

Top Management Team Shared Responsibility and Non-Financial Performance of Star-Rated Hotels in Uganda: The Moderating Role of Innovativeness

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ABSTRACT

This study aimed to examine the moderating effect of innovativeness on the relationship between Top Management Team Shared Responsibility (TMT) and non-financial performance of star-rated hotels in Uganda. A positivism research philosophy and an explanatory research design with a cross-sectional approach were adopted, while a multi-stage sampling technique; stratified and simple random techniques was used to collect quantitative data using self-administered questionnaires to a sample of 265 managers from 53 star-rated hotels. Both descriptive and inferential statistics were analyzed and a hierarchical regression model was used to test the set hypotheses. Results indicate a positive, significant relationship between TMT Shared Responsibility and non-financial performance. Innovativeness as a predictor of non-financial performance and also exerts a moderating effect on TMT Shared Responsibility and Non-financial performance of star-rated hotels in Uganda. Based on the findings the study concludes that under high level of innovation, TMT Shared Responsibility highly improves non-financial performance of star rated hotels. Thus, hospitality management should create a conducive environment for innovativeness through research and development, rewarding creative ideas and responding to changes in the hospitality environment as these enhance performance. The novelty of this research resides in the moderating role of innovativeness in enhancing non-financial performance of star-rated hotels. Also, conceptualization of the TMT Shared Responsibility and innovativeness as intangible resources for enhanced performance.

Keywords: Top Management team shared responsibility, Non-financial performance, Innovativeness, Star-rated hotels, Uganda.

JEL Classification: M19 Business Administration: Other.

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Highlights of this paper

- The study investigated the moderating effect of innovativeness on the relationship between Top Management Team Shared Responsibility (TMT) and non-financial performance of star-rated hotels in Uganda.
- Innovativeness as a predictor of non-financial performance and also exerts a moderating effect on TMT Shared Responsibility and Non-financial performance of star-rated hotels in Uganda.
- Hospitality management should create a conducive environment for innovativeness through research and development, rewarding creative ideas and responding to changes in the hospitality environment as these enhance performance.

1. INTRODUCTION

Performance of firms has been recognized as core to businesses in achieving firm objective and realizing firm optimal output. However, there has been questions among researcher and scholars on why some fail while others succeed (Ongori, Iravo, & Munene, 2013) and this has influenced studies on the drivers of firm performance. This study focuses on the hotel sector, which is one of the most crucial sectors both nationally and worldwide. For example, the Statistics (2017) report indicates that the Uganda hotel industry contributes highly to the GDP with 95% of the hotels being owned by indigenous people, while in 2018, the hotel sector generated 10.4% of global GDP and approximately 320 million jobs worldwide (Sofronov, 2018).

Certainly, performance of firm entails actual output as measured against its projected objectives goals and outputs, thus academicians, as well as hotel management practitioners, have suggested various parameters to measure performance (Sainaghi, Phillips, & Zavarrone, 2017). However, a debate of which parameter is more appropriate between the financials and non-financials continues to grow. In this regard, some authors have posit that there are various shortfalls with use of purely financial performance measures (Abernethy, Bouwens, & Van Lent, 2013). Based on empirical evidence on current practice of non-financial performance measures, this study focuses on non-financial performance that has been advanced by some studies, as the major point of focus is to ensure a firm's long-term success (Sainaghi, 2011). Despite the perceived importance of the hotel industry, the current performance is still poor as evidenced by the high collapse rates due to very low occupancy that star-rated hotels continue to face. According to Omagon (2019), occupancy has declined since 2010 from a rate ranging between 70% to 90% dropping to a range of 28% and 50%. It has been argued that this may be due to the lack of co-ordination in the managerial workforce (O'Reilly, Caldwell, Chatman, Lapid, & Self, 2010) limited innovativeness which is extremely important for the service business (Gomezelj & Smolčić, 2016). Managers' incapacity to convert resources into value, imitable capabilities and performance can also be blamed for poor performance (Nath, Nachiappan, & Ramanathan, 2010).

There are numerous ways to think about the resources needed to improve a company's success. The concept of shared accountability by the Top Management Team (TMT) is used in this stud as a way to capture how managers identify environmental opportunities and threats, interpret relevant information, consider organizational capabilities and constraints to formulate and implement strategic change (O'Reilly et al., 2010). TMT Shared Responsibility is conceptualized as the extent to which the upper echelon team of a firm take the decisions together and are responsible for them (Mihalache, Jansen, Van den Bosch, & Volberda, 2014). Furthermore, scholars' research interest in top managers' roles in organizations continues to grow in order to determine how they influence organizational outcomes, with the general conclusion being that managers play a critical role in firm performance (Martin, 2011). It is especially important for the TMT of star-rated hotels to embrace shared responsibility because they are thought to invest heavily to achieve the star-rating. It is also believed that a hotel's performance is a function of the combined efforts of various departments, involving both the front office; reception,

food and beverage service, and the back office; kitchen and rooms (Hsieh & Lin, 2010). Much as research has established that the lack of TMT Shared Responsibility is a critical impediment to firm performance (Mihalache et al., 2014), studies explaining this relationship are few with calls for further research to improve our understanding of this relationship. This study therefore seeks to untangle the undefined relationship between TMT Shared Responsibility and Non-financial performance of star-rated hotels by revealing the moderating role of innovativeness.

The resource-based perspective shows how incomparable resources affect company performance. Various forms of resources have been highlighted as being significant for the realization of increased hotel sector performance (Hernández-Perlines, Ibarra Cisneros, Ribeiro-Soriano, & Mogorrón-Guerrero, 2020) and other sectors (Dawa et al., 2021). We sought to add innovativeness to this abundance of knowledge by bridging the gap between TMT Shared Responsibility and performance outcomes. This study suggests that while TMT Shared Responsibility is an important capability, innovativeness provides a lot more clarity in explaining firm performance.

Conceptualization of firm performance and its antecedents through the angle of the hotel sector this research environment for this study was chosen because hotels are the most major and well-known type of overnight accommodation in the world, selling offerings that include a mix of intangible service and tangible commodities components (Tajeddini, 2010). Because of this significant contribution to the tourist industry, extensive study on the behavior of hospitality establishments and stakeholders has been conducted (Gomezelj & Smolčić, 2016).

According to Omagon (2019), there are 62 star-rated hotels registered under the Uganda Hotel Owners' association since the hotel grading system was introduced in 2015 and recognized by the Uganda Tourism Board. The star-hotels range from five-star to two-star and are distributed across the country with 8% being 5-star-hotels, 30% being 4-star hotels, 27% being 3-star hotels while 43% are 2-star hotels. One of the challenges that star-rated hotels face is that while they invest heavily to attain the star-ratings, they still face stiff competition from other hospitality establishments, which are estimated to be about 3000 ranging from guesthouses, motels, inns, resorts and lodges according to the Uganda Hotel Owner's Association (Omagon, 2019). The ability to recognize the valuable resources and capabilities of TMT Shared Responsibility and innovativeness is therefore crucial.

1.1. Theoretical Framework

The resource-based view theory of a firm (Barney, 1991) has been widely employed to research organizational strategy. According to Asad, Sharif, and Hafeez (2016) resource-based view theory considers companies to have a distinct collection of tangible and intangible assets and competencies that enable them to achieve a competitive edge and superior performance. The resource-based theory is appropriate for understanding the non-financial performance of star-rated hotels because it describes how firms gain competitive advantage from the resources and capabilities they currently possess or can acquire (Agyapong, Essuman, & Afia Kesewa Yeboah, 2021). Star-rated hotels tend to be competitive to maintain or improve the star-rating and are usually dependent on the top managements' ability to obtain market information and make quick strategic decisions collectively.

The resource-based theory is applied to this study by suggesting that star-rated hotels have incomparable resources such as TMT Shared Responsibility and Innovation, which they must deploy to achieve firm performance. Competences, an inexhaustible resource, have been shown to influence business success in the past since they offer a firm with competitiveness (Mitchelmore & Rowley, 2013). On this basis, it is reasonable to conclude that managers and their capacity to share responsibility are a significant and important resource for the company.

Hotel managers head different departments but their separate performance is interdependent and crucial for the overall performance.

Firm performance results from a combination of firm-specific resources such as new knowledge, products and services (West & Noel, 2009). Innovativeness is therefore a key resource described in the literature. Firms are able to create a broad set of skills (Gomezelj & Smolčić, 2016) which are valuable tools for competitiveness (Teixeira & Ferreira, 2019) and survival in the an ever revolving business environment (Sainaghi et al., 2017). Ultimately, innovativeness enables firms to align their other resources with overall firm performance.

2. HYPOTHESES DEVELOPMENT

2.1. Top Management Team (TMT) Shared Responsibility and Firm Performance

The relevance of the TMT in influencing firm performance has encouraged academic interest over time. According to Mitchelmore and Rowley (2013) firm growth and performance has be identified as antecedents of workforce's competencies, particularly the Top Management who are in control of the firm's strategic planning. The phrase trans-active memory is used in team literature to describe the combination of each individual's knowledge and a collective awareness (Hollingshead, Brandon, Yoon, & Gupta, 2011).

According to Mihalache et al. (2014), there is limited understanding of the relationship between TMT Shared Responsibility and firm performance. The structural environment of an organization, as expressed in organizational units' decision autonomy and shared accountability, may affect the relationship between its alignment, adaptability, and performance objectives (Errays & Hattabou, 2015). The study found that when individual organizational units share responsibility for the overall performance of the organization, the performance effects of adaptability are stronger, and the findings show that the relationship between adaptability and performance is positive at high levels of shared responsibility and neutral at low levels of shared responsibility.

Based on the above discussion, the following hypothesis emerges:

H1. There is a significant positive relationship between TMT Shared Responsibility and non-financial performance.

2.2. Innovativeness and Non-Financial Performance

The proclivity of firms to participate in and support new ideas that may result in new technological products, services, or processes has been defined as their innovativeness (Anjani & Yasa, 2019). Innovative hotel products and services include a wide range of factors, such as establishing online check-in and checkout systems in which the customer becomes a co-creator in the innovation process (Sarmah, Kamboj, & Rahman, 2017). Firms can thus develop a diverse set of skills and knowledge (Omerzel & Antoncic, 2008), which are valuable tools for competitiveness and continued existence in a constantly changing business environment (Sainaghi et al., 2017; Teixeira & Ferreira, 2019). Moreover, it is believed that the development of new technologies, products, and services through innovation (Anjani & Yasa, 2019) enables business success (Carmona-Márquez, Leal-Millán, Vázquez-Sánchez, Leal-Rodríguez, & Eldridge, 2016), which is credited to the firm's innovative capacity (Prifti & Alimehmeti, 2017), since previous studies have shown that an increase in innovation results in an increase in positive business performance outcomes.

2.3. Innovativeness as a Moderator

A review of the literature that provides empirical conclusions about the moderating effects of product/service innovativeness reveals that there are few studies in the literature for operationalizing innovativeness as an intervening variable (Hatak, Kautonen, Fink, & Kansikas, 2016) especially in hospitality performance research. Nevertheless, some performance studies exist that conceptualize innovativeness as a mediator (Al-Momani, Mahmoud, & Ahmad, 2018) with limited studies focusing on the moderation effect. For example, Li, Liu, and Zhou

(2018) evaluated innovativeness, as a moderator on the relationship between market orientation and performance in small Chinese firms. The previous results revealed innovativeness to act as a positive moderator.

In relation, this study further draws support from previous research where it has been asserted that innovativeness is a managerial role and moderates the relationship between firm performance and its predictors (Wang & Dass, 2017). Firm managers therefore have the responsibility to introduce new services that improve quality, thereby both meeting the changing requirements of potential customers and positively changing the customer perception of the firm image (Glynn & Chen, 2009). In this paper, it is argued that both innovativeness and TMT Shared Responsibility are necessary to enhance firm performance because if moderation effect is found to be correct, then by modifying either of the two, a star-rated hotel should have positive performance outcomes, which should be higher with increased innovativeness.

It is therefore hypothesized that:

H2. Innovativeness significantly and positively influences non-financial performance star-rated hotels

H3. Innovativeness moderates the relationship between TMT Shared Responsibility and non-financial performance star-rated hotels

3. METHODOLOGY

3.1. Design, Population and Sample

This study was based on field research conducted from April 13th to April 15th, 2021, which used a cross-sectional research design and involved the use of questionnaires to collect original quantitative data from star-rated hotel managers who head the departments of general manager's office, Food & Beverage service, Kitchen, Rooms, and front office/reception because they have a clear understanding of the performance of their departments, which contribute to the overall hotel performance. Stratified and simple random sampling techniques were used to obtain a sample of 265 managers (53*5) by selecting 5 managers from each of the sampled 53 star-rated hotels from a population of 62 star-rated hotels.

3.2. Measurement of Study Variables

All variables used in this study, were measured on a five-point Likert scale using items adopted from previous studies and modified to fit the current study context. The dependent variable; (Non-Financial Performance) was measured using non-financial indicators based on parameters that were commonly used by hospitality scholars as applicable to hotels. Ten items were adopted to cover customer satisfaction (Chen, Hsu, & Tzeng, 2011; Wadongo, Odhuno, Kambona, & Othuon, 2010), Timely and Quality service and Hotel image (Avci, Madanoglu, & Okumus, 2011).

TMT Shared Responsibility was measured by six items to capture the extent to which team members perceive they have responsibility and authority, how their departments behave towards each other and how the general manager involves the other team members in decisions about aspects of day-to-day operations (Ling, Simsek, Lubatkin, & Veiga, 2008). Finally, eight items were used to measure the moderator; Innovativeness in terms of hotels' ability formulate new products, services and processes (Covin & Miller, 2014; Grisseemann, Plank, & Brunner-Sperdin, 2013; Kantur, 2016).

3.3. Control Variables

The study has four covariates namely; age, gender, highest level of education and Tenure have all been previously found to significantly affect firm performance hence should be monitored by being included in the model.

For example, studies have all indicated that the level of education and tenure have a significant effect on the ability of managers to make the right strategic decisions and consequently enhance firm performance (Kusumasari, 2018). Gender was measured as “0” for Female and “1” for Male while the respondents’ age also believed to affect performance (Shrestha, 2019) was grouped into four categories 21 – 30 years, 31 – 40 years, 41 – 50 years, over 50 years) and the respondents’ highest level of education was categorized as; Diploma, Degree, Post Graduate, and Others.

4. FINDINGS

4.1. Sample Characteristics

The 265 (two hundred and sixty-five) self-administered questionnaires, of which 260 were recovered but only 247 were used because 18 of them were not properly filled and thus excluded from the analysis. This equated to a 93.2 percent response rate. Table 1 gives a summary of the demographic characteristics of respondents, which reveals that the majority of respondents (n=157) were between the ages of 31 and 40, with a 63.6 %, followed by those between the ages of 21 and 30, with a 21.1 % (n=52). The other age group were those of ages 41-50 representing 15.0% (n=37), then those aged over 50 (n=1, 4%) were the least. The males outnumbered the females by a margin of 62.8 % (n= 155), while female was represented by 37.2%, (n= 92). Majority of the respondents, 98 (39.7%) were degree holders while 60 (24.3%) had attained post graduate qualifications, followed by Diploma holders who were 59(23.9%) and the rest (others) who didn’t fall in the specified education levels were 30 (12. 1%). Majority of the respondents had worked in the hotel for 4-6 years, (n=138) with a (55.9%), which was followed by those who had worked for less than 3 years with a 27.5 %, (n=68). Those who had worked for 7-8years were 31 (12.6%), while those who had worked for more than 8 years were represented by n=10 (4%) were the least.

Table-1. Demographic attributes.

Demographic attributes		Frequency	Percentage (%)
Manager’s age group	21-30	52	21.1
	31-40	157	63.6
	41-50	37	15.0
	Over 50	1	4
	Total	247	100.0
Gender	Male	155	62.8
	Female	92	37.2
		247	100.0
Highest Education Level	Diploma	59	23.9
	Degree	98	39.7
	Post Graduate	60	24.3
	Others	30	12.1
	Total	247	100.0
Tenure	Less than 3years	68	27.5
	4-6 years	138	55.9
	7-8 years	31	12.6
	More than 10	10	4.0
	Total	247	100.0

4.2. Measures of Data Variability and Correlation

Table 2 presents the study's means, standard deviations, reliability, and correlation results for all variables. Non-Financial Performance has the highest mean of 4.0142 and the lowest standard deviation of .31061, while TMT Shared Responsibility has the lowest mean of 3.9488 and the highest standard deviation of .46605. Furthermore, the scale reliability was within the acceptable range, as the Cronbach' Alpha was greater than.65 for

all variables, which is acceptable (Nunnally, 1978). Results of correlation indicate that all variables were positively associated with Non-Financial Performance with Innovativeness having the highest relationship with $r = .682$, $p < .01$, followed by TMT Shared Responsibility with $r = .581$, $p < .01$ while university reputation has the weakest but positive association with $r = .199$, $p < .01$.

Table-2. Means, standard deviations, reliability and correlation results.

Variable (N=247)	Mean	S.D	Reliability(α)	Correlation
Non-Financial Performance	4.0142	0.31061	0.739	-
TMT Shared Responsibility	3.9488	0.46605	0.692	0.581**
Innovativeness	4.1303	0.32414	0.656	0.682**

Note: **. Correlation is significant at the 0.01 level (2-tailed).

4.3. Factor Analysis

To test for construct validity, the items related to all of the study variables were factor analyzed using principal component analysis with Varimax rotation prior to testing the hypotheses Table 3. Three factors explained 41.95 percent of the variance for the full set of variables, according to the analysis. Non-financial performance was designated as factor one, and it had a five-item loading that explained 16.872 percent of the variance. The second component identified through the research was Innovativeness, which had four items and accounted for 13.71 percent of the variation. TMT Shared Responsibility was the third factor, and it only had three things loaded. This variable accounted for 11.37 percent of the variance.

Table-3. Factor Analysis - KMO and Bartlett's Test.

Non-Financial Performance	
Our hotel continuously aims to maintain or improve its star-rating	Dropped
Our customers are likely to return	0.737
Majority of our employees are full time	0.617
Customer requirements are met on time	0.637
corporate sponsorships are offered by our hotel	0.508
Our hotel guests enjoy relaxation, exercise, and refreshment	dropped
We have standard design- facilities, renovations and maintenance systems in place	dropped
Customers like the services offered to them by our employees (Removed)	dropped
Our hotel is effective in generating high quality solutions (Removed)	dropped
We have new customers	0.643
TMT Shared Responsibility	
As managers we are involved in changing policies that affect a portion of the hotel	dropped
We participate in Hiring midlevel management personnel	dropped
Managers are consulted on making capital expenditures greater than 1% of our hotel's annual budget	dropped
We participate in making changes in the way hotel firm produces its products/services	0.697
As managers we discuss expectations of each other	0.513
Hotel departments are evaluated on their joint performance instead of separate departmental performance.	0.54
Innovativeness	
As managers we are effective in making decisions that require high levels of creativity	dropped
Our hotel emphasizes pursuing knowledge that fits a changing environment.	0.566
When drawing up strategies, our hotel easily responds changes in the environment.	0.755
Our hotel usually makes significant changes in products/services	0.521
Our employees are rewarded for new ideas	0.708
Our hotel eliminates products or services in later stages of their life cycle	dropped
Our hotel, attaches great importance to research and development activities	dropped
In the past one year my department has adopted new services, technologies and processes	dropped
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.721
Bartlett's Test of Sphericity Approx. Chi-Square	1133.174*

4.4. Hypotheses Testing

To investigate how much variance in non-financial performance of star-rated hotels is accounted for by TMT shared Responsibility in the presence and absence of innovativeness, a four stage hierarchical multiple regression using the enter method was adopted as a suitable method of analysis (Darren & Paul, 2012). As Table 4 reveals, the control variables of respondents' gender, age, highest level of education and tenure were entered in the first stage (model 1), then the direct effect of TMT Shared Responsibility, was entered in the second stage (model 2), followed by the direct effect plus the moderator (Innovativeness) which were entered at stage three (model 3) and finally at stage four, the moderating effect of Innovativeness on the relationships between the TMT Shared Responsibility and Non-financial performance of star-rated hotels was analyzed (model 4).

In model 1, effect of the control variables (respondents' gender, age, highest level of education and tenure) in this study were examined. Results from Table 4 show the study findings of the control variables' effects on non-financial hotel performance. The study shows that gender, significantly predicts non-financial performance of star-rated hotels with $\beta = 0.251$, $p = .005$. Results also show that managers' age group, significantly predicts non-financial performance of star-rated hotels with $\beta = 0.251$, $p = 0.034$. In addition, the managers' education level was not significant with $\beta = -0.061$, $p = 0.349$. Finally, the managers' tenure was significant with $\beta = -0.242$, $p = 0.011$. Further model 1 explains 7.2 % ($R^2 = 0.072$) of the variance in non-financial performance which is statistically significant with $F(4,242) = 10.968$, $p = 0.000$.

Table-4. Results of hypotheses testing.

Variables	Model 1	Model 2	Model 3	Model 4
	Beta	Beta	beta	beta
Gender	-0.373**	-0.189	-0.123	-0.163
Age group	0.251*	0.191	0.175*	0.221**
Education Level	-0.061	-0.035	0.020	-0.032
Tenure	-0.242*	-0.122	-0.091	-0.127*
TMTSR		0.551***	0.298***	2.049***
Innov.			0.512***	1.686***
TMT SR*Innov				-0.996***
R ²	0.072	0.360	0.552	0.598
ΔR ²	0.072	0.289	0.192	0.046
F	4.682***	108.736***	102.799***	27.522***

Note: Dependent variable: Hotel Performance, * $p < .05$; ** $p < .01$; *** $p < .001$.

In Model 2 of the same Table, results suggested that all control variables were insignificant in this model. In addition, TMT Shared Responsibility was found to have a significant direct effect on non-financial performance with $\beta = 0.551$, $p = 0.000$. This model explains 36% ($R^2 = 0.360$) of the variance in the dependent variable (non-financial performance). A change in R^2 ($\Delta R^2 = 0.289$) implies that TMT shared responsibility explained 28.9% of the variance in non-financial performance of star-rated hotels. Findings show that the Model is fit with a statistically significant $F(1,241) = 108.736$ and $p = 0.000$. Based on these results, hypothesis H1 is supported by the study.

In Model 3, the study shows that all control variables except age ($\beta = 0.175$, $p < 0.05$) were found to be insignificant as indicated by $p > .05$. In addition, TMT Shared Responsibility remained significant with $\beta = 0.298$, $p = 0.000$. Most importantly results showed that Innovativeness had a positive and significant direct effect on perceived non-financial performance with $\beta = 0.512$, $p = 0.000$. This model shows $R^2 = 0.552$, $\Delta R^2 = 0.192$ with a significant $F(1,240) = 102.799$, $p = 0.000$, implying that the model explained 55.2% of the variance in non-financial performance of star-rated hotels. The change in R^2 (ΔR^2) of 0.192 means that while holding constant other factors

in this model, innovativeness explained 19.2% of the variance in non-financial performance of star-rated hotels. Based on the above results, hypothesis, H2 is also supported.

Findings in Model 4 reveal that gender and education were insignificant in this model. However, the managers' age group ($\beta = 0.221, p < .05$) and the managers' tenure ($\beta = -0.127, p < .05$) were significant. Furthermore, TMT Shared Responsibility and Innovativeness remained significant in this model as shown by $p < .05$. In addition, results showed that Innovativeness has a moderating effect on the relationship between TMT shared responsibility and performance with $\beta = -0.996, p = 0.000$. This model shows $R^2 = 0.598, \Delta R^2 = 0.046$, a significant $F = 27.522$ and $p = 0.000$. The $R^2 = .598$ reveals that all the variables in this model accounts for around 60% of the variance in non-financial performance. On the other hand, a $\Delta R^2 = 0.046$ indicates that holding constant the control variables, independent variable and the moderator the interaction process explains 4.6% of the variance in the non-financial performance of star-rated hotels. Based on the above results, hypothesis H3 is also supported by the current study.

These moderation results are further illustrated by Figure 1, which indicates that at low levels of TMT Shared Responsibility, non-financial performance is high with high levels of Innovativeness and vice-versa. This interaction indicates that performance increases with both increase in TMT shared responsibility and innovativeness, the opposite also applies. Hence, Innovativeness acts as a remedy for low TMT Shared Responsibility in enhancing non-financial hotel performance.

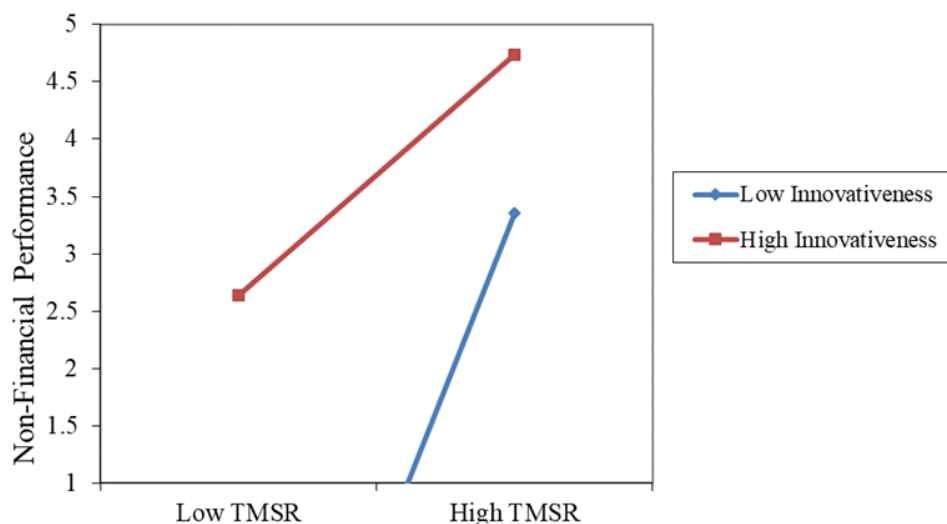


Figure-1. Moderating effect of innovativeness on TMT shared responsibility and hotel perceived performance.

4.5. Discussion, Practical and Theoretical Implications

This study aimed to establish the interaction effect of innovativeness on TMT Shared Responsibility and Non-Financial hotel performance. Our study results reveal some important theory and practical implications for the hospitality scholars and practitioners. We found that both TMT Shared Responsibility and innovativeness have a significant direct effect on non-financial performance. Further, innovativeness moderates the effect of TMT Shared Responsibility and non-financial performance. The results of our study support and extend previous studies, by García-Granero, Fernández-Mesa, Jansen, and Vega-Jurado (2018); Vij and Bedi (2016) and act as a basis for research and management implications.

Findings revealed that TMT Shared Responsibility has a significant direct effect on non-financial performance. This results is consistent with the findings of García-Granero et al. (2018) who posit that when managers enjoy collective decision-making, they tend to be more productive. It is therefore imperative of for hotel managers to establish mechanisms of departmental coordination, and collective responsibility for the overall hotel performance.

Besides, our finding lends support to the conclusion that the top team, rather than the top person, has the greatest effects on organizational functioning

We also found that innovativeness is a predictor of non-financial performance which is supported by the notion that innovativeness is not only essential for business survival but also for its higher performance (Wang, Kafouros, Yi, Hong, & Ganotakis, 2020). Hotel managers should therefore encourage creativity and uniqueness among the employees through rewarding new ideas, products and services to enhance quality of hospitality services (Tajeddini, 2010). Research and development being core to innovativeness, should be prioritised by hotel management to enable hotels meet the ever changing hospitality customer needs.

The study findings in relation to moderation effect of innovativeness was also found it to be significant. We learned that in order for a hotel to enhance its performance, the managers do not have to only have collective idea generation but also aim at idea uniqueness by continuously improving the available resources within the hotel. In this regard, we support the conclusion of Camisón and Monfort-Mir (2012) that; while the service sector is less technologically innovative than the manufacturing sector, innovativeness can be performed on the previous experiences. Besides, Yousaf et al. (2021) support the notion that innovativeness enables firms to easily adapt the necessary changes, which arise due to rapidly changing market trends. Such changes require the combined efforts of hotel human resources but the impact on performance can be greater with ideas that deviate from the normal.

Theoretically, this study contributes to existing literature on the role of TMT Shared Responsibility and innovativeness in influencing performance. It further reveals that innovativeness improves non-financial performance and also acts as a moderator. We also contribute to Resource Based View literature by conceptualizing innovativeness and TMT shared responsibility as intangible resources

4.6. Limitation and Recommendations for Future Research

It should be noted however that this study was not without limitations. Data was collected at a point in time which could have caused common method bias. In addition, the study was quantitative in nature basing on primary data obtained using closed ended questionnaires limiting a deeper insight into the respondents' knowledge and practice of the study concepts. Also non-financial performance, innovation and TMT shared Responsibility were measured subjectively. In addition, results of this study focused on only the hotel industry making it difficult to generalize the findings to other sectors.

Future studies should be conducted to include intervening variables that may moderate or even mediate the relationship between the study variables. Also qualitative studies using in-depth interviews should be given consideration to reveal other factors that affect non-financial performance of star-rated hotels other than those considered for the study. Finally, additional research is required to investigate the robustness of our findings and to determine the extent to which our findings can be generalized to other contexts or countries.

5. CONCLUSION

This study offers an extensively integrative approach for comprehending TMT Shared Responsibility and Non-Financial Performance of Star-Rated Hotels Moderated by Innovativeness. According to the findings of the study, TMT Shared Responsibility and Innovativeness predict non-financial performance of star-rated hotels. Furthermore, the study confirms that the relationship between TMT Shared Responsibility and Non-financial performance of star-rated hotels is moderated by innovativeness.

This implies that the predictive effect of TMT Shared Responsibility increases with increasing innovativeness, implying that the variables used in this research play a significant role in the non-financial performance of star-rated hotels, and our research results as well mark some intriguing suggestions for future work.

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