

Organizational Culture Orientations and Employee Turnover Rate among Star Rated Hotels in Nairobi County

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Abstract

Hospitality industry is characterized by intensity of labour all over the world. Curiously, the sector is also dodged with higher employee turnover and slow growth, with many ventures closing down annually. In Kenya, the employee turnover rate remains at over 50% with hotels in Nairobi recording the highest turnover of over 72% by the first quarter of the year 2021. Management scholars have argued that aligning organizational culture to the business environment is the best approach to dealing with organization outcomes, including employee turnover. The main objective of this study was to investigate the influence of organizational culture orientations on employee turnover rate among star rated hotels in Nairobi County. Specific objectives were to determine the influence of innovation orientation culture on employee turnover rate, and to establish the influence of stability orientation culture on employee turnover rate. Contingency theory, which stipulates that approaches for enhancing firm outcome are contingent upon environmental factors was adopted. The study employed a correlational survey design on a target population of 486 top and middle-level managers. Fishers et al (1998) formula and multistage sampling were used to select a sample of 213 from the target population. Data was collected via structured questionnaires. Expert rating method was used to calculate a content validity index (CVI) of 0.88 for the instrument. Reliability was calculated through split-half method, where correlation coefficients of 0.88, and 0.84 for organizational culture and organizational structure respectively was attained. Descriptive and inferential were used for data analysis. The findings showed that 75.7% changes in employee turnover rate is attributed to organizational culture orientations investigated by the study ($R^2 = 0.757$). Findings also showed that stability orientation ($\beta = 0.473$), and innovative orientation ($\beta = 0.484$) all are significant predictors $\{F_{(1, 183)} = 278.617, P < 0.05\}$ of employee turnover rate among the hotels. It is concluded that stability orientation culture and innovative orientation culture are critical organizational characteristics for managing employee turnover. The study recommends that organizational characteristics should be improved for the purpose of controlling employee turnover. Further research needs to be done on effects of ethical environment and corporate governance on employee turnover rate.

Key words: Employee turnover rate; Stability orientation Culture; Innovative Orientation Culture; Organizational culture; Star rated hotels; Nairobi County

1.1 Introduction

The hospitality industry is one of the labour-intensive sectors across the globe. Being entirely dependent on employees, hospitality has evolved from the basic food and accommodation industry and veered towards offering warmth to guests most of whom are strangers adventuring in places unbeknown to them (Suprabha, Prasad & Shridev, 2017). The fact that the industry requires committed employees can therefore not be gainsaid (Vasquez, 2014). Several researchers (Bula & Muriithi, 2018; Holston-Okoe and Mushi, 2018; Ohunakin et al, 2019) have however, documented that employee turnover poses a significant challenge in the hospitality sector. Whereas scholars (Tedla, 2016; Alipoor et al, 2017; Chahal & Poonam, 2017) have explained that organizational characteristics inherent in organizational culture and organizational structure

are key in eliciting employee satisfaction, a dearth of information seems to exist with regards to the influence on employee turnover especially in the hospitality industry.

The success and effectiveness of any enterprise is contingent upon various organizational and contextual variables (Wadongo & Abdel-Kader, 2014). This places contingency theory at the forefront in the discussion of effectiveness and success of various organizations (Shala, Prebreza & Ramosaj, 2021). One of the most critical factors upon which a company's success has been contingent upon is organizational culture (Muafi & Kusumawatim, 2020; Nazarian, Atkinson & Foroudi, 2017). According to Robbins (2013), organizational culture is a system of shared meaning held by members that distinguishes the organization from the others. Some earlier scholars including Shen (2010) postulate that organisational culture consists of values, beliefs and assumptions which are shared or communicated among members of an organization. Some earlier scholars (Apsalone and Flores, 2018; Asif and Sajjad, 2018; Hussain, Khaliq, Nisar, Kamboh & Ali, 2019) have highlighted that firms with cultural orientations such as innovation and stability have drawn immense commitment from their workforce leading to competitive advantage in their respective industries. However, while various researchers have linked organizational culture to productivity and performance, earlier studies do not highlight how the same influence employee turnover especially in the hotel industry.

The dynamic nature of the business environment demands for innovativeness and creativity among organizations, a strategy commonly referred to as innovative orientation (adhocracy orientation) by scholars (Apsalone & Flores, 2018; Muriira, 2021). Such orientations comprise of adoption of flexibility and adaptability to change, responding to changing customer and employee needs, promoting and valuing employee creativity as well as investing in new innovative products and facilities (Dogonyaro, 2021). However, existing studies have not demonstrated how innovative orientation has influenced employee turnover in the hospitality industry. For instance, a study in Italy Di Stefano, Scrima & Parry (2019) investigated the impact of organizational culture (Clan; Adhocracy; Market, Hierarchy) on deviant behaviors in the workplace and revealed that adhocracy and clan cultures characterized by lower levels of work deviant behaviour. On their part, Apsalone and Flores (2018) analyzed the impact of ethical behavior as a part of an organizational culture on organizational innovation performance among SMEs in Latvia. They found that more ethical behavior leads to better organizational innovation performance. Similarly, Nham, Pham and Nguyen (2014) examined the influence of strategy and purposefulness behaviors that encourage innovation on innovative activities of employees in Vietnam and found that the dimensions of organizational culture have a positive influence on innovation activities. The aforementioned studies give credence to the notion that innovation orientation culture and employee turnover rates seem to have had limited documentation.

One of the cultural approaches whose adoption has been applauded by scholars as being effective in soliciting employee commitment is stability orientation (Burchell & Kolb, 2007). This is an approach in which the managers' most critical goal is the maintenance of smooth operations with minimal process interruptions (Mutua and Simba, 2017). Existing studies however, have not highlighted the influence that stability orientation culture has had on employee turnover rates especially in the hospitality industry. For instance, a study done in Serbia by Kirin et al (2017) analysed the stability and flexibility organizational culture after transition of an economy and found that organizational culture is a complex working environment, concerning organizational values, which represents a fundamental element of organizations. Similarly, Aktas, Çiçek and Kıyak (2011) investigated relationship between organizational culture and organizational efficiency and the effect of stability or variability of internal and external environment on this relation in Turkey. They found that stability of internal and external organizational environment and the top manager's values (self-direction and stimulation) play a moderator role on organizational efficiency. In another study done in Pakistan, Hussain et al (2019) examined the role of employee rewards, recognition, and job-related stress towards employee performance considering the mediating role of perceived organizational support. They found that perceived organizational support significantly and fully mediates the relationship between employee rewards, recognition as well as job stress and employee performance. Perhaps a more relevant study was conducted in Kenya where Mutua and Simba (2017) investigated the effect of organizational culture (innovation orientation and stability orientation) on employee at the Technical University of Mombasa. They found that innovation orientation and stability orientation had

significant and positive effects on employee turnover. Nevertheless, it is critical to note that how these variables (innovation and stability orientations) affect employee turnover rates influence employee turnover rate in the hospitality sector remains understudied.

The increasing competitive business environment occasioned by globalization and information technology, among others, makes employee turnover to become a threat to survival of firms across all sectors (Schlechter, Syce & Bussin, 2016). Employee turnover occurs when employees depart, either voluntarily or involuntarily, from an organization (Grant, 2021). Researchers (Cheruiyot, Kimutai & Kemboi, 2017; Mulwa, 2010) have defined employee turnover as the rate of voluntary or involuntary exit from and entry into an organization by the work force: it is the ratio of the number of workers hired by an establishment in replacement of departed ones, to the total number of employed workers. Side effects of employee turnover has been documented to include costs incurred in recruiting and training new workers as well as reducing the morale of the remaining staff (Al Mamun & Hasan, 2017; Lee, 2017). The hospitality sector is one of the industries often hit with highest rates of employee turnover rates across the globe (Wen, Zhou, Hu & Zhang, 2020). This questions the effectiveness of organizational cultural orientations such as innovativeness and stability among firms in the hotel industry, especially in countries like Kenya which records turnover rates as high as over 33%

Kenya has 183 star rated hotel establishments registered with the Tourism Regulatory Authority (Tourism Regulatory Board, 2019). However, the growth rate of the hotel industry in Kenya has been declining from 18.1% in the last quarter of 2018 to 12.1% by the end of 2019 according to the economic survey report of 2018 (KNBS, 2020). Moreover, the sector has experienced the highest rate of employee turnover in the country, registering 52% turnover rate during 2018 – 2019, with hotels within Nairobi County accounting for 72% (Tourism Regulatory Board, 2019).

1.2 Statement of the Problem

The hotel industry is one of the labour dependent sectors in the business arena which relies on the workforce for customer satisfaction and in turn organizational performance. However, the hotel industry is also one of the sectors facing the highest labour turnover rates across the globe, ranging between 50% and 120%. Whereas scholars have articulated that astute organizational cultural orientations such as innovativeness and stability in a firm is capable of eliciting employee commitment thus reducing employee turnover rates, studies on the same in the hospitality sector seem to be limited. The employee turnover rate in Kenya in the hospitality sector remains very high, at over 50%, with hotels in Nairobi recording over 72% by the fall of first quarter of the year 2021. While this might partly be attributable to many factors including COVID-19 pandemic, factors such as innovation orientation and stability orientation that define the success of enterprises especially in dynamic environments generally need to be interrogated. Although recent studies have investigated the effects of organizational environmental factors including innovation and stability orientations adopted by various enterprises, these studies have tended to focus on organizational outcomes comprising of performance and productivity, hence overlooking employee turnover particularly in the hotel industry. It was therefore prudent to go further and investigate the influence of organization cultural orientations such as innovation and stability on employee turnover particularly among star-rated hotels in Nairobi County.

1.3 Main Objective of the Study

The main objective of this study was to investigate the effect of organizational culture on employee turnover rate among star rated hotels in Nairobi County

1.3.2 Specific Objectives

The following were the specific objectives of the study:

1. To determine the effect of innovation orientation culture on employee turnover rate among star rated hotels in Nairobi County.
2. To establish the effect of stability orientation culture on employee turnover rate among star rated hotels in Nairobi County.

1.4 Research Hypothesis

To address the research objectives, the study tested the following hypotheses:

H₀₁ There is no significant effect of innovation orientation culture on employee turnover rate among star rated hotels in Nairobi County.

H₀₂ There is no significant effect of stability orientation culture on employee turnover rate among star rated hotels in Nairobi County

1.5 Theoretical Framework

This study was guided by the Contingency Theory developed by Fred Fiedler in 1958 during his research on the effectiveness of the leader in group situations (Shala, Prebreza & Ramosaj, 2021). The theory postulates that the appropriateness of different strategies is contingent upon the competitive settings of business processes (Muafi & Kusumawatim, 2020). The tenets of the theory to be considered includes how well employees perceive the manager, the degree to which the employee's jobs are described in detail, and the authority the manager possesses through his/her position in the organization (Shala et al, 2021). According to Wadongo and Abdel-Kader (2014), organizations will succeed if only there is an appropriate fit between structure, strategy and environmental context. Arguably, the theory holds that the design of an organizational system is contingent on context factors outside the organizational system and are likely to affect organizational outcomes.

Some weaknesses have, however, been pointed out in the Contingency theory by previous researchers. Wadongo and Abdel-Kader (2014), for instance, faults the include study of a single or two variables through selection fit and reliance on interaction effects, irrespective of the fact that there is shared commonality between the contingency variables. Similarly, most contingency-based research has concentrated on larger organizations while there is evidence from early studies that the relationship between size and administrative arrangements such as specialization, formalization and the vertical span increases with size but at a declining rate (Abba, Yahaya & Suleiman, 2018). Therefore, whereas it acceptable to assume that large firms employ formal fit strategies, it is possible that different types of controls are also appropriate within these large firms, depending on size. In addition, contingency theory seems to ignore organizational changes: the fit-based higher performance produce expansion which increases contingency variables, such as size or diversification, in turn leading the organization into misfit with its existing structure (Abbaetal,2018).

The contingency theory was considered to be relevant in the study since fitting different strategies to specific contexts is reflected by the organizational characteristics such as its culture and structure. Organizational culture and structure spell out the direction that facilitates practices for achieving set goals or objectives. In the context of this study, contingency theory links the role of culture adopted by the organization and structure of the organization should be reflective of changes taking place within the business environment. Employee turnover would be determined by the innovations or forms of stability adopted by the organization with respect to their perceptions of the prevailing environment.

2.2 Empirical Literature Review

2.2.1 Employee Turnover Rate

The negative consequences of employee turnover cannot be gainsaid. The loss of skills and organizational memory will increase proportionally with increasing turnover rates (Wynen, Van Dooren, Mattijs & Deschamps, 2019). However, despite the existence of several studies on this topic, limited focus has been directed on examining how organizational factors relate with it particularly among star rated hotels. In a study done in the USA, Holston-Okae and Mushi (2018) assessed the relationship between employee turnover intention and job satisfaction, employee compensation, employee engagement, employee motivation, and work environment. This was a correlational study, grounded in the motivation-hygiene theory, involving 156 hospitality employees. Findings indicated that the 5 predictors accounted for approximately 36% of the variance in turnover intention. Motivation, however, was found not to be a significant predictor of employee's turnover intentions.

Stamolampros, Korfiatis, Chalvatzis and Bouhalis (2019) conducted a non-line survey among 297,933 employees from 11,975 tourism and hospitality firms to explore the determinants of job satisfaction and

employee turnover in England. The authors found that leadership and cultural values were better predictors of high employee satisfaction, while career progression was critical for employee turnover. Additionally, findings showed that one unit increase in the rating for career progression reduces the likelihood of an employee to leave a company by 14.87%.

In their study, Wen et al (2020) explored how roles stress as a component of burnout in the service environment relates with turnover intention among front-line hotel employees in the Republic of China. Using a sample of 583 respondents, the authors revealed that role stress as a four-dimensional construct (i.e., conflict, ambiguity, qualitative overload and quantitative overload) has a statistically significant impact on burnout, which leads to turnover intention. Burnout completely mediates the relationship between role stress and turnover intention, that is, employees under role stress do not resign immediately unless they experience high levels of burnout. In addition, service climate moderates the influence of role stress on burnout, suggesting a moderated mediation relationship.

Bonenberger, Aikins, Akweongo and Wyss (2014) explored how motivational and job satisfaction affect turnover intention among healthcare workers in Ghana. This was a cross-sectional survey involving 256 health workers including doctors, nursing professionals, allied health workers and pharmacists. Findings showed that majority of the workers have had turnover intentions while motivation. The dimensions of motivation and job satisfaction significantly associated with turnover intention included career development, workload, management organizational commitment, and burnout.

In another study, Atongdem and Combert (2019) examine the rate of employee turnover in the hospitality industry in the Bolgatanga Municipality in the Upper East Region of Ghana. Twelve star-rated hotels were targeted and purposive sampling technique used to select twelve management staff and two hundred (200) non-management staff. Findings illustrated that poor reward and compensation systems, low job satisfaction due to too much workload, poor management-employee relationship, delays in promotion, weak career opportunities, low motivation of employees and that competing organizations provide better working conditions influenced employee turnover. In their work, Bello and Bello (2021) analysed the correlation between five dimensions of job satisfaction and employees' turnover among hotels in Lagos state, Nigeria. This was survey design research in which data was collected from 332 employees of 60 hotels. The result showed that all the five dimensions of job satisfaction (job stress, payment system, promotion opportunity, supervisor support, workplace environment) considered in this study put together have the tendency of influencing 43.2% of changes in employees' turnover

Musyoka and Mose (2021) sought to examine the determinants of employee retention among fast moving consumer goods manufacturing firms in Nairobi County, Kenya. The research employed descriptive research design targeting 217 firms from which a sample of 140 respondents was drawn for questionnaire administration. Wafula, Ondari and Lumumba (2017), on their part, investigated the factors affecting employee turnover in hospitality establishments in Kisii Town, Kenya. A descriptive survey research design was used on a target population of 35 employees of 7 establishments. The study found out that salaries and wages, career promotions and job satisfaction were the leading factors which contributed to high employee turnover in hotels.

2.2.3 Innovation Orientation Culture and Employee Turnover

Di Stefano et al (2019) investigated the impact of organizational culture (Clan; Adhocracy; Market, Hierarchy) on deviant behaviors in the workplace. The authors tested the hypothesis that different types of organizational culture had an impact on workplace deviant behaviour. This study was a survey research involving 954 employees of 30 firms in the public and private sectors in Italy, where a hierarchical model approach was used to test the effects of four types of organizational culture: Clan; Adhocracy; Market, and Hierarchy on deviant behaviors in the workplace. The analysed results partially supported the hypotheses, showing that the organizational culture had a significant effect on deviant behaviors in the workplace, with the adhocracy and clan cultures characterized by lower levels of deviant behaviors in the workplace.

Apsalone and Flores (2018) analyzed the impact of ethical behavior as a part of an organizational culture on organizational innovation performance among SMEs in Latvia. Six hundred SMEs in Latvia were surveyed

to assess whether employees follow the principles of business ethics in their work and what is the organizational innovation performance in these enterprises. They found that more ethical behavior leads to better organizational innovation performance, and that the size of enterprise is the most significant factor affecting this relationship.

Gorenak, Edelheim and Brumen (2020) sought to determine the influence of organizational values on job satisfaction among employees from selected sectors in Germany. This was a quantitative survey in which questionnaire was used to collect data. In the questionnaire, the respondents were asked to evaluate what kind of organizational values the organization they work for does promote, and what influences their job satisfaction. The results showed a weak, but still detectable, positive correlation between organizational values and job satisfaction with regard to work itself. Additionally, results showed a positive correlation between organizational value for innovation and satisfaction with working conditions.

Nham, Pham and Nguyen (2014) examined the influence of strategy, purposefulness, trust relationship, behaviors that encourage innovation, working environment, customer orientation, management support and leadership on different aspects of innovation activities, including product, process, marketing, and organizational innovation based on an empirically research of 124 employees at X Corporation. The results reveal the positive effects of organizational culture on innovation activities at X Corporation. In addition, based on these findings, some suggestions are given for X Corporation to further develop their own organizational culture and innovation activities.

Muafi & Kusumawatim (2020) analyzed how organizational strategy with the contingency of organizational culture and isomorphism impact on organizational performance moderated by human capital among owners/managers of Batik Micro Small Medium Enterprises (MSMEs) in Indonesia. The data were collected using questionnaire and interview Therefore, the sampling technique used included two stages: proportional area random sampling and purposive sampling. Findings showed that the higher the alignment degree between imitation strategy and hierarchy culture, the higher the organizational performance is; and the higher the alignment degree between innovation strategy and adhocracy (innovation oriented) culture, the higher the organizational performance

Putriana, Wibowo, Umar and Riady (2015) explored the relationship of organizational culture on job satisfaction and commitment, job satisfaction on organizational commitment and organizational culture, job satisfaction and organizational commitment to job performance. Data obtained from 214 employees of major Japanese motorcycle manufacturers in Jakarta. Validity of the scale was ensured using factor analysis and internal consistency was checked using Cronbach's alpha, and partial least square-structural equation modelling (PLS-SEM) was utilized to test the research hypotheses. The results showed that organizational culture was positively and significantly related to job satisfaction and organizational commitment. And also, job satisfaction has significantly affected on organizational commitment.

Odhiambo (2016) sought to find out the influence of organizational culture on employee performance at NIC bank. The research problem was studied through a descriptive survey research design because it gathers data from a huge population at a given time with the motive of evaluating the kind of situation at hand. The population of study consisted all employees of NIC bank which are 1,164. Descriptive techniques of simple percentages and arithmetic mean were used to do the data analysis. The findings displayed that most of the individuals who responded were in agreement that espoused beliefs and values, rules and policies, artifacts and management behaviors influence various aspects of their performance in a positive way. The study established that firms engaged in various organizational cultures to boost performance of employees. The findings also showed that rules and policies and espoused beliefs and values were the most prevalent culture components. This study concluded that for performance of firms to improve, present organization culture should be compatible with the current strategies and day to day running of the activities of employees.

Maika and Wachira (2020) sought to determine the effects of organizational culture (creativity and flexibility orientations) on success of strategy implementation in Water Boards in Kenya. Descriptive statistics data analysis method was applied to analyze data. The study findings showed that in overall the organization culture influences 73% of change in strategy implementation in the water boards in Kenya. This means that there is a significant relationship between the strategy implementation and the culture of

waterboards. Study recommends that; there is need for the waterboards management to encourage employees work together and they need to create room for creativity and flexibility in application of rules.

2.2.4 Stability Orientation Culture and Employee Turnover

Aktas et al (2011) investigated relationship between organizational culture and organizational efficiency and the effect of stability or variability of internal and external environment on this relation in Turkey. Besides, the values of self-direction, stimulation, power that leaders have are researched. 40 top managers / organizational founders are selected for sampling in health sector. Questionnaire method is utilized for gathering data. The findings show that organizational culture types are related to some organizational efficiency dimensions. The stability or variability of internal and external organizational environment and the top manager's values (self-direction and stimulation) play a moderator role on this relationship.

Kirin, Gavrić, Vasojević and Rakonjac (2017) analysed the stability and flexibility organizational culture after transition of an economy by examining how quickly and to what extent international organizational cultures, brought by the world companies after the process of privatization, being implemented in a single monolithic culture in Serbia. A sample of 1000 employees was statistically processed. The results confirm that organizational culture is a complex working environment, concerning organizational values, which represents a fundamental element of organizations.

Pham, Ngo, Duong and Pham (2021) evaluated the impact of organizational culture on job satisfaction and organizational commitment among employees in small and medium-sized enterprises in Ho Chi Minh City, Vietnam. The data were collected from a sample of 240 office employees. Structural Equation Modeling was used to determine the influence of organizational culture dimensions, including open working environment, salary, and rewards, empowerment, management style, corporate values, on employees' satisfaction and organizational commitment. The findings showed that the five dimensions of organizational culture positively impact employees' satisfaction and that job satisfaction significantly influences organizational commitment. Thus, job satisfaction serves as the bridge between organizational culture and commitment.

Tulcanaza-Prieto et al (2021) examined how organizational culture influences corporate performance in the Ecuadorian service sector. Target population comprised of managers and employees in small Ecuadorian service firms. The findings revealed a statistically positive relationship between organizational culture and firm performance. Moreover, involvement, adaptability, consistency, and mission affect the non-financial performance of the Ecuadorian service sector. Involvement was the critical determinant of the influence of organizational culture on corporate performance, while training shows the strongest association with organizational culture.

Maryati et al (2022) analyzed the organizational culture designed by the company manager compared to the organizational culture according to employee perception and the effect of organizational culture and human resources management practices run by the company on employee turnover intention. The research was a case study in PT DMS, one of MFIs in Indonesia. The analysis of organizational culture analysis showed that the culture that could be applied was the type of clan. The Structural Equation Model (SEM) analysis shows that organizational culture positively affects satisfaction with the implementation of HRM practices. However, organizational culture has a negative impact on turnover intention. Then, satisfaction with implementing HRM practices has a significant and negative effect on turnover intention. It can be concluded that to decrease turnover intention, companies need to increase employee satisfaction with the implementation of organizational culture and HRM practice, such as creating employee development program.

Asif and Sajjad (2018) sought to identify the prevailing type of culture and its relationship with performance in SMEs operating in Pakistan. Using competing value framework, the cultural profile and dominant characteristics of SMEs are identified and investigated to ascertain their implied relationship with organizational performance on the basis of certain self-assessment variables. Primary data used was collected from SME employees through a self-administered survey questionnaire. The results revealed that 'hierarchy' culture is the prevailing type of culture and a statistically significant relationship exists between

organizational culture and performance among the sampled SMEs. Another study done in Pakistan by Khalid and Nawab (2018) sought to determine the relationship between types of employee participation (Delegative, consultative, worker director, and worker union) on employee retention and the moderation of employee compensation in this relationship. The authors analyzed four types of employee participation, employee retention, and compensation in two major sectors of Pakistan: service and manufacturing. All types of employee participation influence employee retention positively in both sectors. Employee compensation moderated the relationship between types of employee participation and employee retention. Delegative participation had a stronger influence on retention as compared with other types in both sectors. In a study that perhaps was more relevant to the current paper, Dogonyaro (2021) explored strategies hotel managers use to improve employee retention. The participants were three hotel managers from a hotel in Abuja, Nigeria, who used strategies to improve employee retention. Sources for data collection were semi-structured interviews, company documents, observations, and field notes. Data analysis involved the use of thematic analysis. Four themes emerged: work conditions and employee welfare, remuneration and compensation, training and career development, and reward and recognition. A key recommendation was for hotel managers to implement effective training and development strategies to improve employee retention.

Mutua and Simba (2017) investigated the effect of organizational culture (innovation orientation and stability orientation) on employee at the Technical University of Mombasa. The population of the study was 493 employees of Technical University of Mombasa. A sample size of 148 individuals was picked and selected using stratified random sampling technique. Descriptive statistic such as standard deviations was used and the inferential statistics used included Pearson correlation, ANOVA and multiple regression analysis. Multiple regression analysis was used to establish the relationship between the research variables. The result revealed that innovation orientation and stability orientation had significant and positive effects on employee turnover.

Muriira (2021) explored the organizational culture orientations and employees' turnover among 18-holes private members' golf clubs employees within Nairobi City County. The study utilized a cross-sectional research design and a sample size of 230 employees. A random sampling technique was used across the population stratum identified. Semi-structured questionnaires and interview schedules were used to collect the primary data. The study results indicated that hierarchy (stability) culture orientation was the best in predicting employee turnover in 18-holes private members golf clubs. Adhocracy (innovation) culture orientation was not contributing significantly to the employee turnover predicting model.

2.3 Knowledge gap.

The aforementioned studies demonstrate that organizational cultural orientations such as innovation orientation culture and stability orientation culture have been sufficiently discussed. It is however critical to note that significant amount of effort made by organizational culture scholars have been directed at discussing the phenomenon in relation to firm performance or job satisfaction (Kirin et al, 2017; Muafi & Kusumawatim, 2020; Pham et al, 2021; Tulcanaza-Prieto et al, 2021). Limited attention seems to have been paid to how these organizational cultural orientations relate with employee turnover. Similarly, most of these studies have also tended to illustrate or reveal contrasting results in the relationships with regards to how organizational culture orientations influence firm outcomes. For instance, Muriira (2021) found that adhocracy (innovation) culture orientation was not contributing significantly to employee turnover in a study done among private members' golf clubs employees in Kenya. In contrast, Mutua and Simba (2017) in an earlier study found that innovation orientation and stability orientation cultures had significant and positive effects on employee turnover in a study done among employee at the Technical University of Mombasa (Kenya). It could therefore be deduced that a lacuna of literature exist with regards organizational culture and structure influences on employee turnover rate in the hotel sector, previous studies on the topic in other sectors also point to contextual differences.

3.0 Methodology

3.1 Research Area and Design

This study was conducted in Nairobi County which is Kenya's capital city because majority of star rated hotels in the country are located in the area. The County occupies 696km² with a total population of

3,375,000 people as per the 2009 census. Its coordinates are 1°16' 59.99° Latitude and 36°49' 0.01'E Longitude.

The study adopted correlational design. This is a design which is articulated as suitable for measuring the relationships between variables (Creswell, 2014). Correlational design was used to measure the relationship between organizational culture and structure on employee turnover rate among star rated hotels in Nairobi County.

3.2 Study population and Sample

The study targeted top and middle level managers of star rated hotels in Nairobi County. Tourism regulatory authority in Kenya indicates that there are 54 star rated hotels in Nairobi County. These star- rated hotel have the general manager, front office, housekeeping, food and beverage, sales and marketing, human resource, accounts, procurement and maintenance. This gives a target population of 486 from the 54 hotels.

The sample size was calculated using the Fishers et al (1998) formula as shown:

$$SS = \frac{Z^2 \times (p) \times (1 - p)}{C^2}$$

Where:

SS = Sample Size

Z = Z-value (e.g., 1.96 for a 95 per cent confidence level)

P = Percentage of population picking a choice, expressed as decimal (.5 used for sample size needed)

C = Confidence interval, expressed as decimal (e.g., .05)

$$SS = \frac{1.96^2 \times (.35) \times (1 - 3.5)}{.05^2}$$

$$SS = 380$$

The the new sample size for the study was calculated using the correction Formula 2 as shown below:

$$New\ SS = \frac{SS}{(1 + (SS - 1)/pop)}$$

Where pop = finite population

$$New\ SS = \frac{380}{(1 + ((380 - 1)/486))}$$

$$New\ SS = 212$$

The minimum sample size for the study is therefore 212. Proportional stratified method was used to select the general managers and the departmental heads as shown in Table 1;

$$Actual\ Sample = \frac{Population\ strata}{Total\ population} \times minimum\ sample\ size$$

For example, the sample size for general managers is computed as:

$$Actual\ Sample\ for\ general\ managers = \frac{54}{486} \times 212$$

Table 3.1: Population stratification and sample size distribution

Employment level	Population Strata	Sample Size
General Managers	54	24
Departmental Heads	432	188
Total	486	213

The sample size therefore was 212. Simple random sampling was then applied to select the respondents from each of the strata.

3.4 Instrumentation, Validity and Reliability

The study used self-administered structured questionnaires to collect data. The questionnaire consisted of the study variables information: organizational culture and organizational structure. This method was chosen because it enabled the researcher to obtain a lot of information faster.

This study used content validity index (CVI) to enhance the validity of the study instruments. In this regard, ratings of four experts based on item relevance were used to measure constructs of the study variables (Dawadi, Shrestha & Giri, 2021). The ratings adopted a 4-point ordinal scale of 1 – 4 for not relevant to highly relevant. The calculated rating of the four experts generated a CVI of 0.88. This was considered to be highly relevant by the researchers.

On the other hand, the study used data collected from a pilot study involving randomly selected 21 departmental managers who were excluded from the final data collection exercise to check reliability of the study instrument. With the aid of Statistical Package for the Social Sciences (SPSS) version 21 tool, Split-half method was used to calculate correlation coefficients of 0.83, 0.88, and 0.84 for employee turnover rate, organizational culture, and organizational structure respectively. The instrument was therefore considered as reliable in collecting the required data since the reliability coefficient surpassed the threshold of 0.70 espoused by reliable scholars (Akhtar, 2016).

Data Analysis and Presentation

Data obtained using questionnaire was analysed via descriptive and inferential statistics with the aid of SPSS version 21. Descriptive statistics enabled generation of mean (M) and Standard Deviation (SD) which was essential for interpretation of quantitative results. On the other hand, inferential statistics generated data which helped in explaining the relationship demonstrated in the model:

$$Y_0 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

(Source: Adopted from Hair, Babin, Money & Samouel, 2003).

Where;

Y_0 = employee turnover

X_1 = Innovation orientation culture

X_2 = Stability orientation culture

β_0 = Constant representing the fixed employee turnover rate

ε = Error term representing factors affecting employee turnover not included in the study

4.0 Results and Discussions

4.1 Response Rate

The researcher was able to administer the study questionnaire to 182 respondents after several visits to their respective offices. This represented 89.3% questionnaire return rate. Table 4.1 presents the questionnaire coverage rate.

Table 4.1: Questionnaire Coverage Rate

Employment level	Sample Size	Returned Questionnaire	Percent
General Managers	24	19	79.2
Departmental Heads	188	163	86.8
Total	212	183	85.9

Source: Research Data (2022)

4.2 Organizational Culture and Employee Turnover Rate

The objective of this study was to determine the influence of organisational culture on employee turnover among star-rated hotel in Nairobi County. The study postulated and tested the hypothesis that:

H₀₂ Organisation culture do not significantly influence employee turnover rate among star rated hotels in Nairobi County

This study adopted two orientations to organisational culture namely stability orientation culture and innovative orientation culture. Therefore, the specific research hypotheses were:

H_{02a} Stability orientation culture do not significantly influence employee turnover rate among star rated hotels in Nairobi County

H_{02b} Innovative stability culture do not significantly influence employee turnover rate among star rated hotels in Nairobi County

Subsequent regression analysis results (model summary) is presented in Tables 4.2

Table 4.2: Organization culture and employee turnover model Summary

Model	R	R ²	Adjusted R ²	STE	Change Statistics					Durbin-Watson
					R ² Change	F Change	df 1	df 2	Sig. F Change	
1	.870	.757	.754	.37287	.757	278.617	2	179	.000	2.157

Note: Dependent Variable: Employee Turnover; Predictors: (Constant), Innovative Orientation, Stability Orientation

Table 4.2 illustrates that the R Square for organizational culture and employee turnover is 0.757 (R² = .757). This implies that the two-organizational cultural orientations (innovation and stability orientations), without explain 75.7% of the variance in employee turnover. The study further ran an Analysis of Variance (ANOVA) to determine the existence of differences between the study variables. Table 4.3: Organisational culture and employee turnover ANOVA results.

Table 4.3: Organisational culture and employee turnover ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	77.475	2	38.738	278.617	.000
	Residual	24.887	179	.139		
	Total	102.363	181			

Note: Dependent Variable: Employee Turnover; Predictors: (Constant), Innovative Orientation, Stability Orientation.

The results of ANOVA presented in Table 4.3 illustrates that organizational culture is a significant (P = 0.000) predictor of employee turnover rate with a combined influence on employee turnover (F [2, 179] = 278.617), and that the model was fit for purposes of measuring the relationship. Further, the contribution of each coefficient (stability orientation and innovative orientation were analysed. Table 4.4 presents coefficients for organizational culture.

Table 4.4: Coefficients for organisational culture

Model		USTC		STC	t	Sig.	95.0% CI		COS	
		B	STE	Beta			Lower	Upper	TO L	VI F
1	(Constant	.09	.148		.628	.53	-.199	.386		

)	3				1					
STABOC	.47	.080	.438	5.89	.00	.314	.631	.24	4.0	
	3			7	0			6	61	
INOVOC	.48	.078	.462	6.22	.00	.330	.637	.24	4.0	
	4			3	0			6	61	
<p>Note: Dependent Variable: Employee Turnover; USTC - Unstandardized Coefficients; STC - Standardized Coefficients; CI – Confidence Interval, COS - Collinearity Statistics; STE - Std. Error; STABOC – Stability Orientation Culture, INOVOC – Innovative Orientation Culture</p>										

Table 4.4 illustrates the Beta (B) for stability orientation is 0.473. This denotes that a unit improvement in stability orientation leads to an improvement of 0.473 unit improvement in employee turnover rate. Based on P-Value of 0.00 as shown on Table 4.4, this improvement was found to be significant since it was less than 0.05 level of significant. If this statistics is substituted in the above model:

$$Y_0 = \beta_0 + \beta_1 X_1 + \varepsilon$$

Then:

$$Y_0 = -0.5093 + 0.473 (X_1)$$

Similarly, Table 4.4 also illustrates that the Beta for innovative orientation culture is 0.484. This portrays that a unit improvement in innovative orientation culture by the hotel managements leads to 0.484 unit improvement in employee turnover rates. Given the p value indicated in Table 4.4 (P=0.000), this improvement is significant. Therefore the value of Beta can be substituted in the model as:

$$Y_0 = \beta_0 + \beta_2 X_2 + \varepsilon$$

Then:

$$Y_0 = -0.5093 + 0.482 (X_2)$$

5 Discussions, Conclusions and Recommendations

5.1 Discussions

The current study generally revealed that organisation culture significantly influenced employee turnover among star-rated hotels in Nairobi County. The findings generally support earlier studies (Dormio et al, 2012; Pham et al, 2021; Putriana et al, 2015; Tortak et al, 2020; Mutua & Simba, 2017) which illustrated the importance of organisational culture to employee commitment to an organisational. In this regard, organisational commitment relates to employees' attachment to a hotel organisational and would therefore have implications on their decisions to leave or remain in the hotel. This in turn has implications for turnover. Pham et al (2021) for instance, found that organization culture as a composite variable had a positive significant influence on employee commitment. Similarly, Mutua and Simba (2017) found that organizational culture had significant influence on employee turnover. The implication of the current study finding is that star-rated hotels in Nairobi County must pay attention to organisational culture or the work culture of the hotels as it influences employees' behaviour, work attitude, employee commitment and job performance which in turn dictate turnover. Contrary to this current finding, Tortak et al (2020) found an inverse relationship between ethical leadership and turnover intention and employee retention. While various studies have investigated organizational culture using varied culture orientation, this study examined organisational culture using mainly two orientations namely stability orientation and innovative orientation.

5.2 Conclusion

Based on the study findings demonstrated in the preceding sections, the study concludes that components of organizational culture investigated in this study such as stability orientation culture and innovative orientation culture collectively explain a significant variance in employee turnover rate among star rated hotels in Nairobi County.

5.3 Recommendations

The study findings have shown that components of organizational culture such as stability orientation culture and innovative orientation culture have a significant influence on employee turnover rate among star

rated hotels in Nairobi County. The researcher therefore recommends that firms in the hotel industry should strive to maintain stability and innovative-ness so as to curtail employee turnover rate.

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