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# Determinants of Women's Participation in Strategic Decision Making in 5-star Hotels in Nairobi City, Nairobi County, Kenya

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**Abstract:** Hotel, Catering and Tourism industry are among the leading sectors globally. Figures from World Tourism Organization show that the global hotel industry revenue is increasing every year. The research was conducted to explore the determinants of women's contribution in strategic decision-making in 5-star Hotels in Nairobi City, Kenya. Precisely, the study investigated the influence of organizational factors in the hotel industry. The literature is pegged on the theories that relate to women's involvement in strategic decision-making in hospitality and review other relevant studies. These theories are Upper Echelon Theory and Role Congruity Theory. Existing literature was reviewed and three hypotheses were tested. Descriptive survey design was used. The study targeted managers of 5-star Hotels in Nairobi City which comprised of 340 employees in managerial positions. A sample of 78 was chosen out of the population of 340 with a 95% confidence level. The research employed stratified random sampling technique to 340 respondents in 5-star Hotels. Respondents were selected using simple random sampling method. The research administered questionnaires to collect data and further analysis done. The study applied Karl Pearson's product moment correlation analysis to determine the correlation of variables. Cronbach's alpha was used to test for reliability, or internal consistency. Validity test was also done. Validity happens when the measures of a unit have high correlation. Data collection was done through open-ended questionnaires. Data presentation was done through tables. Study findings indicate organizational factors play key influence in this study. There was close relationship between women's inclusion in leadership and all factors used in the study. This study enhanced the existing literature and the recommendations of the research will be useful to hospitality industry management as well as the government, hotel owners, management and hospitality training institutions. The study recommends policy makers in the hotel industry to make adjustments in the organizational structure to accommodate more women in leadership and make women-friendly corporate policies. The study recommends embracing of new strategies that aim at coming up with progressive ideas to address working hours for women in management positions, raise aspirations and confidence of women. The study recommends further research to be conducted on government's efforts and challenges it faces to achieve gender equity in hospitality industry management.

**Keywords:** Strategic Decision Making, Hospitality Industry, Leadership

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## 1. Introduction

In almost all organizations in the world, women are underrepresented and as a result they are pushed away from policy-making panels. In the political arena, women hold 16% of parliamentary positions globally [1]. The marginalization of women from managerial positions limit the chances of establishing the democracy and gender equity in the society,

and affects economic development.

Worldwide, progress has been recorded in women being involved in managerial positions in all aspects of life. These positions have for long been the preserve of men. This progress can be attributed to deliberate action taken by United Nations agencies concerning gender equality.

When the development of Kenya is assessed based on male and female population, there is the need to involve women in

leadership. Despite the high population of women voters, underrepresentation is high. Similarly, this is replicated in the hotel industry. More women are now taking up management positions and are actively involved in key policy-making. However, women in these key policy-making position are fewer compared to the number of men. This situation is attributed to personal, institutional and societal obstacles that prevent women from rising to leadership levels [2].

A survey in India revealed that five percent of women get promoted to senior management positions [3]. In global perspective, NDTV Business reported that female occupied 24% of the top management positions. Catalyst cited that having few women in management is a global concern. A comparative survey revealed that women hold only 12% of UK company directorships and in the hospitality industry, the figure dropped drastically to 6% [4]. Some Commonwealth countries have taken great developments to realize gender balance in the hospitality industry.

### **1.1. Women's Participation in Decision Making**

Women's contribution in policy-making has reformed the operations of institutions over years. According to [5] there is a drastic increment of women entering labor force. One of key reasons is the increasing awareness on the importance of education in the society. There is a decreasing rate of marginalization on women schooling and also in pursuing some careers.

Organizational culture is a major contributor towards key strategic policy-making. A study carried by Wentling stated that organizational cultures which elevate men over women have negative effect on women career progression and becoming leaders [6]. Moreover, some organizations are beginning to develop deliberate strategies to boost women to be in a position to take management roles [7]. Women-friendly policies help in women career life.

Although there is impressive number of women labor force increase, there remains few women in leadership. The difference is noticed at higher ranks in organizations. Hospitality sector is mostly led by men, and smaller representation of career women affects women participation concerning strategic policy-making [8]. In India, many women in mid-career are quitting job in hotels and opting for self-employment.

There are two types of drawbacks that hinder women's career progression which include external and internal barriers [9]. Internal barriers are a result of one's inborn character. External barriers depend on situations which vary from time to time. Generally, both of the barriers may affect female's career growth. However, contrary to the existing culture to discriminate women, 2013 HVS report reveals that some barriers are self-imposed. In this case, women prioritize personal life over career progression opportunities. Most of barriers involving domestic responsibilities result from lack of mentorship and career plans [10].

### **1.2. Decision Making in the Hospitality Industry in Kenya**

Management positions in hotel industry are taken over by

men despite of gender rule of one third. According to K. A. H. C., out of thirty four (34) female hotel general managers for star rated hotels (3) 8% in management positions.

As stated by upper echelon theory, key decisions in an organization are influenced by the nature of leadership. Also, the working experience and academic qualifications also influence the quality of decisions made in an organization. Gender segregation in the hotel industry denies women opportunities in leadership [11].

Although there is an overwhelming entry of women in hospitality sector, there is under-representation in the management. Most of women concentrate at lower level of management such as customer service manager, marketing and housekeeping department where progression in the tourism sector career is slow [12]. As explained by role congruity theory, women are faced by a myriad of challenges and there is always the perception that women cannot be good leaders.

### **1.3. Statement of the Problem**

The hospitality industry plays a strategic role in economic development in Kenya. The industry has greatly contributed to the country's economic growth. Despite being in a position to employ a large number of people, recent research indicates that the system of hotel industry especially extended hours, curtails women from joining hotel industry. Since women are already disadvantaged at the recruitment stage, there are higher chances of them being inadequately represented in policy-making positions [13].

Available literature is insufficient in providing information on the institutional factors that influence women's contribution within the hotel industry in Kenya. This being said, a survey of the pioneering and recent literature on women's contribution in leadership shows that most of it is based on research done in the west. There is insufficient literature on women and decision-making in Africa. A preliminary search of secondary sources reveals that data on Kenyan female managers in the hospitality industry is almost non-existent. The existing literature in Kenya largely documents women in management and in political leadership but does not go into the details of the underlying factors.

Women progression in leadership has not matched with the growing figures on women in job market. In as much as women are studying and joining labor force, there is a limited number in leadership, and this stalls the incentive to be aggressive in their career. This status report discloses the glass ceiling that prevents women from getting lucrative paying jobs.

### **1.4. Objective of the Study**

#### **1.4.1. General Objective**

To establish the influence of Organizational factors on women's participation in strategic decision-making in the hotel industry.

#### **1.4.2. Research Hypothesis**

Ho1: Organizational factors do not have significant

relationship with women's participation in strategic decision-making in the hotel industry.

### 1.5. Theoretical Review

Theoretical review discussed upper echelon theory, and role congruity theory.

#### 1.5.1. Upper Echelon Theory

Upper echelon theory was put forward by Hambrick, Donald and Phyllis in 1984. The theory states that people in leadership handle different circumstances from their point of understanding. The personalized construal is as a result of different understandings, principles, characters and other human factors. Upper echelons theory has helped researchers understand the impact of leadership to the organization.

Upper echelon theory explains that key decisions to run the organization are associated with the nature of leadership. The theory states that TMT comprises of the managers and directors in an organization holding particular capabilities that are useful in decision-making to the organization. Hambrick and Mason argue that a person's character is nurtured by working experience and academic level.

Basically, senior executives of an organization are in charge of devising strategies and ensuring good performance. While using both viewing strategy and construing strategic options, personnel in the upper echelons certainly act according based on their past experiences. The key role of management is the responsibility to make wise strategic decisions that will ensure the organization performs better than any other. It is really hard to separate organizational strategies from the individuals that make strategic decisions. Moreover, the management is responsible for devising the path which the organization takes.

Upper echelons theory is applicable in this study because of its approach to leadership and detailed explanation about managerial decision-making in organizations. The theory informs the study that executives comprising of men and women would make informed decisions and ensure gender balance. It is through upper echelons theory that the researcher confidently understands how strategic decisions are made and the impact of personal skills to an organization.

#### 1.5.2. Role Congruity Theory

Role congruity theory recommends that an accurate assessment is based on the intrinsic features of a group being acknowledged to support the group's mission [14]. The theory gives an explanation of the low number of women in leadership bearing in mind that there are shortcomings women experience which result from expected characteristics of a strong leader. The theory explains the incompatibility of both genders and puts women to be less favorable as compared to men.

Role congruity theory of predisposition to women suggests that alleged inconsistency between the role of women and responsibilities in management leads to two forms of perception: (a) women as not ideal to be in leadership and (b) the character of women not to be suitable for a leader. As a result, women are disadvantaged and this comparison pushes

women away from leadership opportunities.

The society perceives women as low status individuals in comparison to men [15]. The perception arises from society norms and expected responsibilities. These gender stereotypes lead to a greater social variance between males and females. Men seem well suited for leadership roles. Moreover, women face challenges in managerial tasks in the hospitality industry and this persisting challenge can only be solved if women are involved in leadership.

The theory is applicable in this study because it gives insight to address gender issues. It states that to achieve gender equity in all levels, it is paramount to first engage women in leadership. Research of gender issues reveals that men are recognized as more focused than women. However, if women are supported, they can perform equally as men. Moreover, the shared attributes of women such as empathy and love differ from qualities such as being assertive.

### 1.6. Conceptual Framework

It refers to a representation as a diagram of how different variables in a study are related. The independent variables include organizational factors. The study's dependent variable is women's participation in strategic decision-making.

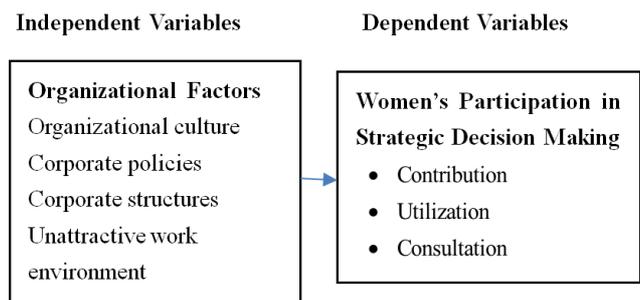


Figure 1. Conceptual Framework.

#### 1.6.1. Unattractive Work Environment

Most studies highlight the drawbacks which women encounter in career progression at Rwanda's hotel sector in support of this study.

The primary outcomes of these studies were that women were perceived as sex acquaintances. It also revealed women lacked the required academic qualifications to be promoted to senior positions. Besides, managerial primacies, family duties, selection processes and the nature of work involved in the industry led to gender disparity. Moreover, selection for positions was based on family networks and social connections. In as much as the study supported this research, it did not look into organizational factors into details.

#### 1.6.2. Corporate Policies and Structures

Organizational culture influence on corporate performance highlighted on several factors which are relevant to this study. The findings concluded that a culture of shared understanding between employees and managers, and employee-focused leadership helps in motivating employees. The findings also show the room for economic growth in the local economy

when business managers use strategies that accommodate women. However, the study did not delve into all the organizational factors affecting leadership and specifically women. The study was general and the researcher did not focus on challenges women face.

Organizational culture influence on organizational performance is relevant for this study. Organizational culture has major influence on various organizational process, employees and its performance. The research shows that common norms and values among employees can lead to performance improvement in an organization. Similarly, this study did not tackle the case of women in leadership.

## 2. Methodology

### 2.1. Introduction

The chapter tackles research design; description of research area, target population, the sampling technique. It also presents the research instruments, pre-testing among other parameters.

### 2.2. Research Design

The research used an exploratory research design. The design used captured the relevant determinants to the research. Descriptive research design as an appropriate methodology to define organizations. Moreover, it is the best research design to give an opportunity to observe the occurrence from natural perspective and also integrated data collection techniques. These methods include qualitative and quantitative. The research design is deemed effective to analyze the qualitative information associated with this study.

### 2.3. Target Population

Population is a collection of items with similar attributes. For this study, the units of observation were the hotel general managers, departmental heads and supervisors. The unit of analysis was the FSH. In Nairobi City there are 17 Five-Star hotels (Tourism Regulatory Authority, 2016) and were the unit of analysis in this study. In each Five Star Hotel, 20 management staff was selected by convenience sampling technique. Target population was  $17 \times 20 = 340$  staff.

### 2.4. Sampling Frame

Sampling frame are units of a population where a sample can be derived. The Scholar used stratified sampling technique. A sample was selected from the entire management staff. The sampling frame of this study is general managers, departmental heads and supervisors working in 5 selected five-star hotels within Nairobi City.

### 2.5. Sample Size

Sample size refers to entire units selected for observation. A sample of 78 was chosen out of a population of 340 with a 95% confidence level.

$$n = \frac{NC^2}{C^2 + (N - 1)e^2}$$

Where

n=sample size

N=size of target population

C=coefficient of variation (0.5)

e=error margin (0.05)

The estimated sample size (n) will be:

$$n = 340 (0.5)^2 / (0.5)^2 + (340 - 1) (0.05)^2$$

$$= 78 \text{ staff}$$

### 2.6. Data Collection Instrument

A qualitative questionnaire was used because of their flexibility in any setup and also from a small or large population. A questionnaire comprises of inquiries printed on a form. The questionnaires were distributed out among FSH in Nairobi City. The respondents were requested to indicate their opinions by selecting relevant choices.

### 2.7. Validity of Research Instrument

Validity is described as the ability to provide accurate results when conducting research. Convergent validity happens when the measures of a unit have high correlation. On the other hand, discriminant validity measures concepts which are different. To determine validity of research instrument, experts in the hospitality industry were engaged to give their opinion. The opinions and suggestions offered helped to improve the data collected in the study. Therefore, the research instrument was modified for finer and valid data.

### 2.8. Reliability of Research Instrument

The research instrument used has been proven to give authentic results with no variance on the test results. In this research, the questionnaire and statistical software used will give reliable results to give the desired results. Cronbach's alpha is useful in the project in assessing the reliability, or internal consistency. Therefore, Cronbach's alpha proves the consistency of a concept as reliable. Estimates of internal consistency (alpha) coefficients 0.8 was considered adequate.

### 2.9. Data Analysis and Presentation

Information collected was reviewed for accuracy in order to have credible results. The questionnaires were reviewed to ensure all the questions have been attended to and the information is reliable. The primary data was analyzed and presented using different methods. A statistical tool was used and the results were clearly presented by using charts or proper tabulation. The mean of organizational factors were analysed and a mean above 3 supported the hypothesis.

The following is the multiple regression equation;

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

Where:

Y=Women's Participation in Strategic Decision Making

X1=Organizational Factors

$\beta_0$ =constant value

$\beta_1$ -n=the regression coefficient

$\epsilon$ =error term

Decision:

When the values of X1, is below 0.5, the H0 is rejected, and if above 0.5, the H0 is supported. The average value from the analysis of organizational factors was 0.68 respectively. Therefore, the hypothesis was supported.

### 3. Research Findings

#### 3.1. Organizational Factors

The above regression equation show that organizational factors affect strategic decision-making in five star hotels by p-value 0.0217 below 0.05. The p-value implies that organizational factors are significant. The study revealed that women perceive managerial positions which would give them the chance to take part in strategic decision-making belong to the male gender. The perception is wrong and can only be addressed through sensitization on the significance of women's capability to believe in their ability.

The study findings show that the structure of hotel industry is not career-friendly. The study established that corporate policies and organizational structure has great impact. Most of the respondents felt that some corporate policies did not favor women to climb the corporate ladder. In addition, organizational structure did not accommodate the plea of women to become part of hotels management.

The research findings show that discrimination, networking, harassment and perceptions, management attitudes, and supportive working environment are main barriers affecting women career progression in most countries. Women involvement in leadership is essential since their angle of perception and opinions are important if viable progress is to be realized. Their participation makes sure that there are fewer cases of vulnerability.

#### 3.2. Discussion

The study findings show that organizational factors moderately affect women's involvement in leadership. This was manifested through a moderate mean value of 3.2, and therefore, organizational factors such as corporate policies, organizational structure and unfavorable working hours negatively affect women's involvement in management.

### 4. Conclusion

The study also shows that organizational factors such as corporate policies, organizational structure and unfavorable working hours negatively affect women's involvement in leadership. It was concluded that sensitization on the significance of women's capability was necessary for them to believe in their ability. Moreover, it was concluded that, organizational factors moderately affect the overall

performance of organizations and they should be reviewed to ensure gender balance.

### 5. Recommendation

The following recommendations are suggested. Policy makers in hotel industry need to make adjustments on the organizational structure to accommodate more women in leadership and make women-friendly corporate policies.

The study also recommends organizations to embracing of new strategies that aim at coming up with progressive ideas to address working hours for women in management positions. Moreover, the study recommends empowerment of women and initiate strategies to raise aspirations and confidence of women. Hotels should also offer legislative and economic incentives to motivate women to advance to higher working positions. In efforts to address societal norms towards women's role, the study also recommends encouraging women into non-traditional vocations. Employers in the hotel industry should also revise the approach and solutions to moderate work, parenthood and family. Maternity leave should be redesigned to accommodate women in leadership.

### 6. Suggestion for Further Research

Further research can be directed to support government's efforts to address challenges faced to achieve gender equity in the hospitality industry management. Moreover, there is much to do in terms of formulating corporate policies and the challenges faced in their implementation to achieve a gender balanced workforce. The research will help to improve women's representation and also help address the perceived factors affecting women's productivity. As a result, this will also help to streamline the hospitality sector.

The study focused on 5-star hotels which are in Nairobi. This study recommends future research in other sectors such as tourism sector to achieve clear comprehension of the challenges which affect the entire hospitality and tourism sector. The recommended study will strengthen the ideas on leadership in hotel industry and in other sectors of the economy.

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