# THE MODERATING EFFECT OF INNOVATIVE, ACHIEVEMENT AND ROLE CULTURES ON THE PERFORMANCE OF HOSPITALITY INDUSTRIES IN NIGERIA

**IBEGBULEM**, Andreas Brutus, Ph.D Department of Business Administration Faculty of Administration and Management Sciences Delta State University of Science and Technology, Ozoro Delta State, Nigeria.

Orcid: https://orcid.org/0009-0000-0892-7474

bruabel2512@gmail.com

**ONORIODE**, Omorho Humphrey, Ph.D **Corresponding Author** 

Department of Business Administration, Faculty of Administration and Management Sciences Delta State University of Science and Technology, Ozoro Delta State, Nigeria

Orcid: https://orcid.org/0009-0009-4964-1187 onoriodehumphrey74@gmail.com.

## **ABSTRACT**

The study examined the influence of innovative, achievement and role cultures on performance of hospitality industries in Nigeria. The cross-sectional survey research design was used as methodology. The population of the study comprised of 6,000 hospitality firm staff across the five South East State of Nigeria. A sample size of 1,153 employees was drawn from the population, using Borg & Gall formulae of which 929 copies of questionnaires were duly completed and returned; showing 96% response rate. Research hypotheses were tested using regression analysis which was carried out with the aid of Statistical Package for Social Science (SPSS) version 23. Statistical values of 0.798, 0.537 and 0.431 for innovative culture, achievement culture and role culture were obtained respectively at 5% (0.05) level of significant. Based on the findings, the study concluded that innovative, achievement and role cultures have positive and significant relationship on performance of hospitality industries in Nigeria. The study recommends among others; that hospitality companies should increase positive perceived organizational support by increasing innovativeness received by employees through the implementation of administrative policies that are fair enough for all employees to provide support for a good work environment and working conditions, and maintain supervision support for employee work.

Keywords: Innovative, Achievement, Role Cultures, Performance

## INTRODUCTION

The intense mobility of people, goods, and services in today's globe is reflected in the extensive interaction between businesses located throughout the world. In this setting, the cultural factor is constituted as a crescent-shaped strategic component in multinational corporations (Mbwa, 2020). These companies needed to make contact with, travel to, and meet with possible buyers, sellers, and partners interested in establishing business relationships, negotiating legal agreements, and forming alliances for mutual benefit (Onoriode & Samuel, 2022). During these activities, cultural issues manifest themselves and frequently affect how the discussions progress. People who represent companies abroad must be mindful of cultural variations and the potential effects they may have on their ability to perform their duties successfully. Anyone conducting business internationally must often and successfully navigate cultural differences (Onoriode, Oboreh, & Abarika, 2023). One of the biggest challenges faced by hospitality firms that operate in Nigeria is the cultural differences.

Another problem facing is a successful adaptation of diverse cultures and their impact on employee job performance are power distance, individualism, uncertain avoidance and masculinity. Such adaptation requires an understanding of culture, cultural diversity, views, stereotypes and values (Amirreza & Abdollah 2018). Due to existence of different cultures in the world, an understanding of the culture is critical for business performance. If business managers do not know the culture of an organization with whom or in which they operate, business performance can be extremely negative (Mbwa, 2020). Nevertheless, recognizing the importance of cultural differences helps managers understand their managerial skills. However, it is rather difficult to recognize a direct influence of culture on business. Organizational culture is a part of reality, so ignoring it is unproductive and undesirable; therefore the focal interest of the study is to examine the influence of innovative culture, achievement culture and role culture on the performance of hospitality industries in Nigeria. The study's specific objectives are to analyze the effect of innovative culture on the performance of hospitality industries in Nigeria, investigate the effect achievement culture on the performance of hospitality industries in Nigeria, and to determine the effect of role culture on the performance of hospitality industries in Nigeria. To accomplish these objectives, the following null hypotheses are put forth; innovative culture, achievement culture, and role culture do not significantly improve the performance of Nigeria's hospitality sectors.

# LITERATURE REVIEW

# **Theoretical Framework**

This work is anchored on Dynamic Capabilities Theory. Dynamic capabilities theory proposed by Teece and Pisano (1994) is the extension from Resource-Based View (RBV) of the firm (Barney, 1986, 1991). Based on the RBV, firm in the similar industry perform differently because they have different kind of resources and capabilities (Barney, 1986, 1991) whereby RBV is considered as static in nature and insufficient to explain the competitive advantage of the firm changing market environment. Additionally, the resource based view of the firm is looking at the unique, rare and imitable resources that the firm has that created competitive advantage and firm growth (Barney, 1986), however the process of maintaining competitive advantage is limitless and it is the dynamic

process, hence scholars proposed that in order for the firm to remain competitive in the market, the firm needs to develop specific capabilities and continuous learning which is from dynamic capabilities point of view especially in the new or changing environment. The lack of dynamic capabilities will prohibit the firm to maintain their competitive advantage especially in the changing environment.

Furthermore, the Dynamic Capabilities framework establishes that maintaining superior business performance in a market characterized by technological changes can only be possible by refining internal organizational and managerial policies and procedures. In addition (Teece, 2007) argues that the high-flyers in the marketplace are those firms that developed flexible structures and processes, coupled with effective management control which allow them to deploy resources in order to achieve new sources of competitive advantage.

## **Conceptual Review**

#### **Innovative Culture**

In enhancing the creation and implementation of new ideas in the organization, innovative culture needs to be applied. Innovative culture reportedly affects the performance outcomes of organization (Olise & Okolocha, 2021). Innovative culture can be identified as a creative work environment worth the challenges and risk taking in their daily routine (Kanisa and Makoha, 2017). Meanwhile, Amirreza and Abdollah (2018) said that creative and challenging work environment is one of the characteristic innovative cultures. Blake and Mutton (2014) found that employees in any organization are influenced by the innovation environment. This is where they can illustrate their creativity with their own style and at the same time, it can increase the level of motivation while working. Employees also will be motivated when they are given a chance in sharing their own innovative ideas with their colleagues.

#### **Achievement Culture**

An achievement culture is one where people work hard to achieve goals and better the group as a whole. This culture generally consists of highly motivated people who need little or no supervision. Rules and procedures are limited as they may interfere with the accomplishment of work. (Durgadevi & Vasantha, 2017).

Achievement culture gives workers mutual vision and determination in the organization (Aluko, 2013). It is sometimes called "aligned organization" as it put its employee's behind an organizational commitment and they tend to like their work and want to make a contribution to the society. These individuals willingly give more or go an extra mile in their organizations to meet stated objectives and they are passionate, energetic, and engaged in company's activities (Iliuta, 2014).

#### **Role Culture**

Mbwa, (2020) define role-oriented culture as "substituting system of structures and procedures for the naked power of the leader". This type of culture focuses mainly on job description and specialization. In other words, work is controlled by procedures and rules that spell out the job description, which is more important than the person who fills the position Uddin, Luva and Hossain (2012), however role-oriented culture as being high in both formalization and centralization on modes of operation. Aftab, Rana, and Sarwar, (2012) stated that "the strength of role culture lies in the function or specialties (finance, purchasing, production and so forth) which can be thought of as a series of pillars which are coordinated and controlled by a small group of senior executives (the pediment)". This implies that the foundation and pillar of such organization are the formalized and centralized functions; which are controlled by role and communication procedures (Durgadevi, & Vasantha, 2017).

## **Organizational Performance**

Cook and Crossman (2014) described organizational performance as a continuous process for improving the performance of individuals by aligning actual performance with that desired t(and with the strategic goals of the organization) through a variety of means such as standard- setting, appraisal and evaluation both informally, day to day, and formally/systematically through appraisal interviews and goal setting. Job performance is defined as the value of the set of employee behaviours that contribute either positively or negatively to the organizational goals accomplishment while task performances are employee behaviours that are directly involved in the transformation of organizational resources into the goods or services that the organization produces (Colquitt, Lepine & Wesson, 2018).

#### **Empirical Review**

Dyke-Ebirika, and Barinua, (2021) determined the influence of dimensions of organizational culture (process oriented and result oriented cultures) on measures of employee commitment (affective and normative commitment). The findings revealed that there is a strong positive relationship between dimensions of organizational culture on measures of employee commitment. Based on the findings, the study concluded that various dimensions of organizational culture enhance employee commitment. The study recommended that management should give opportunity to employees, resolving performance challenges that would increase affective commitment of employees and promote normative commitment in the organization.

Oluwa and Ibrahim (2021) examined various concepts on organizational culture to ascertain the importance of the relationship between organizational culture and corporate performance in a business context. The study adopted survey research design. The population of this study is the entire employees of Nigerian commercial banks. Primary data were used for this study. Data were collected through a questionnaire that was administered to the selected respondents, the two hypotheses

proffered were tested and relevant recommendations were made. The conclusion drawn from the study is that organizational culture plays a vital role in an organizations general performance. This study contributes to organizational cultures, literature by showing that employees would commit themselves to organizational goals and work actively in achieving those goals when they buy into cultural norms of the organization and thus increase organizational performance.

Muhammed (2017) accessed the impact of organizational culture on employee performance. Literature review and library research are adopted to assess how the culture of an organization impacts upon processes, employees and systems in an organization. The performance, management system has been measured by balanced score card and by understanding the nature and ability of systems of culture of n organization. Certain dimensions of culture have been identified so far and researched. Findings indicate that values and norms of an organization are based upon employee relationship. The role of an organization is to increase the level of performance by designing strategies.

Sinha and Arora (2012), investigated the influence of organizational culture dimensions such as innovation, communication, environment, humanistic workplace, commitment, systems, and result orientation on the business performance of electric plant in India. Results indicated that all the seven dimensions have positive and moderate relationship with business performance.

#### MATERIAL AND METHOD

The study utilized descriptive survey design because it required data collection so that questions regarding the current status of the subject of the study can be answered. The population was 6,000 consists of employees with minimum working experience of three years who are permanent staff in hospitality industries in South-East Region of Nigeria. To make the selection reasonable, stratified random technique was employed to group the population into strata or subgroups-Abia, Anambra, Ebonyi, Enugu and Imo State. Sample size of 1,153 was derived using Borg & Gall formulae. Well structured questionnaire was used for data collection. 1153 copies of questionnaire were distributed by the researchers and research assistants. The essence of research assistants is to make the coverage of the area under study easier. The questionnaire was retrieved one week after necessary responses to the questionnaire and 929 (96%) copies were returned and found valid for analysis. Correlation coefficient was used for the analysis using Pearson Product Moment Correlation Coefficient with the aid of Statistical Package for Social Science (SPSS) version 23.

Table 1: Internal reliability test

Factor Group	Cronbach's Alpha	
<b>General Reliability Statistics</b>		
Performance	.858	
<b>Dimension Reliability Statistics</b>		
Innovative culture	.792	
Achievement culture	.776	
Role culture	.823	

Source: Compiled by Researchers, 2024

Reliability and validity tests were conducted for each construct using the Cronbach's alpha. For this study, the Cronbach's alpha for each construct was 0.722, which indicates a strong reliability for this research instrument. Table 1 shows the reliability test results for innovative culture, achievement culture and role culture. The general reliability test has a Cronbach's alpha score of 0.858 which is considered to have high criterion validity. Similarly, the Cronbach's alpha score for the dimension-specific result ranges from 0.776 to 0.823, which is considered satisfactory. Upon passing the reliability test as shown in table 1, the data collected in the pilot test will also be included to compute the final result. All factor groups, including innovative culture, achievement culture and role culture, passed the test.

**Results and Discussion** 

Table 2: Descriptive statistics and correlations between innovative culture, achievement culture, role culture and performance of hospitality industries.

	Variables	Mean	SD	1	2	3	4	5	6
1	Innovative culture	2.65	1.53	.880**	.826**	1.00			
2	Achievement culture	2.26	1.45	.742**	.731**	.769**	1.00		
3	Role culture	2.75	1.50	.866**	.899**	.838**	.712**	1.00	
4	Performance	1.96	1.80	.019**	.013**	.010**	.175**	.036**	1.00
NB: ** Significance at 5% level; SD = standard deviation									

Source: Compiled by Researchers, 2024

Table 2 presents a descriptive analysis for all variables used in the study. Based on the 5-point Likert scale, the mean value for hospitality industries performance was 1.96, indicating that the overall level of firm's performance was good. The mean values for innovative culture, achievement culture and role culture were in the range of 2.26 to 2.75, with role culture having a higher mean value than the other two. Table 2 also shows that all of the independent variables had a positive correlation with hospitality industries performance. The findings also show that the coefficient correlation values were below 0.9, which showed that there was no multi co linearity in the study variables.

**Table 3: Regression results** 

Dependent Variable: Performance (Hospitality Industries Performance)								
	$\mathbb{R}^2$	Adjusted	F-stat	Sig. F	Standardized	d Sig.		
Variables		$R^2$			β			
Performance	.96	.94	74.97	0.000	-	-		
Variables	Unstandardized Coefficients							
	В	Std. error	Standa	Standardized $\beta$		Sig.		
Constant	1.918	.062***						
Role culture	.431	.045**	.326			.49		
Achievement culture	.537	.034**	.431**	•		.00		
Innovative culture	.798	.133	.665**	•		.00		

R-squared = .961

Adjusted R-squared = .949

**Sum of Squares of residuals = 10415.703** 

F-statistic (prob.) = 74.974 (.000)

**NB:** \*\*(\*\*\*) Significance at 5% (10%) levels

Source: Compiled by Researchers, 2024

Table 3 presents the regression results for the model. The second row represents the collective analysis which is aimed at determining how innovative culture, achievement culture and role culture influence hospitality industries performance. The results showed that innovative culture, achievement culture and role culture explained 96% of the variation in hospitality industries performance. The model was significant with an F-statistic = 74.97 and a significant p-value = 0.00. All standardized beta coefficients were significant; showing a positive contribution to hospitality industries performance. The standardized beta coefficient also showed that innovative culture ( $\beta = 0.665$ ) contributes the most to hospitality industries performance, followed by achievement culture ( $\beta$  = 0.431). All of the afore-stated variables were significant with p-values < 0.05. Innovative culture remains the main contributor to hospitality industries performance, when compared with other. Through innovative culture, hospitality industries accumulate and generate information and knowledge which makes them more competitive. The generation of new knowledge and skill enables hospitality industries to update its collection of knowledge based on its environment to compete better in the market. Hospitality industries find that the updated and critical information directly improves their performance. As such, the alternate hypothesis was supported, which is consistent with earlier research findings (Mbwa, 2020; Olise & Okolocha, 2021; Oluwa & Ibrahim, 2021).

The study sought to examine the link between innovative culture, achievement culture, and role culture and hospitality industries performance. The results of the statistical analyses demonstrate innovative culture (r=0.798, p<0.000) regression of coefficients results shows that innovative culture and performance of hospitality industries were positively related. The analyses also show that achievement culture (r=0.537, p<0.000); regression of coefficients results also showed that achievement culture has a positive and significant influence on performance of hospitality industries

in the area under covered in the study; for role culture with regression coefficients results (r =0.431, p>0.492) showed that role culture and performance of hospitality industries were positively and significantly related. This connotes that increase in innovative culture, achievement culture, and role culture leads to increased performance of hospitality industries in Nigeria. This position was supported by the study carried out by Uddin et al (2012) that role culture significantly influences firm performance. The report also agree with report of Aluko (2013) that significant relationship exist between all measures of achievement culture and dimension of organization performance; and that of Blake and Mutton (2014) that innovative culture has a significant positive influence on organizational performance.

## **CONCLUSION**

Well-structured organizational culture is fairly indefinite, even though it appears constructive as it is revealed in this study as a catalyst for performance output, it can well culminate into shutting of wits and limitation and decrease of independence, but as revealed in this study, if proper changes can be made, such culture can be effective and adaptive. It gives also course and simultaneously prevents the employee from considering reality. The study of the data revealed a strong positive association between innovative culture, achievement culture, and role culture and performance. Therefore, we can conclude that performance of organization is influenced by innovative culture, achievement culture, and role culture.

On the basis of the study's findings, it is recommended that hospitality companies should increase positive perceived organizational support by increasing innovativeness received by employees through the implementation of administrative policies that are fair enough for all employees to provide support for a good work environment and working conditions, and maintain supervision support for employee work. Also, management of hospitality industries should pay particular attention to autonomy, formalization, workload, recognition and financial rewards. Since role culture dimension has a positive relationship with performance output. Management of hospitality industries should also pay attention to achievement culture since achievement culture has a positive strong relationship with performance output.

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