that the respondents had adequate experience due to their duration in the organization hence the respondents were in the best position to provide insight on the management perception of the influence of organizational learning strategy development at Sarova Hotels limited.

4.4.3 Department where the employees work

The researcher sought to find out the departments where the employees work. This was taken in a bid to ensure that all departments would be well represented in the research so as to understand the different views of various management staff in the various departments.

Table 5: Department where the employees work

Departments where employees work	Frequency	Percent
Sales and marketing (including Banqueting Sales & Reservations)	10	9.35
Purchasing (including Curio Shops)	5	4.67
Finance (including stores)	11	10.28
Human Resources	12	11.21
Front Office	9	8.41
Housekeeping	10	9.35
Engineering	8	7.48
Food & Beverage (Kitchen, Restaurants, Banqueting)	16	14.95
Administration & General	8	7.48
Information Technology	10	9.35
Security	8	7.48
Total	107	100.02

Source: Researcher (2014)

From the findings of the study, the majority of the respondents indicated that they worked in the department of Food & Beverage (Kitchen, Restaurants, and Banqueting) for 14.95% of the respondents. The Administration & General was represented by the least number of respondents accounting for 4.67%. The study deduced all the departments of Sarova Hotels limited were duly represented in the study and hence able to provide their acuity on the management perception of the influence of organizational learning on strategy development.

4.4.4 Management level

The researcher wanted to find out the management level the respondents currently belonged to.

Table 6: Management level

Management level	Frequency	Percentage
Lower level management	31	28.97
Middle level management	47	43.93
Senior level management	29	27.10
Total	107	100.0

Source: Researcher (2014)

From the findings, the majority of the respondents belonged in middle level management and they accounted for 43.93% of the respondents. Those in the lower level management were represented by 28.97% while the senior level management accounted for 27.10%. All levels of management were significantly represented during the research.

4.4.5 Age Bracket of the respondents

The researcher sought to determine the various ages of the management staff of Sarova Hotels Limited.

Table 7: Age Bracket of the respondents

Age bracket	Frequency	Percentage
24-28 years	21	19.63
29-34 years	29	27.10
35-43 years	42	39.25
44-53 years	10	9.35
54 and over	5	4.67
Total	107	100.0

Source: Researcher (2014)

The respondents who belong to the 35-43 years age bracket formed the majority of the respondents with the least being 54 and above. The finding therefore implied that the respondents were mature enough to provide valuable responses that pertain their

perception of organizational learning on Sarova Hotels Limited based on their experience and length of stay in the company.

4.4.6 Level of education of the respondents

The table shows the respondents level of education.

Table 8: Level of education of the respondents

Level of education	Frequency	Percentage
Certificate	7	6.54
Diploma	13	12.15
University degree	79	65.2
Post-graduate degree	8	21.3
Total	107	100.0

Source: Researcher (2014)

The study sought to find out the respondents level of education. From the findings, majority (65.2%) had university degrees followed by 21.3% who indicated that they had master degree and the remaining 13.5% indicated that they have attained college diplomas. The findings therefore conclude that most respondents who are in the management team of Sarova Hotels had an adequate education background and this would give a good indication of the kind of responses they gave.

4.5 Perception of the Influence of Organizational Learning on Strategy Development

Section two of the questionnaire featured statements that sought to bring out the perception of the management team of Sarova Hotels Limited on the influence on strategy development. The respondents were provided 16 statements that are viewed as indicators of organizational learning based on the questionnaire on the learning organization that was developed by Peddler et al (1991). By use of a likert scale with

5 being the highest and 1 being the lowest level of agreement with the statements.

Through the use of one sample t tests at test value 3 the researcher was able to analyze the findings from the data collected with the results shown in Table 9.

Table 9: Indicators of Organizational Learning

Perception of influence of organizational learning on strategy development	Mean	Test Value = 3			
		t	df	Sig. (2-tailed)	Mean Dif.
Organizational policy and its implementation, evaluation and improvement, is structured as a learning process.	1.63	-23.335	107	.000	-1.389
Strategy development is consciously structured as a learning process.	3.5	4.469	107	.000	0.402
All organization stakeholders are enabled to contribute to major policy decisions	4.57	25.354	107	.000	1.551
There is timely access to information through technology making the strategy development process easier.	4.39	19.651	107	.000	1.402
Management systems for accounting assist learning from the consequences of decisions made needed during strategy development.	4.21	8.949	107	.000	0.991
All internal departments and units collaborate with each other by exchanging information needed for strategy development.	4.52	13.851	107	.000	1.224
The organization delivers flexible rewards to staff in an open manner.	3.93	-1.233	107	.022	-0.168
Organization gives staff an opportunity to question how rewards are distributed and enables them to cooperate during the strategy development process.	3.15	.717	107	.475	0.084
The organization gives space to meet present needs to be able to respond to strategy development needs for the future.	4.57	31.866	107	.000	1.542
Employees with external contact function as environmental scanners, collecting information to pass on to other staff.	4.39	18.138	107	.000	1.159
Information collected externally is used by the organization as a platform for strategy development.	4.21	15.632	107	.000	0.935
Information is deliberately shared so as to learn and benchmark with others giving a base for strategy development.	4.52	19.651	107	.000	1.402
Organizational culture encourages experimentation, enabling the organization know how to shape the strategy.	3.03	.653	107	.515	0.084
Management style encourages experimentation, enabling the organization know how to shape the strategy.	3.25	3.469	107	.001	4.832
High standards are maintained in line with the strategic development needs of the company.	4.57	29.292	107	.000	1.383
Resources and facilities are accessible to everyone in order to encourage self-development.	4.39	18.632	107	.000	0.935

Source: Research Data 2014

Ranking was on a 5-point scale: 1- Strongly disagree, 2 disagree-, 3-uncertain, 4 agree-, 5-strongly agree

4.6 Factors That Influence Management Perception

Section three of the questionnaire featured questions on factors that influence the management perception based on studies by Mullins (2005) and Rao (2008). The importance of this section was to find out which factors played a role in influencing the perception of the managers of Sarova hotels Limited regarding strategy development and organizational learning in the company. They were presented with a total of 23 internal and external factors. Factor analysis was used to interpret the data with the findings as per below.

4.6.1 Kaiser-Meyer-Olkin (KMO) Measure and Bartlett's Test

Kaiser-Meyer-Olkin Measure (KMO) of Sampling Adequacy and Bartlett's Test of Sphericity tests provide a minimum standard which should be passed before a factor analysis (or a principal components analysis) is conducted. KMO measure varies between 0 and 1, and values closer to 1 are better with a threshold of 0.6. Bartlett's Test of Sphericity tests the null hypothesis that the correlation matrix is an identity matrix. Since p-value is less than 0.5 (p-value < .001) the null hypothesis is rejected.

Table 10: KMO and Bartlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.715
Bartlett's Test of Sphericity	Approx. Chi-Square	514.081
	df	190
	Sig.	.000

The Table below presents the communalities result which test the proportion of each variable's variance that can be explained by the retained factors, that is, the proportion of variance that each item has in common with other factors.

Table 11: Communalities

	Initial	Extraction
The interest you have in the organizational learning process and its influence on strategy development.	1.000	.834
Experience you have had with the organizational learning process in the past.	1.000	.581
The expectations you may have regarding the outcome	1.000	.686
Your education, knowledge and understanding of the organizational learning process and the benefits.	1.000	.752
The sense that it may interfere with your position of power by enlightening staff below you.	1.000	.638
The process may add value to the various policies and structure of the company	1.000	.751
Optimism in the positive results of the process	1.000	.404
The number of years you have worked in the organization and experience in your current role.	1.000	.613
Your status and level of influence in matters regarding strategy development in the company.	1.000	.701
The highest level of formal education you have attained.	1.000	.578
Your current age	1.000	.712
Confidence in your ability to be able to handle the challenges	1.000	.666
The degree of specialization in my current role	1.000	.685
The habit of resisting changes that are brought about during the strategy development process.	1.000	.708
Being socially developed to be able to discern company and to understand processes.	1.000	.676
The amount of work it takes to put the process together and time it takes for results to be seen and felt.	1.000	.537
The benefits it may bring to the department you are in, in line with the strategic direction of the company.	1.000	.694
Availability of resources to put the process together	1.000	.674
Your involvement in putting the process together and your input being recognized.	1.000	.557
The organization setting and if it allows for organization learning	1.000	.618

In the Table below, Principle Component Analysis was used, which allows for the extraction of components that have an Eigen value greater than 1. The principal component analysis was used and seven factors/components extracted. From the Table, the seven components explain 65.3 % of the total variation. While component 1 contributed the highest variation of 25.08%, the second component contributed 9.1% of the total variations, component three contributed 8.21%, the fourth component contributed 6.32%, the fifth component contributed 5.79%, the sixth component contributed 5.53% and lastly the seventh component contributed 5.32%.

Table 12: Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.016	25.080	25.080	5.016	25.080	25.080
2	1.820	9.098	34.177	1.820	9.098	34.177
3	1.641	8.207	42.385	1.641	8.207	42.385
4	1.263	6.315	48.699	1.263	6.315	48.699
5	1.158	5.790	54.490	1.158	5.790	54.490
6	1.105	5.526	60.016	1.105	5.526	60.016
7	1.064	5.318	65.333	1.064	5.318	65.333
8	.954	4.771	70.104			
9	.899	4.496	74.599			
10	.842	4.208	78.807			
11	.738	3.688	82.495			
12	.608	3.038	85.533			
13	.510	2.552	88.085			
14	.510	2.550	90.635			
15	.423	2.116	92.750			
16	.370	1.849	94.599			
17	.343	1.714	96.313			
18	.290	1.449	97.761			
19	.234	1.171	98.932			
20	.214	1.068	100.000			

The Table below contains the rotated factor loadings (factor pattern matrix), which represent both how the variables are weighted for each factor but also the correlation between the variables and the factor. The component matrix was rotated using Varimax (Variance Maximization) with Kaiser Normalization. The results below allowed the identification of what variables fall under each of the 7 extracted components (factors). Each of the 20 factors was looked at and placed to one of the two components depending on the percentage of variability (it explained the total variability of each factor). A factor belongs to a component to which it explains more variation than any other components.

From the Table below, the following components were extracted: Experience you have had with the organizational learning process in the past, The sense that it may interfere with your position of power by enlightening staff below you, The number of years you have worked in the organization and experience in your current role, Your status and level of influence in matters regarding strategy development in the company, The highest level of formal education you have attained, The degree of specialization in my current role, The habit of resisting changes that are brought about during the strategy development process, The amount of work it takes to put the process together and time it takes for results to be seen and felt, The benefits it may bring to the department you are in, in line with the strategic direction of the company and The amount of work it takes to put the process together and time it takes for results to be seen and felt.

Table 13: Rotated Component Matrix

	Component						
	1	2	3	4	5	6	7
The interest you have in the organizational learning process and its influence on strategy development.							.844
Experience you have had with the organizational learning process in the past.	.312				.637		
The expectations you may have regarding the outcome		.361			.715		
Your education, knowledge and understanding of the organizational learning process and the benefits.				.740	.356		
The sense that it may interfere with your position of power by enlightening staff below you.	.325	.375	.548				
The process may add value to the various policies and structure of the company				.820			
Optimism in the positive results of the process		.565					
The number of years you have worked in the organization and experience in your current role.	.507						-.445
Your status and level of influence in matters regarding strategy development in the company.	.773						
The highest level of formal education you have attained.	.404	.623					
Your current age		.793					
Confidence in your ability to be able to handle the challenges			.751				
The degree of specialization in my current role	.749						
The habit of resisting changes that are brought about during the strategy development process.	.720						.365
Being socially developed to be able to discern company and to understand processes							.792
The amount of work it takes to put the process together and time it takes for results to be seen and felt.	.475		.361				
The benefits it may bring to the department you are in, in line with the strategic direction of the company.	.335	.385	.331				.483
Availability of resources to put the process together	.464		.393		.351		-.379
Your involvement in putting the process together and your input being recognized.	.626						
The organization setting and if it allows for organization learning			.577	.347			

"Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization."

a. Rotation converged in 15 iterations.

The scree plot in Figure 4.2 helps determine the appropriate number of principal components by graphing the eigenvalue against the component number. The "elbow" or point of inflection in the scree plot helps determine the appropriate number of components. Just as gauged in Table 7, component number is the point at which the remaining Eigenvalues are relatively small and all about the same size. This study will have two components.

The third and subsequent components (line is almost flat) contribute or explains little cumulative variance. However, scree plots suffer from subjectivity and ambiguity, especially where there are either no clear breaks or two or more apparent breaks; each successive factor is accounting for smaller and smaller amounts of the total variance.

Figure 1: Scree Plot

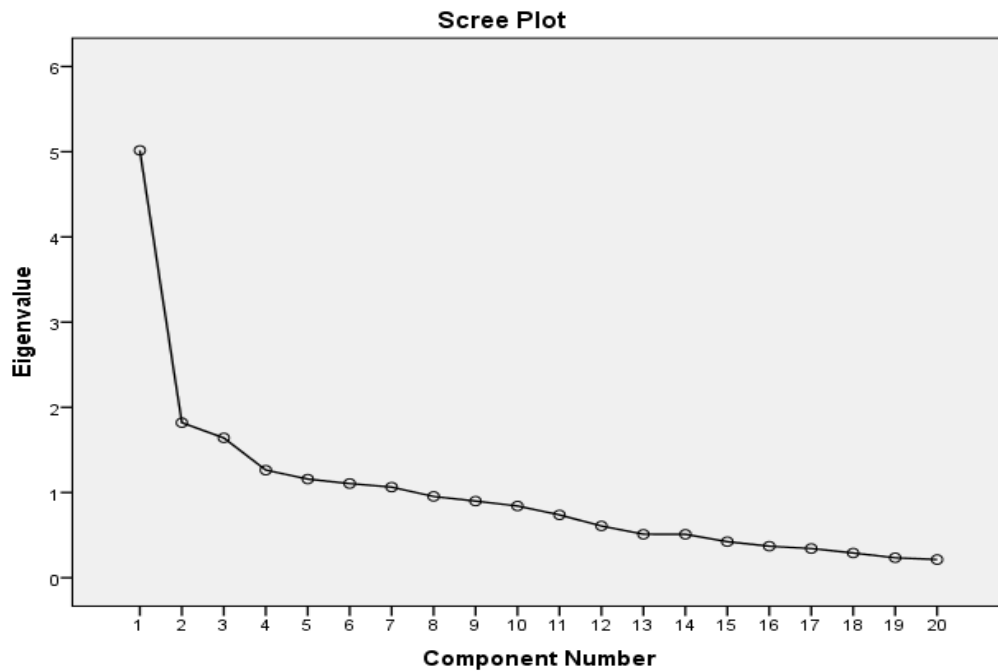


Table 14: Factors that influence management perception

Factors that influence management perception	N	Mean	Standard Deviation	t-value	Sig. (2-tailed)
The interest you have in the organizational learning process and its influence on strategy development.	107	3.83	1.157	-4.801	.000
Experience you have had with the organizational learning process in the past.	107	2.40	1.032	-.861	.392
The expectations you may have regarding the outcome	107	4.56	.839	1.867	.001
Your education, knowledge and understanding of the organizational learning process and the benefits.	107	3.69	.932	-1.311	.194
The sense that it may interfere with your position of power by enlightening staff below you.	107	3.71	1.022	-.776	.440
The process may add value to the various policies and structure of the company	107	3.83	.931	-2.985	.056
Optimism in the positive results of the process	107	2.40	.884	.506	.615
The number of years you have worked in the organization and experience in your current role.	107	4.56	.862	-2.351	.001
Your status and level of influence in matters regarding strategy development in the company.	107	3.69	1.103	-3.223	.002
The highest level of formal education you have attained.	107	3.71	.896	-1.372	.174
Your current age	107	3.83	.886	-1.254	.213
Confidence in your ability to be able to handle the challenges	107	2.40	1.088	-2.963	.051
The degree of specialization in my current role	107	4.16	.936	-.841	.004
The habit of resisting changes that are brought about during the strategy development process	107	3.69	1.003	-1.226	.224
Being socially developed to be able to discern company and to understand processes	107	3.71	1.053	-2.761	.007
External factors					
The amount of work it takes to put the process together and time it takes for results to be seen and felt	107	4.31	.961	-.116	.001
The benefits it may bring to the department you are in, in line with the strategic direction of the company	107	4.40	1.024	.217	.003
Availability of resources to put the process together	107	3.57	1.025	-.976	.332
Your involvement in putting the process together and your input being recognized	107	4.69	.997	-2.340	.002
The organization setting and if it allows for organization learning	107	4.31	.980	.344	.001
Action by competitors	107	4.32	.949	1.054	.005
The response from the customers	107	3.57	.898	2.847	.006
Continuous training and development for all staff regarding the process.	107	4.69	.930	-3.146	.002

Source: Research Data 2014

Ranking was on a 5-point scale: 1-Not at all, 2-Least extent, 3-moderate extent, 4-large extent, 5-very large extent

The results had average mean score of 3.64 implying that the factors that influence management perception were to a moderate extent influencing the perception on

strategy development. The factor with highest mean score was the expectations you may have regarding the outcome (mean = 4.56) with resultant standard deviation of 0.839.

The others factors with mean scores above 4.0 were the number of years you have worked in the organization and experience in your current role (mean=4.56); the degree of specialization in my current role (mean=4.16); the amount of work it takes to put the process together and time it takes for results to be seen and felt (mean =4.31); the benefits it may bring to the department you are in, in line with the strategic direction of the company (mean =4.40); the organization setting and if it allows for organization learning (mean =4.31); action by competitors (mean =4.32) and continuous training and development for all staff regarding the process (mean =4.69). On further analysis on t- test the values confirms that although there was high ranking among these factors there was still statistically significant differences, (t-values=-4.801 and -0.841) with $p < 0.05$. This was a confirmation that these factors both internal and external factors influence management perception on strategy development at the Sarova Hotels limited.

4.7 Discussion

The findings established that the indicators of organizational learning that were highly perceived by the respondents as having an influence on strategy development based on the questionnaire on the learning organization that was developed by Peddler et al (1991). Strategy development being consciously structured as a learning process; management systems for accounting assist learning from the consequences of decisions made needed during strategy development; employees with external contact function as environmental scanners, collecting information to pass on to other staff; information collected externally is used by the organization as a platform for strategy

development; information is deliberately shared so as to learn and benchmark with others giving a base for strategy development; high standards are maintained in line with the strategic development needs of the company and resources and facilities are accessible to everyone in order to encourage self-development. It is important to note that no two individuals ever experience and interpret atmospheres, situations, or their own feelings the same way.

Johnson, Scholes and Whittington (2008) state that management perception of how strategies develop was seen differently because senior level managers tend to see strategy development more in terms of intended, rational, analytic, and planned processes whereas middle level managers see strategy development more as the result of cultural and political processes. Here, it is clear that these managers base their perceptions on their level of management and on experiences learned in the process. It is also evident that, the knowledge or expectations the managers have is influencing their perception building onto the cognitive psychology theory that features top-down processing. According to Cherry (2014), top-down processing is also known as conceptually-driven processing, since our perceptions are influenced by expectations, existing beliefs, and cognitions. In some cases we are aware of these influences, but in other instances this process occurs without conscious awareness.

The factors that influenced management perception at the Sarova Hotels limited involved the factors that scored the highest mean. The factor with highest mean score was the expectations you may have regarding the outcome (mean = 4.56) with resultant standard deviation of 4.56. The others factors with mean scores above 4.0 were the number of years you have worked in the organization and experience in your

current role (mean=4.56); the degree of specialization in my current role (mean=4.16); the amount of work it takes to put the process together and time it takes for results to be seen and felt (mean =4.31); the benefits it may bring to the department you are in, in line with the strategic direction of the company (mean =4.40); the organization setting and if it allows for organization learning (mean =4.31); action by competitors (mean =4.32) and continuous training and development for all staff regarding the process (mean =4.69). These factors had a p values <0.05 and hence they were proven to be statistically significant in influencing management perception.

The study made conclusions based on the study findings that the management does perceive that organizational learning has an influence on strategy development. This is because the respondents seemed to agree with majority of the statements given as indicators of organizational learning. The following statements got high mean scores, strategy development is consciously structured as a learning process, and management systems for accounting assist learning from the consequences of decisions made needed during strategy development, information collected externally is used by the organization as a platform for strategy development, information is deliberately shared so as to learn and benchmark with others giving a base for strategy development, high standards are maintained in line with the strategic development needs of the company, resources and facilities are accessible to everyone in order to encourage self-development.

The factors that most influence management perception were identified as, one being interest shown in organizational learning process and its influence on strategy development. This is based on the expectations that lead to the outcome. Another was, the number of years worked in the organization that builds the experiences and the

degree of specialization. This confirms the studies by Otara (2011) that a socially developed employee will have a more positive attitude towards certain processes more than one who is not socially developed. The external factors that influence perception involve the amount of work and time it takes for results to materialize, the benefits of strategic direction of the company; recognition of input; action by competitors and continuous training and development for staff regarding the process.

This shows that both internal and external factors have an influence on the management perception. The degree however varies and this also explains clearly the two forms of representations that top managers develop about the environments they exist in from the studies given by Nadkarni and Barr (2008). These are attention focus and environment-strategy causal logics. Attention focus are the aspects of the environment that are central to top managers' individual representations of their environments while environment-strategy causal logics are the order of the perceived causal relationship between the external environment and firm's strategy (Nadkarni & Barr, 2008).

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The study inquired on the management perception of the influence of organizational learning on strategy development at Sarova Hotels Limited. The respondents cited that it involved the implementation of organization strategy through the application of the value chain practices and management process to obtain the desired results.

Particularly, the study was guided by the following specific objectives: to establish the Management Perception of the influence of Organizational Learning on Strategy development and to determine the factors that influences Management Perception of Organizational Learning at Sarova Hotels Limited and to determine the factors that influences Management Perception of Organizational Learning at Sarova Hotels Limited.

5.2 Summary Of Findings

The study inquired on the perception of the influence of organizational learning on strategy development. The findings established that the indicators of organizational learning on strategy development involve, Strategy development is consciously structured as a learning process; management systems for accounting assist learning from the consequences of decisions made needed during strategy development; employees with external contact function as environmental scanners, collecting information to pass on to other staff; information collected externally is used by the organization as a platform for strategy development; information is deliberately shared so as to learn and benchmark with others giving a base for strategy development; high standards are maintained in line with the strategic development

needs of the company and resources and facilities are accessible to everyone in order to encourage self-development. These were proven to be statistically significant with a p value of 0.000.

The factors that influenced management perception at the Sarova Hotels limited involved the factors that scored the highest mean. The factor with highest mean score was the expectations you may have regarding the outcome (mean = 4.56) with resultant standard deviation of 4.56. The others factors with mean scores above 4.0 were the number of years you have worked in the organization and experience in your current role (mean=4.56); the degree of specialization in my current role (mean=4.16); the amount of work it takes to put the process together and time it takes for results to be seen and felt (mean =4.31); the benefits it may bring to the department you are in, in line with the strategic direction of the company (mean =4.40); the organization setting and if it allows for organization learning (mean =4.31); action by competitors (mean =4.32) and continuous training and development for all staff regarding the process (mean =4.69). These factors had a p values <0.05 and hence they were proven to be statistically significant in influencing management perception.

5.3 Conclusion

The study made the conclusion based on the study findings that management of Sarova Hotels Limited do perceive organizational learning as having an influence on strategy development. For this to be successful, Strategy development should be structured as a learning process, management systems for accounting usually assist learning from the consequences of decisions made needed during strategy development and should be communicated to the relevant stakeholders, benchmarking is important for companies to understand what is going on in the environment and

what others companies are doing and this information should be collected by employees with external contact and they should pass this information to other staff. This information that is collected externally should be used by the organization as a platform for strategy development. High standards should be maintained in line with the strategic development needs of the company especially the companies that are in a highly competitive environment and resources and facilities should be made accessible to everyone in order to encourage self-development. It is important to note that no two individuals ever experience and interpret atmospheres, situations, or their own feelings the same way and therefore it is important to understand how various people in the company perceive things.

The factors that influence management perception include both internal and external factors. Internal based on the interest shown in organizational learning process and its influence on strategy development, expectations that lead to the outcome, number of years worked in the organization that builds the experiences and the degree of specialization. The external factors include those that involve the amount of work and time it takes for results to materialize, the benefits of strategic direction of the company, recognition of input, action by competitors and continuous training and development for staff regarding the process.

5.4 Recommendations for Policy and Practice

The study makes recommendations based on the study findings that the aim of the management team in organizations should be to encourage processes that unlock the knowledge and potential of individuals, encouraging them to share information and knowledge they have learnt so that every individual can become aware of the various changes that are occurring around them.

All employees and managers should be involved in the process of finding new ways of attracting clients, launching new marketing campaigns and ensuring their presence is felt. Organizational learning should be brought out to influence strategy development and the policies should be put in place in the organization as guiding principles to enable the learning culture thrive.

5.5 Limitations of the Study

The researcher met with various challenges when conducting the research that included the fact that the firm ordinarily did not want to give information due to wanting to keep company information confidential. In addition, some of the respondents at first did not find the subject to be of interest and hence did not want to participate in the survey. Additionally, some respondents would not want to give the information as they considered it of competitive importance.

A large amount of time was needed to collect information from the respondents to be able to collect enough data as the respondents were very widely spread out across various towns in the country. Time limitation made it impractical to include more questions in the study. This study was also limited by other factors in that some respondents may have been biased or dishonest in their answers. However, the researcher did look for contradictions in the information given and no inconsistency were found.

5.6 Suggestions for Further Research

The management perception of the influence of organizational learning on strategy development at Sarova Hotels Limited is determined by the service quality dimensions, perceived risk factors, user input factors, price factors and service product characteristics. In understanding the management perceptions that influence

organizational learning on strategy development, there is room to determine the challenges of adopting management perceptions in organizational learning on strategy development in both private and public organizations in Kenya.

It would be of importance to instill a learning culture in organizations that encourages all to take an interest in the going ons in both the internal and external environments of the companies they work and it would be recommended to research on what companies can do to build an interest for learning in the members of the organization.

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Appendix I: Introduction Letter

Dear respondent,

I am an MBA student at the University of Nairobi-School of business and I am undertaking a research project on management perception on the influence of organizational learning on strategy development at Sarova Hotels Limited.

Kindly take a few minutes of your time to fill the questions in the three sections of this questionnaire. All responses were treated confidentially. Your cooperation was highly appreciated.

Kind regards,

Claris Wambui Giathi

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Appendix II: Questionnaire

SECTION 1: RESPONDENT'S PROFILE

These questions will help in understanding the different views of different respondents. For each question, please tick only one option which corresponds to the answer you have selected.

- 1) Please indicate your gender:
 - A. Female
 - B. Male
- 2) How long have you have been employed by Sarova Hotels Limited? Round off to the nearest year:
 - A. Up to 2 years
 - B. 3 – 5 years
 - C. 6 – 10 years
 - D. More than 10 years
- 3) Please select the Department where you currently work / work most frequently:
 - A. Sales and marketing (including Banqueting Sales & Reservations)
 - B. Purchasing (including Curio Shops)
 - C. Finance (including stores)
 - D. Human Resources
 - E. Front Office
 - F. Housekeeping
 - G. Engineering
 - H. Food & Beverage (Kitchen, Restaurants, Banqueting)
 - I. Administration & General

J. Information Technology

K. Security

- 4) Please select the management level you currently belong to:
 - A. Lower level management
 - B. Middle level management
 - C. Senior level management
- 5) Please indicate your age group:
 - A. 24-28
 - B. 29-34
 - C. 35-43
 - D. 44-53
 - E. 54 and over
- 6) Please indicate the highest level of education you have attained:
 - A. Certificate
 - B. Diploma
 - C. University degree
 - D. Post-graduate degree

**SECTION 2: PERCEPTION OF THE INFLUENCE OF ORGANIZATIONAL
LEARNING ON STRATEGY DEVELOPMENT**

The below statements are indicators of organizational learning. Kindly tick the statement that comes closest based on your perception of each on their influence on strategy development in Sarova Hotels Limited.

1- Strongly disagree, 2 disagree-, 3-uncertain, 4 agree-, 5-strongly agree

No.	Statement	1	2	3	4	5
1.	Organizational policy and its implementation, evaluation and improvement, is structured as a learning process.					
2.	Strategy development is consciously structured as a learning process.					
3.	All organization stakeholders are enabled to contribute to major policy decisions					
4.	There is timely access to information through technology making the strategy development process easier.					
5.	Management systems for accounting assist learning from the consequences of decisions made needed during strategy development.					
6.	All internal departments and units collaborate with each other by exchanging information needed for strategy development.					
7.	The organization delivers flexible rewards to staff in an open manner.					
8.	Organization gives staff an opportunity to question how rewards are distributed and enables them to cooperate during the strategy development process.					

9.	The organization gives space to meet present needs to be able to respond to strategy development needs for the future.					
10.	Employees with external contact function as environmental scanners, collecting information to pass on to other staff.					
11.	Information collected externally is used by the organization as a platform for strategy development.					
12.	Information is deliberately shared so as to learn and benchmark with others giving a base for strategy development.					
13.	Organizational culture encourages experimentation, enabling the organization know how to shape the strategy.					
14.	Management style encourages experimentation, enabling the organization know how to shape the strategy.					
15.	High standards are maintained in line with the strategic development needs of the company.					
16.	Resources and facilities are accessible to everyone in order to encourage self-development.					

SECTION 3: FACTORS THAT INFLUENCE MANAGEMENT PERCEPTION

The below statements are factors that would influence your perception of organizational learning in the company where you are based. Kindly go through each

factor and tick the number that indicates to what extent it influences your perception on strategy development.

Scale: 1-Not at all, 2-Least extent, 3-moderate extent, 4-large extent, 5-very large extent

No	Influencing factors	1	2	3	4	5
	Internal factors					
1.	The interest you have in the organizational learning process and its influence on strategy development.					
2.	Experience you have had with the organizational learning process in the past.					
3.	The expectations you may have regarding the outcome					
4.	Your education, knowledge and understanding of the organizational learning process and the benefits.					
5.	The sense that it may interfere with your position of power by enlightening staff below you.					
6.	The process may add value to the various policies and structure of the company					
7.	Optimism in the positive results of the process					
8.	The number of years you have worked in the organization and experience in your current role.					
9.	Your status and level of influence in matters regarding strategy development in the company.					

10.	The highest level of formal education you have attained.					
11.	Your current age.					
12.	Confidence in your ability to be able to handle the challenges					
13.	The degree of specialization in my current role.					
14.	The habit of resisting changes that are brought about during the strategy development process.					
15.	Being socially developed to be able to discern company and to understand processes					
	External factors					
16.	The amount of work it takes to put the process together and time it takes for results to be seen and felt.					
17.	The benefits it may bring to the department you are in, in line with the strategic direction of the company.					
18.	Availability of resources to put the process together					
19.	Your involvement in putting the process together and your input being recognized.					
20.	The organization setting and if it allows for organization learning					
21.	Action by competitors					

22.	The response from the customers					
23.	Continuous training and development for all staff regarding the process.					

Thank you for your time.

Appendix III: List Of Hotels

The below is a list of all Sarova Hotels that are going to be featured in the study.

1. Sarova Panafric Hotel
2. Sarova Stanley Hotel
3. Sarova Whitesands Beach Resort and Spa
4. Sarova Shaba Game Lodge
5. Sarova Lion Hill Game Lodge
6. Sarova Mara Game Camp
7. Sarova Taita Hills and Salt Lick Game Lodges
8. Sarova Head Office