Blueprint Academic Publishers

Journal of Frontiers in Humanities and Social Sciences
3(2)
Received: June 20, 2025
Accepted: August 18, 2025
Published: August 28, 2025

Effects of Organizational Culture on Hotel Survivability: Evidence from Western Uganda

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Abstract

Uganda's hotel industry continues to grapple with challenges such as underdeveloped organizational culture, ambiguous value systems, inconsistent operational procedures and limited talent retention mechanisms, all of which constrain organizational adaptability, competitiveness and threaten long-term survivability. However, limited research exists on strategically leveraging organizational culture as a technique to ensure long-term hotel survivability. This study therefore examines the effects of organizational culture on hotel survivability, focusing on evidence from hotels in Western Uganda. The study was grounded in the Dynamic Capabilities Theory (DCT), developed by Teece, Pisano, and Shuen (1997). This study employed a convergent mixed methods research design underpinned by pragmatism. The target population comprised 400 hotel managerial staff in Western Uganda, from which a sample of 200 managers was drawn for the quantitative strand and 10 executives purposively selected for the qualitative strand. Stratified sampling guided the quantitative selection, while purposive sampling was applied to qualitative interviews. Questionnaires were used to collect quantitative data, and semi-structured interviews were used for qualitative data. To ensure the quality of the data, confirmatory factor analysis (CFA) was used to check for construct validity, and the Cronbach test was used to evaluate reliability. Descriptive and inferential analysis was performed on the quantitative data using SPSS v18.0 and AMOS v26. The qualitative data from the interviews was analyzed through thematic analysis. The results indicated that organizational culture significantly and positively impacts hotel survivability ($\beta = 1.250$, $p = .004$), suggesting that improvements in organizational culture meaningfully enhance hotels' adaptive capacity, which in turn strengthens their long-term survivability prospects. The qualitative study highlighted sustainability, adaptability, and employee engagement as key dimensions for long-term resource renewal, swift market response, and effective organizational change execution. Strengthening these capabilities improves the competitiveness and survivability of hotels in western

Uganda, allowing them to thrive in a dynamic hotel market. Hotel policy makers should prioritize building a resilient organizational culture by embedding sustainability, adaptability, and employee engagement into their strategic and operational frameworks. This study validates dynamic capability theory in growing hotel markets, offering practical insights for hotels in emerging markets to enhance performance and long-term survival through sustainability, adaptability, and employee engagement.

Keywords: Hotel survivability, sustainability, adaptability, employee engagement, Western Uganda

Journal ISSN: 3005-513X

Issue DOI: https://doi.org/10.69897/jofhscs.v3i2

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Funding: The author received no financial support for the research, authorship and/or publication of this article.

Data Availability Statement: The authors confirm that the data supporting the findings of this study are available within the article [and/or] its supplementary materials or upon a reasonable request.

Competing interests: The authors declare no potential conflicts of interest with respect to the research, authorship and/or publication of this article.

Introduction

The hotel industry as a vital revenue generator, job creator, and sector that promotes innovation and competition (Santa, Rodríguez Victoria & Tegethoff, 2025). According to the W Hospitality Group's 2025 study, Africa's hotel development pipeline is growing at a rate of 13.3% annually, which is faster than worldwide trends. North Africa is growing at a rate of 12% and sub-Saharan Africa at a rate of 4%. Also, according to Ministry of Tourism, Wildlife and Antiquities (2025), tourism is a vital sector in Uganda, contributing to national income, 7.2% employment, generating UGX 6.06 trillion and boosting tourism investments by 17.2%, highlighting its growing importance in driving economic growth and resilience. In regions such as Western Uganda, hotels are central to this process, attracting visitors, generating revenue, and sustaining local livelihoods. Yet, running a hotel today is far from predictable. Owners and managers face a mix of challenges strong competition, changing guest expectations, and wider economic uncertainties that require them to adapt quickly and keep their operations resilient over time. Hotel survivability has been described as a hotel's ability to withstand operational and market disruptions by maintaining adapting to changing conditions, recognizing trends, implementing strategic transformations and financial health(Melián-Alzola, Fernández-Monroy, & Hidalgo-Peñate, 2020). According to Teece (2007) a business must exhibit adaptability by identifying opportunities and risks, seizing

them effectively, and implementing necessary transformations to remain relevant.

Transformation, sensing, flexibility, and financial health are significantly shaped by organizational culture. Transforming necessitates creativity, experimentation, and openness to new ideas, which thrive in innovative cultures and are linked to increased employee satisfaction and competitive advantage. (Reidhead, 2020; Bui & Le, 2023). Sensing, a process involving rule adherence and monitoring, is a key aspect of bureaucratic culture, financial stability in established firms (Phung & Nguyen, 2025). Through empowering staff, promoting collaboration, and enhancing responsiveness to change, supportive cultures promote adaptability and in turn resilience in times of disruptions (Reidhead, 2020; Bui & Le, 2023). While supportive cultures encourage stewardship and shared responsibility, bureaucratic cultures promote cost management and stability, which improves financial health (Phung & Nguyen, 2025; Ogbonna & Harris, 2002). Thus, hotels can attain long-term competitive positions when cultural practices balance innovation, control, collaboration, and stewardship in line with their settings.

Meanwhile, recent research conducted in Uganda, there is a complex link between culture and organizational outcomes. For instance, Aketch, Basheka, and Bagire (2017) found that while having a clear mission and involving employees improved hotel performance, the adaptability aspect of culture so important for innovation did not show a significant impact. Likewise, Musoke and Pule (2024) reported that strong organizational culture was linked to lower staff turnover ($R = .249$, $p = .001$), but it only explained a small fraction of the difference between hotels, just 12%. From much of the recent research, most of the work done so has considered immediate performance outcomes, such as profits or retention, without exploring culture's deeper role in shaping a hotel's capacity to adapt and endure. Therefore, a notable regional gap exists where there is limited empirical evidence linking organizational culture to hotel survivability. Research on this local reality can shed light on how organizational culture as a Dynamic Capability can influence hotel survivability.

The purpose of this study is to examine how organizational culture influences the survivability of hotels in Western Uganda, utilizing a convergent mixed methods approach. Anchored in Dynamic Capability Theory, the study explores the impact of organizational culture on hotel capabilities like sensing, adaptation, and transformation, which are crucial for sustaining survivability. Both qualitative and quantitative approaches are employed to provide contextual insights and statistical support for the complex relationship between organizational culture and survivability. To achieve this overall aim, the study pursued three specific objectives: first, to assess the effect of organizational culture on hotel survivability using structural equation modeling; second, to explore hotel leadership's perceptions of the role organizational culture plays in influencing hotel survivability; and third, to integrate the quantitative and qualitative findings to develop a comprehensive understanding of how organizational culture supports or undermines survivability in Uganda's hospitality sector.

Literature Review

Hotel survivability

Hotel survivability refers to a hotel's ability to withstand operational and market disruptions by maintaining adapting to changing conditions,

recognizing trends, implementing strategic transformations and financial health (Melián-Alzola, Fernández-Monroy, & Hidalgo-Peñate, 2020). Hotel survivability refers to a hotel's ability to withstand and adapt to internal and external disruptions in order to maintain long-term operational continuity and strategic viability. Often used interchangeably with business survival, survivability encompasses financial health, leadership resilience, and the capacity to respond to dynamic market conditions (Melián-Alzola et al., 2020; Najib et al., 2021; El-Said et al., 2023). Broader literature across business and supply chains highlights survivability as the ability to maintain functionality, deliver value, and transform operations in the face of setbacks (Richards et al., 2009; Ivanov & Dolgui, 2020). According to this study, hotel survivability is defined as the capacity to strategically withstand and adapt to evolving challenges, securing a hotel's long-term existence in an unpredictable environment.

Organizational Culture

According to Wallach (1983, p. 29), organizational culture can be understood as "the way we do things here," reflecting the shared values, norms, and practices that guide behavior and interactions within an organization. The study evaluates organizational culture through hotel employees' and managers' perceptions of innovative, bureaucratic, and supportive cultures, focusing on risk-taking, teamwork, and professional development. Formal processes, hierarchical control, and structured decision-making are all emphasized in bureaucratic cultures. A supportive culture promotes professional growth, teamwork, and recognition. Innovation and taking risks are encouraged by innovative cultures (Ziaei Nafchi & Mohelská, 2020).

Empirical Review of Organizational culture and survivability

Global empirical research confirm the strategic importance of organizational culture. Studies from Pakistan (Ali Zeb et al., 2020), Turkey (Taşkıran et al., 2017), France (Cherchem, 2017), and the U.S. (Groves, 2007; Ford & Weissbein, 1997; Tracey et al., 1995) demonstrate that culture promotes improvement, teamwork, and leadership development. Beckers et al. (2020) show that value-aligned cultures unleash energy and strengthen organizational resilience. In another study by Escribano-Navas and Gemar (2021) who conducted an econometric survival analysis on 2,615 Spanish hotels from 2005 to 2018, using a complementary log-log model with panel data, the study found that financial variables such as sales, the ratio of working capital to total assets, the years of experience, and the gender of a hotel's principal executive significantly influenced hotel survival. Nafchi et al. (2020) validated Wallach's cultural typologies including innovative, supporting, and bureaucratic cultural dimensions as indicators of organizational success as well as predictors of organizational performance.

Empirical research across African hospitality contexts consistently affirms the pivotal role of organizational culture and ethics in enhancing hotel performance. Komunga (2025) and Osita et al. (2021) demonstrate that embedding ethical values within organizational culture fosters employee morale, improves internal operations, and enhances customer satisfaction. Matete and Kilika (2023) further reveal that culture-driven organizational behavior significantly affects service quality. In Egypt, Elnagar et al. (2022) found that cultural traits such as fairness, teamwork, and equality positively influence financial performance and competitive advantage. Mavuso et al. (2020) emphasize that dimensions of

culture such as adaptability and mission significantly strengthen employee-based brand equity by aligning employee behavior with the firm's identity. Similarly, Egbebu (2022) highlights that employee involvement and structured operational practices contribute to hotel growth and resilience. These findings suggest that an ethically grounded and participatory organizational culture drives both employee engagement and service excellence in the hospitality sector.

Within the hospitality industry, Reidhead (2020), through a qualitative case study of Hotel Hilton in the UK, found that a supportive and inclusive culture significantly boosts employee satisfaction and organizational performance. Similarly, Taha and Espino-Rodríguez (2020), applying the Competing Values Framework in Egyptian hotels, demonstrated that rational and developmental cultures positively influence sustainable performance, while hierarchical cultures hinder effective outsourcing. Collectively, the empirical studies emphasize the critical role of organizational culture in shaping performance outcomes.

Empirical studies in the Ugandan context highlight the critical role of organizational culture in enhancing business performance in the hospitality and Small and Medium Enterprise (SME) sectors. Basheka and Tugume (2016) found that participatory practices and effective communication significantly improve worker performance. Similarly, Aketch et al. (2017) and Muheebwa et al. (2018) identified mission clarity and employee involvement as key cultural drivers of SME performance and competitive advantage, though adaptability and consistency were found to be insignificant. In hotels, Musoke and Pule (2024) observed a correlation between strong organizational culture and reduced staff turnover, pointing to culture as a retention factor. Lujja and Katamba (2023) emphasized that specific cultural orientations such as paternalistic and participatory cultures support the survival of family businesses, offering a likening for hotel resilience. These findings suggest that mission-oriented and participatory organizational cultures contribute to long-term organizational stability, employee retention, and overall performance, making them key predictors of hotel survivability under changing business conditions.

Theoretical Framework

The Dynamic Capabilities Theory (DCT), developed by Teece, Pisano, and Shuen (1997), provides the theoretical underpinning for this study. The theory holds that competitive advantage lies in both the availability of resources and the ability to integrate, build, and reconfigure resources in line with changing circumstances. The Dynamic Capabilities Theory (DCT), developed by Teece, Pisano, and Shuen (1997), suggests that competitive advantage is not solely derived from resource possession but also from the ability to adapt and modify these resources in response to changing environmental conditions. Teece's subsequent work (2007, 2014, and 2018) refined the approach into ability in: recognizing opportunities and threats, adjusting operations for resilience and renewal, and leveraging opportunities and countering threats through cautious allocation of resources. Dynamic Capability Theory (DCT) provides the theoretical underpinning for this study. According to DCT, firms survive in dynamic environments by developing capabilities to sense changes, seize opportunities, and transform internal operations (Teece et al., 1997; Wilden et al., 2016).Organizational culture is conceptualized as an enabling context for dynamic capabilities specifically, the firm’s ability to learn, innovate, and adapt. Cultures that support

flexibility, strategic leadership, and knowledge sharing enhance dynamic capabilities, allowing organizations to sustain operations and respond to disruption (Helfat & Martin, 2015). This study explores the role of organizational culture in a hotel's survivability, focusing on its adaptability, sensing, transformation, and financial health. Grounded in the dynamic capability theory to explain hotel operations, the study makes the case that organizational culture constitutes a strategic resource that fosters long-term survivability and enhances dynamic capabilities.

The Conceptual Model

The conceptual model illustrates latent variables (represented by ellipses), with organizational culture conceptualized as an exogenous construct and Survivability as an endogenous construct.

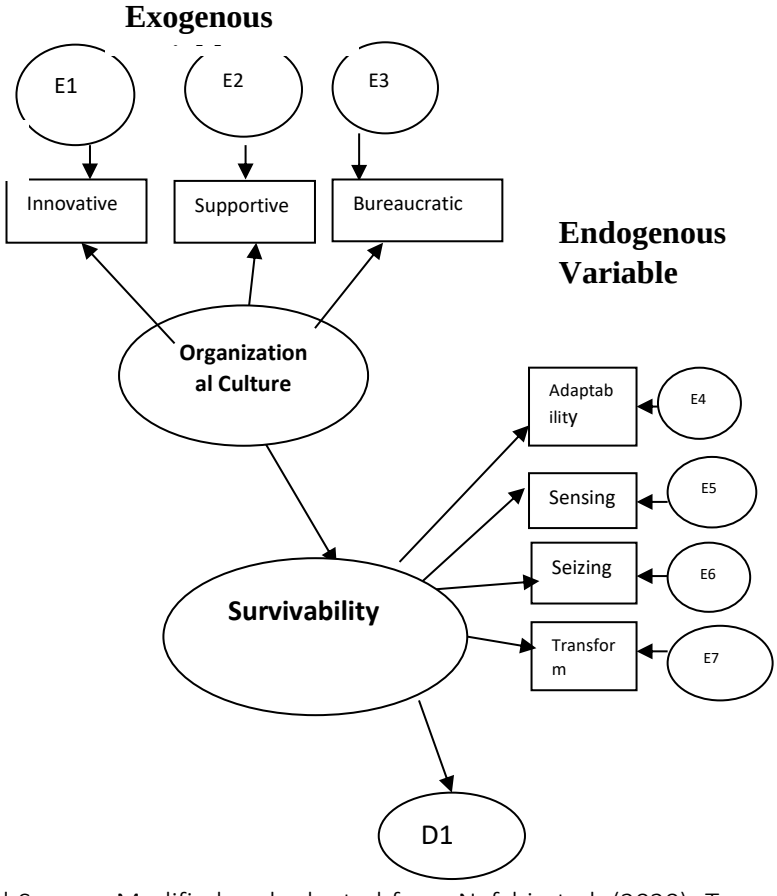

Figure 1: Conceptual model Source: Modified and adapted from Nafchi et al. (2020); Teece, 2007; Rhyne, 2020)

In the model the observed variables (represented by rectangles) are as follows: for Organizational Culture they are innovative culture supportive culture and bureaucratic culture while those for are Survivability are adaptability, sensing and transformation, and financial health. The model illustrates a direct path from organizational culture to survivability, with associated error terms (e1–e7) and disturbance terms (d1) accounting for the unexplained variance in the latent construct.

Adaptability is the ability to adjust strategies and operations in response to environmental shifts, supported by dynamic capabilities like sensing and

transformation, and fostered by an innovative culture that encourages flexibility and continuous improvement. Sensing enables early identification of opportunities, risks, and changes, relying on open, communicative, and innovative cultures to facilitate attentiveness and information flow. Transformation involves realigning assets, structures, and routines to stay aligned with external demands. It depends on cultural support for change particularly from innovative and supportive cultures. However, this can be hindered by bureaucratic rigidity. On the other hand, Financial Health is a tangible outcome when sensing, transformation, and adaptability are aligned. Bureaucratic culture may contribute to financial Health through financial discipline, while an innovative culture ensures strategic relevance and responsiveness.

Methodology

This study employed a convergent mixed methods research design underpinned by pragmatism, which values both subjective and objective knowledge and emphasizes practical inquiry over philosophical debate (Creswell & Plano Clark, 2011; Patton, 2005). Pragmatism allows integration of qualitative and quantitative approaches to explore complex social phenomena. This design was chosen to investigate the relationship between succession planning practices and hotel survivability in Western Uganda, a region characterized by cultural diversity and operational variability.

The study was conducted across 40 hotels in Western Uganda, selected from Mbarara, Fort Portal, Hoima, and Kabale. The target population was 400 hotel functional managers, including heads of departments, supervisors, and other hotel support functional leaders. In each hotel ten (10) respondents were targeted comprising, the hotel operations manager, an assistant manager, Finance controller, heads of (Front office, Food and Beverage service, Food production, Housekeeping, Marketing and Sales, Finance, Security/Maintenance and departmental supervisors) Using Yamane's (1967) formula, the sample size was determined to be 200. The study employed a proportionate stratified random sampling technique, whereby the population was divided into strata by district and job role, and respondents were selected proportionally from each subgroup. This ensured fair representation of all studied geographical areas as indicated in Table 1 below.

Table 1: Target population and sample allocation by district

District	No. of Targeted Hotels	Target Population	Sample Size (Proportionate)
Hoima City	13	130	65
Fort Portal City	7	70	35
Mbarara City	13	130	65
Kabale	7	70	35
Total	40	400	200

For qualitative inquiry, 10 participants were purposively selected: five general managers and five owners, a size deemed methodologically acceptable for in-depth interviews (Hennink & Kaiser, 2022; Polit & Beck, 2013). These participants provided rich insights into succession planning, organizational culture, and hotel survivability that could not be fully captured through quantitative methods.

Quantitative data were collected using structured questionnaires administered to 200 hotel functional

managers. The instrument measured constructs such as organizational culture and hotel survivability using validated Likert-scale items. Simultaneously, qualitative data were gathered via semi-structured interviews with 10 key informants (owners and general managers). Participants were purposively sampled based on leadership roles and experience. Interviews were conducted in English, lasted 45–60 minutes, and were audio-recorded with informed consent. Interview questions were open-ended and designed to elicit participants' lived experiences and perceptions about succession planning and organizational culture.

A pilot test was carried out to evaluate the validity and reliability of the research instruments. Reliability was examined using Cronbach's alpha to assess the internal consistency of the measurement items. Content validity was established through expert review by hotel and human resource professionals. Convergent and discriminant validity were also assessed as part of construct validity. Convergent validity was tested using the Average Variance Extracted (AVE) to determine whether the items measuring a particular construct were strongly correlated and adequately captured the underlying concept. Discriminant validity was examined by comparing the square root of the AVE for each construct with the correlations among constructs, ensuring that each construct was distinct and not overlapping with others. For the qualitative strand, validity was strengthened through member checking and detailed context-specific descriptions, providing a deeper understanding of the influence of organizational culture on hotel survivability.

Quantitative data were analysed using SPSS Version 27 for preliminary tests and AMOS v26 for structural equation modeling (SEM), to rigorously assess the hypothesized relationship between organizational culture and survivability.

Qualitative data from interviews were transcribed verbatim and analysed using Braun and Clarke's (2006) thematic analysis supported by NVivo 6 software.

Results and Discussion

Response Rate

Out of 240 questionnaires administered, 200 were completed and returned, yielding an 83.3% response rate, which supports the representativeness of the sample (Table 2). This response rate was considered adequate for statistical analysis, as it exceeds the commonly recommended threshold of 70% for survey-based studies (Saunders et al., 2019).

Table 2: Response rate

Description	Number of Questionnaires	Percentage (%)
Distributed	240	100.0
Returned	200	83.3
Not Returned	40	16.7
Valid for Analysis	200	83.3

Respondent Background Characteristics

The background characteristics of the respondents were analyzed and are presented in Table 3 below. The sample had a fairly balanced gender distribution (54% male, 46% female).

Table 3: Background characteristics of respondents

Variable	Category	Frequency	Percentage
Gender	Male	108	54.0
	Female	92	46.0
Age group	≤ 25 years	47	23.5
	25–35 years	103	51.5
	36–45 years	35	17.5
	> 45 years	15	7.5
Marital status	Single	89	44.5
	Married	108	54.0
	Divorced	3	1.5
	Others	0	0.0
Period served in hotel	< 3 years	54	27.0
	3–6 years	50	25.0
	7–10 years	61	30.5
	> 10 years	35	17.5
Education level	Diploma	94	47.0
	Bachelor's degree	60	30.0
	Master's degree	17	8.5
	Doctorate	1	0.5
	Others	28	14.0
Position held in hotel	Upper Manager	31	15.5
	Human Resource Manager	18	9.0
	Head of Department	72	36.0
	Supervisor	31	15.5
	Others	48	24.0

Source: Primary Data, 2025

Most respondents were aged 25–35 years (51.5%), followed by those 25 years and below (23.5%). Marital status showed 54% married and 44.5% single. Work experience varied, with 30.5% having 7–10 years and 27% less than 3 years. Nearly half held diplomas (47%), followed by bachelor's degrees (30%). The majority were heads of departments (36%), with upper managers and supervisors each at 15.5%.

Preliminary Data Screening and Assumption Checks

Before conducting confirmatory factor analysis (CFA) and SEM in AMOS, the dataset was screened for completeness, outliers, and assumptions of multivariate normality and linearity. The screening process began with checks for missing data. All returned questionnaires were reviewed for completeness and accuracy, and the 200 responses were confirmed valid and suitable for further analysis (Creswell & Creswell, 2018). Outlier diagnostics was performed using SPSS

boxplots for univariate outliers and the Mahalanobis D-squared statistic for potential multivariate outliers to ensure dataset robustness before SEM analysis in AMOS. Outlier inspection in SPSS boxplots revealed only mild deviations, including Cases 28, 111, and 200 for survivability, Case 200 for organizational culture and succession planning, and Case 28 for internal promotion No outliers were observed for skill development and mentorship. Mahalanobis D-squared values further indicated a few cases with large multivariate distances, most notably Case 200 ($D^2 = 47.417$, p1 = .000, p2 = .012) as a strong potential outlier, alongside Cases 156, 105, 82, and 114. Mahalanobis D^2 values were computed to quantify the multivariate distance of each observation from the data centroid, with cases showing large distances and associated p-values below 0.05 identified as potential multivariate outliers. Results are presented in Table 4.

Table 4.: Mahalanobis D-Squared Values and Potential Outlier Identification

Observation No.	Mahalanobis Distance	p1 Value	p2 Value	Outlier Status
200	47.417	<0.001	0.012	Strong potential outlier
156	~46.000	<0.001	<0.001	Potential outlier
105	~42.000	<0.001	<0.001	Potential outlier
82	~40.000	<0.001	<0.001	Potential outlier
114	~38.000	<0.001	<0.001	Potential outlier
—	15–17	>0.050	>0.050	Not an outlier

Note: P-values reported as <0.001 indicate extremely low probability under the multivariate normal assumption.

Source: Primary Data, 2025

Given the relatively small sample size and the importance of preserving theoretical representation, none of the cases were removed. Their retention is consistent with recommendations in SEM, where mild or moderate outliers are often maintained unless they severely distort model fit (Byrne, 2016; Kline, 2016). This approach ensured that the AMOS analysis proceeded with the full dataset, minimizing potential bias from case deletion (Leys et al., 2019; Sullivan et al., 2021).

Sampling Adequacy

The data's suitability for factor analysis was evaluated using the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity. Results are presented in Table 5.

Table 5: KMO and Bartlett's Test of Sampling Adequacy

Construct	KMO Measure	Bartlett's χ^2	df	Sig.
Organizational Culture	0.782	618.131	45	0.000
Survivability	0.889	2345.013	325	0.000

Source: Primary Data, 2025

KMO values above 0.6 (0.782 for Organizational Culture; 0.889 for Survivability) and significant Bartlett's tests ($p < 0.001$) indicated adequate sampling and suitable correlations for factor analysis.

Descriptive Statistics

The study examined employees' perceptions of organizational culture and hotel survivability in hotels in western Uganda. Organizational culture shapes employee motivation, service delivery standards, and adaptability, while hotel survivability indicated the ability of establishments to remain competitive in a dynamic hospitality sector. Data were collected using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. The descriptive statistics are summarized in Table 6.

Table 6: Summary of descriptive statistics

Construct	Mean	Std. Dev	Skewness	Kurtosis
Organizational Culture	4.08	0.54	–0.615	0.443
Hotel Survivability	3.87	0.50	–0.811	1.838

Source: Primary Data, 2025

Managerial staff rated organizational culture positively (M = 4.08, SD = 0.54), suggesting generally strong perceptions of shared values, norms, and practices within their hotels. Hotel survivability was rated at a moderately high level (M = 3.87, SD = 0.50), indicating confidence in the hotels' ability to adapt and sustain operations over time.

The qualitative findings help explain these patterns. The qualitative findings provide depth to these patterns. Sustainability practices were described as cultural norms embedded in daily operations, enhancing both continuity and financial stability.

One general manager explained, *"We maintain our reputation by investing in maintenance, even during low seasons. Guests return because they trust we won't compromise on standards"* (R1, Hotel Owner).

This suggests that a bureaucratic yet supportive culture promotes practices that reinforce sensing capability and financial health, consistent with the quantitative results. Kyule (2022) similarly argued that Ugandan hotel managers should focus on upgrading room facilities, improving service quality, and strengthening regulatory compliance to maintain competitiveness and resilience.

Adaptability also emerged as a cultural practice enabling responsiveness and innovation, though participants highlighted its constraints under rigid routines.

As one general manager remarked, *"We innovate when the system allows us to try new things, but strict routines sometimes hold us back"* (R4).

Prior studies support the role of adaptability in fostering resilience and innovation (Lubowa et al., 2020; Nkundabanyanga et al., 2020; Muhwezi & Kiliman, 2023), though others report limited or insignificant effects, suggesting that adaptability remains underdeveloped in many Ugandan hotels (Musoke & Pule, 2024; Aketch, Basheka, & Bagire, 2017; Muheebwa et al., 2018). This tension illustrates the interplay between bureaucratic stability and innovative flexibility, showing that while strong routines promote consistency, cultural adaptability is necessary for effective responses to change directly linking to the high factor loadings on adaptability and sensing.

Employee engagement further reinforced these findings. Staff described fairness, recognition, and transparent communication as cultural expectations that drive commitment and operational effectiveness. One general manager observed,

"Staff stay committed when they are treated fairly and compensated on time" (R1), while another added, *"A positive work environment makes staff more effective in their work"* (R10, Hotel Owner).

These perspectives align with the supportive dimension of culture and its positive influence on transforming capabilities and adaptability, emphasizing that engaged employees are essential to resilience and long-term survivability.

This interpretation resonates with the work of Aketch, Basheka, and Bagire (2017), who found that mission clarity and employee involvement manifested through empowerment, goal alignment, and emotional commitment critically shape organizational performance. Similarly, Muheebwa et al. (2018) highlighted that engagement, fostered through participatory practices, drives hotel performance in Uganda.

Reliability Analysis

Reliability analysis was conducted to assess the internal consistency of the measurement scales used in the study. Cronbach's alpha coefficients were computed for each construct as indicated in Table 7.

Table 7: Reliability of Indicators (Cronbach Alpha and Composite Reliability)

Variable	Cronbach Alpha	Composite Reliability (ρc)
Organizational Culture	0.789	0.790
Survivability	0.771	0.771

Source: Primary Data, 2025

As shown in Table 7, all values fall within the acceptable to good range, indicating strong internal consistency across items within each construct. This suggests that the items effectively measure the intended underlying dimensions.

Validity

Convergent and discriminant validity were evaluated to confirm the adequacy of the measurement model.

Convergent validity

Convergent validity was tested using the Average Variance Extracted (AVE) to determine whether the items measuring a particular construct were strongly correlated and adequately captured the underlying concept and the results are summarized in Table 8.

Table 8: Convergent Validity (AVE) of Constructs

Variable	Average Variance Extracted (AVE)
Organizational Culture	0.559
Survivability	0.533

Source: Primary Data, 2025

Table 8, show that both organizational culture (AVE = 0.559) and survivability (AVE = 0.533) exceeded this threshold of 0.50 indicating that the items under each construct demonstrated satisfactory convergent validity (Fornell & Larcker, 1981). These results suggest that the observed items shared a substantial amount of variance with their respective latent constructs and were suitable for inclusion in the structural model.

Discriminant validity

Discriminant validity was assessed using the Fornell-Larcker criterion, which requires that the square root of the AVE for each construct be greater than its

correlations with other constructs. The results are presented in Table 9.

Table 9: Discriminant Validity – Fornell-Larcker Criterion

Constructs	Organizational Culture	Survivability of Hotels
Organizational Culture	0.755	
Survivability of Hotels	0.650	0.730

Source: Primary Data, 2025

The Fornell-Larcker criterion shows that the square root of the Average Variance Extracted (AVE) for each construct exceeds its correlation with the other construct, indicating adequate discriminant validity. Specifically, the correlation between organizational culture and survivability of hotels is 0.650, while the AVE for organizational culture (0.755) and survivability (0.730) are higher, confirming that each construct is distinct and measured reliably. This supports the use of these constructs in subsequent SEM analysis to test hypothesized relationships.

Confirmatory Factor Analysis

Confirmatory Factor Analysis (CFA) was conducted to evaluate the measurement model and determine how well the observed variables represented their respective latent constructs. CFA provides factor loadings that indicate the strength of the association between each item and its construct, with values of 0.50 or higher generally considered acceptable indicators of construct validity. Results are presented in Table 10.

Table 10: CFA Loadings for Organizational Culture and Survivability

Construct	Indicator	Factor Loading
Organizational Culture	Bureaucratic (OCB)	0.742
	Supportive (OCS)	0.685
	Innovative	0.635
Survivability	Sensing (HSS)	0.825
	Adaptability (HSA)	0.794
	Transforming (HST)	0.729
	Financial Health (HSF)	0.551

Source: Primary Data, 2025

All indicators loaded moderately strong on their respective constructs, with bureaucratic, sensing, and adaptability showing the highest loadings, indicating that organizational culture and Survivability are well represented by their observed variables.

Structural Model Assessment

The structural model was assessed to evaluate the overall fit of the proposed relationships between organizational culture and hotel survivability. Model fit indices were computed to determine how well the hypothesized model corresponded with the observed data.

Model Fit Indices

Model fit indices were used to evaluate the adequacy of the structural model in representing the observed data. These indices provide different perspectives on model performance,

including absolute fit, incremental fit, and parsimonious fit. Table 11 presents the selected model fit indices used in assessing the structural model.

Table 11: Model fit indices for the final structural model

Fit Index	Value	Expected Value	Model Fit Interpretation
Chi-Square (CMIN) (DF)	101.318/77	Non-significant (p > 0.05)	Significant (p = 0.033); acceptable with strong other indices
CMIN/DF Ratio	1.315	< 2 or < 3	Good fit
NFI	0.937	≥ 0.90	Strong fit
RFI	0.901	≥ 0.90	Acceptable fit
IFI	0.984	≥ 0.90	Excellent fit
TLI	0.974	≥ 0.90	Excellent fit
CFI	0.984	≥ 0.90	Excellent fit
RMSEA	0.040	≤ 0.05 (excellent); ≤ 0.08 (acceptable)	Excellent fit

Source: Primary Data, 2025

The model fit indices reported in Table 11 show that the structural model met the recommended thresholds across several criteria. Although the chi-square statistic was significant, other indicators including the CMIN/DF ratio, NFI, IFI, TLI, CFI, and RMSEA confirmed that the model demonstrated an acceptable to excellent fit (Hair et al., 2010; Byrne, 2010). These results suggest that the latent constructs were measured both reliably and validly, making the structural model suitable for testing the hypothesized relationships.

Standardized Path Coefficients

Standardized path coefficients were examined to test the hypothesized relationships between organizational culture and hotel survivability. Table 12 presents the standardized factor loadings for the measurement model, showing the strength and significance of the associations between observed indicators and their respective latent constructs.

Table 12: Standardized factor loadings for measurement model

Latent Construct	Indicator	Loading	Significance
Organizational Culture	Supportive (OCS)	0.701	Sig.
Organizational Culture	Bureaucratic (OCB)	0.761	Sig.
Organizational Culture	Innovative (OCI)	0.601	Sig.
Survivability	Financial Health (HSF)	0.540	Sig.
Survivability	Transforming Capacity (HST)	0.669	Sig.
Survivability	Sensing Capability (HSS)	0.766	Sig.
Survivability	Adaptability (HSA)	0.849	Sig.

Source: Primary Data, 2025

The results indicated that organizational culture had a positive and significant effect on hotel survivability (β = .42, p < .01). In addition, organizational culture moderated this relationship with a smaller but significant effect (β = .18, p <

.05). The standardized loadings for all indicators were above the recommended minimum of 0.50, supporting the validity of the constructs. As noted by Van Zyl and ten Klooster (2022), loadings above 0.50 are acceptable when reliability and validity criteria are satisfied, while Awang (2014) also considers 0.50 as the minimum threshold for newly developed items.

Model Visualization

Model visualization was used to illustrate the structural relationships between organizational culture and hotel survivability. Figure 1 depicts the partial structural model focusing on the direct path between organizational culture and hotel survivability, with standardized loadings, error terms, and covariances.

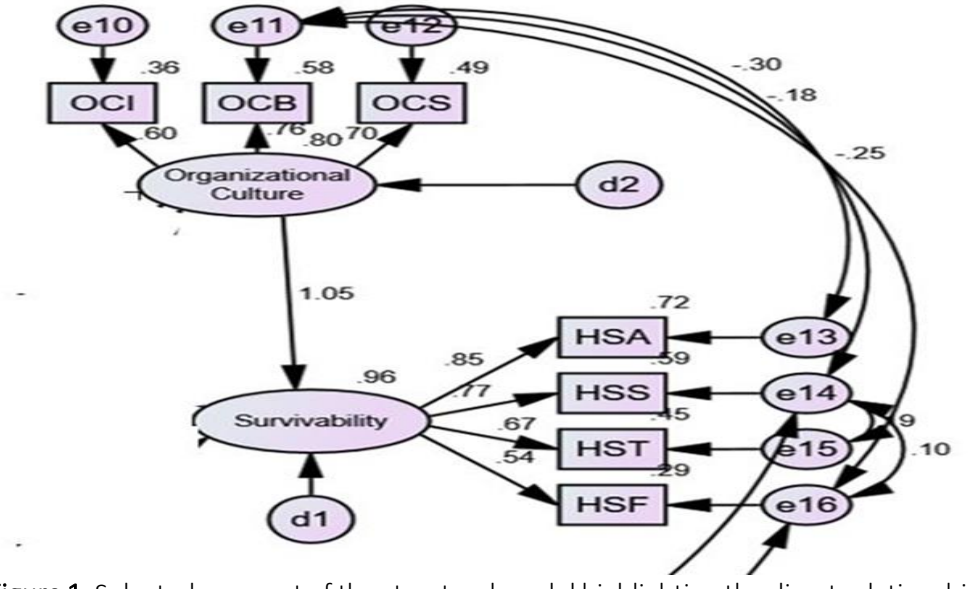

Figure 1: Selected segment of the structural model highlighting the direct relationship between organizational culture and hotel survivability
Source: Primary Data, 2025

The findings show that all paths represented in the figure were statistically significant, confirming a strong influence of organizational culture on hotel survivability. This visualization strengthens the interpretation of the structural model by demonstrating both the magnitude and direction of the tested relationships.

Regression Weights

Regression weights were examined to determine the strength and significance of the relationship between organizational culture and hotel survivability. Table 13 presents the unstandardized estimate, standard error (SE), critical ratio (CR), and p-value for the tested path.

Table 13: Regression weights for organizational culture predicting hotel survivability

Regression Path		Estimate (β)	S.E.	C.R.	p
Hotel Survivability Organizational Culture	←	1.250	0.438	2.854	0.004

Source: Primary Data, 2025

The results indicate that organizational culture had a significant positive effect on hotel survivability (β = 1.250, SE = 0.438, CR = 2.854, p = 0.004). This finding confirms that improvements in organizational culture are associated with increased hotel survivability, supporting the hypothesized relationship.

Hypothesis testing

Hypothesis testing was conducted to evaluate the proposed relationship between organizational culture and hotel survivability. Hypothesis H_{o1} stated that organizational culture positively influences hotel survivability. Table 14 presents the regression results for this path.

Table 14: Hypothesis testing for organizational culture and hotel survivability

Path	Estimate	S.E.	C.R.	P-value
Organizational Culture → Survivability	1.250	0.438	2.854	0.004

The results revealed that organizational culture significantly predicted hotel survivability (β = 1.250, SE = 0.438, CR = 2.854, p = 0.004). Since the p-value is below the 0.05 threshold, the null hypothesis (H_o) that organizational culture has no effect on hotel survivability was rejected. This confirms that organizational culture exerts a positive and significant influence on hotel survivability. It emphasizes the role of organizational culture in promoting adaptability, sensing, transformation, and financial health amid changes or disruptions that may affect achievement of business goals. This finding aligns with other empirical evidence. Studies from Pakistan, Turkey, France, and the U.S. demonstrate that culture enhances teamwork, continuous improvement, and leadership development (Ali Zeb et al., 2020; Taşkıran et al., 2017; Cherchem, 2017; Groves, 2007; Ford & Weissbein, 1997; Tracey et al., 1995). Beckers et al. (2020) further show that when organizational values align with individual behavior, cultures generate energy and strengthen resilience.

In Uganda, Basheka and Tugume (2016) showed that participatory practices and clear communication enhance employee performance, while Aketch et al. (2017) and Muheebwa et al. (2018) identified mission clarity and employee involvement as cultural enablers of competitiveness, even though adaptability and consistency were not significant in some contexts. Musoke and Pule (2024) linked strong cultures with lower staff turnover in hotels, pointing out that culture as a retention tool, while Lujja and Katamba (2023) found that paternalistic and participatory cultures strengthened the survival of family businesses, an insight transferable to hotel resilience.

Conclusion

In conclusion, the study emphasizes the crucial role of organizational culture in ensuring hotel survivability and success in competitive environments. The quantitative findings reveal the direct impact while qualitative findings sustainability, adaptability, and employee engagement on the culture, while the qualitative insights highlight the culture's vitality. The identified elements of a strong, positive culture are crucial for fostering resilience, driving performance, and supporting long-term growth in the hotel sector.

Recommendations

Policy Implications

Government agencies such as the Uganda Tourism Board and the Ministry of Tourism play a critical role in shaping the competitiveness and resilience of the

hospitality sector. They should design policy frameworks that encourage hotels to institutionalize sustainability, adaptability, and employee engagement as part of their performance standards. For instance, licensing and accreditation requirements could mandate regular infrastructure maintenance, environmental sustainability initiatives, and evidence of employee development programs. Incentives such as tax reliefs or promotional advantages for compliant hotels can strengthen adherence. Furthermore, the Ministry of Tourism could create training partnerships with universities and hospitality colleges to support hotel managers in embedding cultural values that enhance survivability. Such interventions would create a sector-wide benchmark, raising the quality and resilience of hotels across the region.

Practice Implications

At the organizational level, hotel managers and boards should leverage culture as a strategic resource to achieve adaptability, innovation, and long-term survival. This can be achieved by investing in leadership programs that equip managers and supervisors with ethical, adaptive, and people-centered leadership skills. Human resource practices should also be designed to reward innovation, empower frontline staff, and strengthen transparent communication, as these factors drive employee engagement and retention. Conducting periodic cultural audits can help hotels assess the extent to which shared values align with organizational practices, ensuring consistency between what is promoted and what is practiced. Maintaining service quality and infrastructure upkeep as cultural norms will not only improve guest satisfaction but also reinforce brand identity and loyalty. Integrating these practices into daily hotel operations would transform organizational culture into a source of sustainable competitive advantage.

Contribution to Knowledge

This study makes three significant contributions to knowledge. First, it provides empirical support that organizational culture is a significant predictor of hotel survivability, particularly in emerging hotel markets such as Western Uganda. Second, it offers a practical framework that integrates sustainability, adaptability, and employee engagement as the pathways through which organizational culture enhances survivability. This framework provides both scholars and practitioners with a grounded understanding of how culture translates into resilience and competitiveness. Finally, the study extends the dynamic capabilities theory by showing that organizational culture itself operates as a dynamic capability. Culture evolves with external changes, enabling hotels to sense opportunities, reconfigure resources, and sustain competitive advantage.

Suggestions for Future Research

Investigate how sustainable infrastructure practices influence brand loyalty and financial performance in mid-scale versus upscale hotels

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